

**MACMILLAN  
CANCER SUPPORT**

# **Annual Report and Accounts 2021**



# Welcome to Macmillan Cancer Support's Annual Report and Accounts for 2021.

Everybody, everywhere, has been affected by cancer in some way in their lifetime. This is why we create our annual report to raise awareness of the devastating impact of a cancer diagnosis and to help people understand the support and services Macmillan offers, plus how we raise and spend our money each year.

The report is divided into 5 easy-to-follow sections:

1. Our year at a glance
2. Strategic report
3. Governance
4. Financial statements
5. Thank you

## Navigating the report

You may prefer to read the report from start to finish, but if you'd rather start with the sections that interest you most, we have included easy navigation buttons on each page.

**Using the digital version:** If you're reading the digital version, you can use the clickable buttons in the footer of each page to easily navigate to different sections of the report. There are also a number of hyperlinks throughout which will take you to additional resources that may be of interest.

**Using the printed version:** The buttons at the bottom of each page will help you track which section you're reading, and we've also included QR codes. To use these, open the camera app on your mobile phone and point the camera at the QR code. Tap the link or banner that appears, and you'll be taken to a variety of additional resources.



It's been a pleasure to work on this report and hear so many inspiring stories and the amazing achievements and challenges faced

by my colleagues, our supporters, volunteers, professionals and partners. Macmillan has always been a charity close to my heart, thanks to my Nan and her love for Coffee Mornings throughout my childhood, so I'm extremely proud to be able to play a role in supporting people living with cancer.

I'd like to dedicate this report to all of the voices who have kindly shared their very personal stories and experiences. With your help, we can continue to raise awareness and inspire more people to do whatever it takes to help people living with cancer.

## Anna Hopper

Communications Officer & Annual Report Editor

# Annual Report and Accounts 2021

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## **Thank you**

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# Why we do what we do

## Roger's story

**“I am so thankful for my Buddy, Asha.”**

Roger, who is registered blind, contacted the Macmillan Support Line for information and guidance after he was diagnosed with prostate cancer. He was referred to the Macmillan Buddies service and paired with Asha, and they had weekly phone calls. Roger is now keen to explore the different ways he can give back to people in a similar situation to him.

**“The person I spoke to on the Support Line understood exactly what I was going through and handled my call really well. I was unsure about Macmillan Buddies at first, but my Buddy Asha and I really clicked and we had very similar interests. We never talked about the cancer. I am so thankful for Asha – having someone to talk to that I didn't actually know was the only good thing that came from my cancer. I always looked forward to the next call and I'm going to sign up to be a Macmillan Buddy myself.”**





## Asha's story

**“You give and get something different back each time.”**

Asha started volunteering for Macmillan after her brother was diagnosed with a brain tumour in 2016. After witnessing her brother's experience in hospital, she realised how many people with cancer must be lonely and suffering with no support. Through Macmillan, Asha has supported many people living with cancer over the years – from weekly phone calls to home visits and afternoon teas. Asha also helps run a support group for Asian people with breast cancer, to break the taboo around cancer in Asian communities.

**“You learn a lot as a volunteer, it really opens your eyes. You have to give it a few calls to get to know each person, it takes time for the barrier to come down and for people to open up. With every person you speak to, you meet and talk to people with such interesting backgrounds, you will give and get something different back each time.**

**The Macmillan Buddies service is great – I recently supported Roger who is blind, and I just listen to him and learn. We also have a laugh together and share jokes. He tells me about the apps on his phone and laptop that help him live his life. He is always positive.”**

# Summary of the year from our Chair & Chief Executive

## Last year people living with cancer needed us more than ever – and we were there for them...

...whether this was at the end of the phone, at one of our information centres or during their first treatment session, we were there. Our volunteers supported people through treatment and our Macmillan professionals worked tirelessly across the UK. Hand-in-hand with our campaigners, we stepped up to influence decision-makers to provide people with the care they urgently needed.

The impact of coronavirus continued to hit people living with cancer hard. The ongoing disruption to health and care services meant that too many people struggled to rapidly access quality cancer care and treatment. We continued to fight every day to do whatever it takes to ensure people with cancer got the support they needed to live life as fully as they can, whether that was with the physical impact of cancer, emotional support, financial guidance or questions about treatment.

To ensure care was personalised, we developed new services and invested in over 350 new roles for frontline Macmillan professionals. We gave a platform to those affected by cancer to hold governments to account. We also strengthened our work to address inequalities in access to cancer support services, to ensure we better reflect and represent all the communities we serve.

## £315 million identified gains

**Over 800,000 people were supported through our website and we identified almost £315 million in financial gains for people experiencing financial concerns.**

None of this would have been possible without the tireless dedication of our supporters, volunteers, professionals, employees and partners. We would like to say a huge thank you and we know we have a responsibility to repay this trust by building the best organisation we can.

The outstanding commitment and passion of our supporters means we are now in a strong position to be even more ambitious in our plans for 2022 and beyond. The urgency to step up for people living with cancer has never been greater. Acting together with heart, strength and ambition, we will continue to achieve remarkable things to help as many people living with cancer as possible to live their lives as fully as they can.

**Hear from our Chief Executive Lynda Thomas about her personal highlights of 2021** 

In Spring 2022, Lynda Thomas announced that she would be stepping down from her role at Macmillan as Chief Executive.

**“Leading this inspiring charity has been both an honour and a privilege. The pandemic has proven that, together with our volunteers, partners and professionals, we are strong, flexible and resilient – and I’m so proud of everything we achieved for people with cancer. It has also heralded a new era where cancer care and the fundraising environment are evolving. I believe the time is right to hand over to new leadership to take the organisation forward and ensure Macmillan continues to do whatever it takes for people with cancer long into the future.”**



**Richard Murley, Chair**

**Lynda Thomas, Chief Executive Officer**

### **.....Update at the time of writing.....**

Our senior leaders worked with our Black, Asian and Minority Ethnic and Disabled Employee Networks to commission the Social Justice Collective (SJC) to carry out a confidential listening exercise, to help us get a better understanding of the experiences of disabled and/or ethnically diverse colleagues at Macmillan, including those who are neurodivergent, or recovering from long-term conditions including mental health and cancer.

In June 2022, we received the report from the Social Justice Collective. The report revealed a number of areas where we have fallen far short of the standards that colleagues have a right to expect. As a leadership team, we fully accept the findings of the report and its recommendations. We are profoundly sorry that anyone has ever suffered a distressing or harmful experience at Macmillan.

We want to sincerely thank those colleagues who recounted their experiences, and we share their determination that Macmillan should be a workplace where everyone feels they belong. We are committed to making sure their strength in speaking up will help us make the changes needed to move us forward. The leadership team and trustees are taking urgent steps to address the issues identified and we will be reporting on progress made in our 2022 annual report.

# The difference we made

Right now, there are more than 3 million people living with cancer in the UK, and that number is set to grow to 4 million by 2030. Someone is diagnosed with cancer, on average, every 90 seconds. To support people affected by cancer, we rely on the dedication of thousands of colleagues, professionals, volunteers, partners and supporters. It's up to all of us to do whatever it takes to help everyone with cancer live life as fully as they can. Let's make it happen.

**2.4  
million**

In 2021, our services reached 2.4 million people affected by cancer

**£315  
million**

We secured a total of £315 million in benefits and grants for people living with cancer

**£227.5  
million**

Our supporters and fundraisers raised a tremendous £227.5 million

**44,000  
assessments**

44,000 electronic holistic needs assessments were carried out to help people living with cancer receive the personalised care and support they needed

# The difference we made (continued)

**103,000  
supported**

Almost 103,000 people supported through the Macmillan Support Line

**2,744  
trained**

2,744 healthcare professionals attended virtual classroom events on our learning hub

**Over 3,000  
counselled**

Over 3,000 people were referred to our free specialist counselling service

**Over 350  
new roles**

We invested over £29 million to fund over 350 new roles for cancer professionals

# Supporting people living with cancer

**At Macmillan, we do whatever it takes to give people living with cancer the support that's right for them. Because every person is different, and their care must be too.**

In person, online and on the phone, we uncover people's needs and then help to address them. We create new services, adapt old ones and speak up on behalf of those affected so governments will take action.

But we can't do this on our own. We need our supporters, partners, volunteers, employees, campaigners, and professionals to stand by our side and by the side of people living with cancer.



Anoushe pictured at a Macmillan Information and Support Centre in Whittington Hospital.

# Supporting people during the pandemic

In 2021, we continued to respond quickly to the ever-changing environment caused by the pandemic. Our focus was always set on providing people living with cancer and their loved ones with the care and support they needed, no matter where they were in the UK.

## Understanding the needs of people living with cancer

The impact of the pandemic combined with existing gaps in cancer care means too many people are not getting the quality of care and treatment they need.

As a result, we have conducted a wide range of research to gain a better understanding of the physical, emotional, financial, and practical needs of people living with cancer and how we can meet them.

At the start of the year, we published our research report: Cancer and Covid: The story so far. It features first-hand accounts from people living with cancer on the challenges they faced between March 2020 and February 2021. The report also showcases how Macmillan did whatever it took to improve people's lives during this period; and it encouraged other support providers to adopt these best practices too.

Through our research, we identified the five most common concerns for people living with cancer during the pandemic. These were:

1. Delays, disruptions and changes to the delivery of health services
2. The increased need for people to manage their own health and care
3. Communication issues, including problems with virtual consultations
4. Unmet needs because of a lack of advice or support
5. Feelings of abandonment because of the focus on coronavirus

These insights helped to inform how we adapted our existing services and developed new information and support in 2021. We also shared these findings with our partners and other service providers to help as many people as possible receive the cancer care they need.

For more information on how we influence others, refer to page 19.

[Read more](#) 

## Anxiety and fear

**“My friend dropped me at the hospital, but I went in alone. With my mask and disposable gloves on, I felt nervous being around anyone in the waiting room. I was told that ordinarily they would have offered me chemotherapy, but they were concerned about the pandemic.**

**The risk of contracting coronavirus with a compromised immune system was a very real possibility. The country was in full fear of coronavirus now and so was I.**”

**Melissa, who was diagnosed with breast cancer in 2020.**



# Providing support that's personal

One of our main priorities is to ensure more people living with cancer have good conversations with healthcare professionals about their all-round needs and concerns.

A key way we're making this happen is by funding more cancer professionals. In 2021, we invested over £29 million in 185 new nurse roles, over 170 more cancer support workers, navigators and community link workers, as well as other health and social care professionals, for a 3-year funding programme.

Having these roles in place means more holistic needs assessments took place last year, and more will be carried out in the future. A holistic needs assessment is an opportunity for a person with cancer to speak to a professional about their physical, psychological, spiritual and social needs. Following this conversation, a personalised care and support plan can be developed to make sure that a person's all-round needs are met.

[Read more](#) 

## Identifying individual needs

# 44,000

electronic holistic needs assessments

**In 2021, over 44,000 holistic needs assessments were carried out to help people living with cancer receive the personalised care and support they needed. This was a 16% increase on 2020.**

## How does Macmillan fund services and professional roles with partner organisations?

We work with a broad range of partners, such as the NHS, local authorities, health boards, private organisations and other non-profit organisations, to develop services and professional roles.

The standard arrangement with a partner is that we provide a grant to fund a service or role for an agreed period. Then the partner picks up the ongoing funding, manages the service or role, and monitors performance, which they report back to us. Funding Macmillan professionals in this way means we can support more professionals into more roles, in a sustainable way, and help as many people living with cancer as possible.

# New services to meet emotional needs

Cancer can be scary, and it often hits people hard emotionally. That's why we're constantly looking at ways we can reach people at diagnosis and beyond to provide them and their loved ones with the reassurance and support they need.

## Macmillan Buddies

In 2021, our befriending service continued to be an emotional lifeline to hundreds of people struggling with anxiety and loneliness caused by their cancer and the pandemic. Receiving a call once a week, for 12 weeks, and from the same volunteer, really made a huge difference to many people.

Last year, we also doubled the number of languages we offer this service in from 20 to 40. Critically, this is helping us support more people from ethnic minority communities who often struggle to access the cancer care they need.

We are confident that next year it will be safe enough for our volunteers from the Buddies service to also start providing support in people's homes so they can benefit from face-to-face support.

## A vital lifeline

# 678

## Macmillan Buddies

**678 Macmillan Buddies connected with over 3,000 people affected by cancer in 2021**



## The personal touch

**“Being there for a chat really helps people, especially if they feel like they are burdening their families with their worries or concerns. You can just be a listening ear, and often people feel better when they have voiced their emotions.**

**Some of the people I was partnered with for the Buddies programme are my friends for life now.”**

**Jez, Macmillan Buddy**

## Macmillan Wellbeing Coaching

Between May 2020 and May 2021, our volunteer coaches delivered over 1,400 one-to-one wellbeing sessions to 291 people living with cancer, either on the phone or online.

People had the opportunity to speak openly about their concerns and how they were feeling. The sessions also allowed them to learn about tools and techniques that could help them think in different ways and reach their goals.

**“It’s been so hard after three years of treatment to find “me”. Coaching has helped me find my normal.”**

**Someone who benefited from our Wellbeing Coaching service**

## Free specialist counselling

In 2020, we teamed up with Bupa to offer up to six one-to-one counselling sessions to people struggling emotionally because of cancer.

Last year, over 3,000 people were referred to the service. Out of this number, 65% of people were assessed as having moderate to severe depression before using the service. This figure fell to 35% after people finished their free sessions with a qualified therapist.

Overall, 80% of the people we spoke to about their counselling agreed or strongly agreed that their emotional wellbeing needs had been met by their sessions.

Now, we are working hard to make the service part of our core offering and expand it so more people living with cancer can benefit from this specialist counselling.

[Read more](#) 

**“Please, please make a case for this service to become permanent and fully funded. Not all NHS Trusts have oncology counsellors and cancer psychologists, and even if they do, the waiting lists are only growing longer. This can leave cancer patients feeling really adrift and alone.**

**Offering counselling that’s accessible to all, regardless of where someone lives or which hospital they go to, is one of the most helpful things that Macmillan can do.”**

**Azmina, Macmillan Cancer Support and Information Specialist**



# Reaching and supporting more people living with cancer

It's critical that people know about our wide range of services and how they can be used at the point of diagnosis and beyond. So in 2021, following extensive research, we significantly increased our investment in the marketing of our services.

## Supporting thousands in 2021

# 103,000

got in touch

**Almost 103,000 people were supported through our Support Line by email, phone or webchat**

# 23,500

signed up

**Over 23,500 new people signed up for our 'recently diagnosed' email support service**

# 22,000

joined

**Almost 22,000 new members joined our Online Community (+36% on 2020)**

In response to the pandemic, we continued to offer face-to-face and remote support to ensure people got the support they needed, whenever they needed it. The main reasons people contacted us were:

1. Emotional support
2. Financial support
3. Medical questions

## Improving experiences on our website

In 2021, we made it easier for people to find the information and support that's right for them.

This included allowing people to customise their website user profiles to receive personalised content about our services based on the time a person visited our website. For example, if someone visited our Macmillan Support Line webpage late at night, we directed them to relevant open services.

We also used tailored pop-up messages on our website to help direct people to information and support we thought was relevant to them. These notifications were informed by the pages on our site that a person had previously visited.

## Enhancing our Online Community

Our Online Community offers people affected by cancer a safe and friendly place to talk to others going through similar experiences, 24 hours a day.

In 2021, over 339,000 unique people accessed the Community, after we improved the visibility on search engines and enhanced the overall look and feel of the community. A space was also created for people to share ideas, create polls and upload video blogs. We continue to work closely with our volunteer Community Champions to ensure it's an engaging space with relevant insight for people living with cancer.

[Read more](#) 

# Invaluable support on the high street



## Whatever it takes

**“I had to apply for Universal Credit but they didn't believe that I was waiting for treatment. I appealed through Macmillan, via the Macmillan Support Line. They gave me their time and straightaway said they'd do it for me. They pushed hard and fought my case.**

**My case went to the courts and Macmillan continued to fight for me. I had been lonely, looking for help and advice for where to turn. This was all playing on my mind, but Macmillan has helped me in so many ways, like a tree with its branches.”**

**Naveed, who was diagnosed with a rare heart cancer**

In 2021, the 12th year of our partnership with Boots, we accomplished a joint ambition by doubling the number of Boots Macmillan Information Pharmacists (BMIPs) in Boots Pharmacy stores. This means there is now a BMIP in over 90% of Boots' 2,200 Pharmacy stores across the UK, so even more people will have convenient access to specialist information and support on living with cancer, right from their local Boots Pharmacy store.

In addition, through our partnership and with support from the NHS, we launched a new Boots Palliative Care Service, offering support to those who are at their most vulnerable and in end of life care. Boots committed to maintaining stock of the essential medicines used by terminally ill patients, so they can access these with no delay. All BMIPs also received additional specialist training to enable them to help with specialist palliative and end of life care support. Together we want to give everyone, everywhere, the cancer information and support they need that is reliable, familiar and trusted.

## Making a difference

**“I am already able to see the value of the courses within my role. I was contacted by a customer a few months after I advised her to get a lesion on her neck checked out. She told me I saved her life. She was reluctant to visit her GP during the pandemic but luckily she did, as she went on to have several tumours removed, including some linked to lymph nodes. I've been a Boots pharmacist for nearly 36 years and that was the best conversation I've ever had. Made my day, my year, my career!”**

**Bethan, Boots Macmillan Information Pharmacist, who recently completed the BMIP refresher and end of life courses.**



# Helping people with financial concerns

People living with cancer often struggle to cope with the financial cost of their illness. This is a distressing issue that has been significantly heightened by the pandemic's impact on household incomes.

In fact, our research shows that approximately 160,000 people living with cancer had severe financial concerns in 2021. We also know that, on average, a cancer diagnosis leads to a £891 drop in household income per month, rising to over £1,000 in some cases.

As a result, it's more important than ever that Macmillan is here to provide direct financial support and guidance about benefits, work issues, energy bills, mortgages, pensions, insurance and savings.

## £84.6 million direct gains identified

In 2021, services delivered directly by us, such as our Macmillan Support Line, identified £84.6 million of financial gains for people living with cancer, a 4% rise on 2020.

## £12 million

### given in Macmillan Grants

We gave over £12 million in Macmillan Grants to support just under 34,000 people on low incomes who needed immediate help to, cope with costs caused by, or related to, a cancer diagnosis.

## £218 million

### partnerships gains identified

We also identified almost £218 million in financial gains for people living with cancer through the benefits services we run in partnership with Citizens Advice, NHS trusts, local authorities and other organisations.

## £29.5 million

### committed

We committed to fund benefits services for their first three years, rather than only 12 months as we've done previously. This ensures the services continue to deliver in their local areas and remain the highest standard for people with cancer. We've already committed £29.5 million of funding to these services.



## One less worry

Struggling to cope with the financial impact of her cancer diagnosis, Shola didn't hesitate to reach out to Fiona, the Macmillan Benefits Adviser located at her local hospital in London.

**“It was a very stressful time, not knowing how long I was going to be off work and then trying to negotiate a very complicated benefits system. It just made everything more difficult.**

**But Fiona was very understanding. Without her help, I might not have applied for a benefit, let alone been awarded it. Macmillan's support helped me feel less alone and less isolated.”**

**Shola, diagnosed with thymus cancer in 2013**

For more information on how we're influencing governments and partners to help make money one less worry for people living with cancer, see page 19.

# Making our services more inclusive and accessible

We are committed to meeting the needs of everyone affected by cancer. This includes carrying out activities to reach more people from communities who don't always receive the cancer information, support and/or care they need. This includes, for example, people from Black, Asian and minority ethnic communities, lesbian, gay, bisexual and trans people, and disabled people.

In 2021, as part of our equity, diversity and inclusion strategy, we commissioned an external audit of all our services for people living with cancer to help us identify how we can make them more accessible and inclusive.

We also created our Raising Your Voice toolkit, with the help of people from ethnically diverse communities, and a community group called Well Versed Ink. It used poetry and storytelling to empower people to talk about their cancer experiences and how support services could improve.

[Read more](#) 

We were also extremely proud to launch our Mother Tongue project in 2021. It involved us filming people talking about their cancer diagnosis in their first language with members of their family. The films highlight the challenges people from ethnic minority communities face at home, in their communities and within the healthcare system following a cancer diagnosis. Barriers we're determined to help them overcome.

For more information on our equity, diversity and inclusion strategy, refer to page 51.



## Della's story

After Della was diagnosed with breast cancer in 2010, her family refused to visit her as they were scared they might catch cancer.

**“ I was ignorant about cancer before I was diagnosed – I felt like it was a white person's disease as no one of my ethnicity is ever shown as a cancer patient.**

**The African community believe cancer is a curse, which you get because you've done something bad. But I didn't let the fear get to me. My Macmillan Nurse Charmaine encouraged me to go to a support group, which was a strange concept at first as they don't exist in Nigeria. ”**

Della was subsequently inspired to start her own support group for Africans affected by cancer with help from a Macmillan Grant, and is also raising awareness in her home country of Nigeria.

[Read more about the stigma and misconceptions Della faced](#) 

# Advocating for change

**In 2021, we estimated the pandemic has led to around 50,000 missing cancer diagnoses across the UK and thousands of people waiting longer than normal for treatment.**

In 2021, we campaigned hard to make sure governments and other key decision-makers acted swiftly to reduce the cancer backlog and provide people with the care they urgently needed.

We also continued to give a voice to people living with cancer to bring important issues to life; and we forged strong partnerships with a range of partners, including other charities, to achieve large-scale change.



Over 50 of our awesome campaigners gathered in Westminster to hand in a petition featuring more than 55,000 signatures. It called for the Government to invest significantly in the cancer workforce.

# The Forgotten 'C'

In 2020, our Forgotten 'C' campaign focused primarily on protecting cancer services to make sure the needs of people living with cancer were being met during the pandemic. From mid-2021, we moved our focus to long-term solutions and shone a light on the urgent need to support and develop the burnt-out cancer workforce, which faced chronic shortages even before the pandemic.

Central to this work was the publication of our Cancer Nursing on the Line report. It called on the governments in England, Scotland, Wales and Northern Ireland to invest £170 million to fund the training of nearly 4,000 cancer nurse roles. This is the number we estimate is required by 2030 to provide the growing number of people living with cancer with the care they need. The report received backing from many key decision-makers and the public, and widespread media coverage.

On the back of the report, we also:

**Launched a petition calling for investment in the cancer workforce.** This received over 55,000 signatures; it was backed by 61 Parliamentarians, nine all-party Parliamentary groups and 21 organisations in an open letter to the Chancellor. The government subsequently confirmed they would invest hundreds of millions

in increasing the NHS workforce, which was included within the three-year comprehensive spending review in October.

## **Called on governments to deliver cancer workforce strategies in each of the four nations.**

We played a key role in cross-party advocacy in Westminster, to secure regular independent modelling of future workforce needs in healthcare.

Whilst the government promised to provide extra funding to ensure a bigger and better trained NHS workforce and new funding for the cancer workforce, we weren't successful in securing independent accountability for workforce sustainability. We continue to fight for long-term, independently monitored and fully funded health and care workforce strategies.

**Hosted Macmillan Coffee Morning events in the UK's parliaments.** These were attended by over 215 Parliamentarians from across the UK and some of our wonderful Macmillan professionals. This gave frontline professionals an opportunity to speak directly to decision-makers about the need to invest in a new generation of cancer professionals.

**Published new analysis on the ongoing scale of the cancer care backlog.** It revealed that almost 50,000 people were still missing a cancer diagnosis in the UK. In the future, this will place an even greater demand on the existing cancer workforce.

## In the news

# 65%

### of decision-makers reached

**Our Forgotten 'C' campaign led to extensive national, regional and local media coverage about the shortage of cancer nurses and people living with cancer missing out on vital support.**

**Overall, we estimate this work resulted in our messaging reaching approximately 65% of the UK governments' decision-makers and over 55% of the public.**

[Read more](#) 



## Words from the frontline

“Uneasiness, anxiety, worry and uncertainty were just some of the emotions felt at the start of the pandemic, as patient referrals decreased exponentially, due to a combination of fear, national restrictions and limited access to NHS services.

Like so many nurses, I was redeployed to support a coronavirus ward, which ultimately affected the level of support we normally offered to patients undergoing cancer treatment and those newly diagnosed.

Central investment in the cancer workforce is crucial, as we recognise significant gaps in cancer care support over the past 18 months.”

Rob, Macmillan Cancer Nurse Specialist

# Giving a platform to others

## People living with cancer

Throughout 2021, we helped people living with cancer tell their stories and bring to life issues affecting them through vital media coverage, to help put pressure on decision-makers and reach others that may be struggling, so they would know they were not alone. This included a diverse range of people living with cancer talking about how they'd missed out on the care and support they needed during the pandemic, despite the best efforts of healthcare professionals.

People living with cancer from across the UK also spoke about the worries and challenges they faced during lockdown and when restrictions started to lift. These stories gained comprehensive national media coverage and drew attention to issues that continue to trouble thousands of people with cancer today.

We ensured decision-makers heard first-hand from people living with cancer, including Shirley, who was diagnosed with breast cancer in 2016. She gave evidence to the cross-party Health and Social Care Select Committee in September 2021. The committee is focused on clearing the backlog of health and social cases caused by coronavirus.

Shirley told the committee how she felt abandoned during the pandemic and why it's so

important that people living with cancer are not forgotten about as the NHS continues its recovery:

**“I should have been followed-up for five years, especially as one of my cancers was triple negative. However, because of coronavirus I have been told I have to self-manage, and I hadn't seen anyone since the pandemic started, not even my GP.”**

**Ruth, whose story supported our Forgotten 'C' campaign:**

**“One day in particular stands out when I was on my third round of chemotherapy and I made a cup of tea and got teary because I couldn't remember the last time I had a drink with somebody.**

**Then I drank the tea and I thought the milk had gone off, but it hadn't, the chemotherapy had affected my taste. I was just sobbing, and I rang Macmillan. They explained to me that this is all part of the process, reminded me it's not going to last forever and that I was doing really well.**

**That was one of my lowest moments, but they were there for me, and I now want to give something back to them.”**

## Macmillan professionals

Our professionals on the frontline know better than anyone the challenges the UK's cancer workforce is up against to deliver the best possible care and support. This is why we continue to give them platforms to tell their stories to key decision-makers and the media.

This included five of our fantastic clinical nurse specialists attending the Conservative Party Conference in Manchester, where they spoke directly to over 50 Members of Parliament (MPs), including the Prime Minister and four members of the Cabinet about issues affecting cancer care.

We also supported Denise Crouch, Macmillan Cancer Lead Nurse at Derby Teaching Hospitals NHS Foundation Trust, to give evidence to the Health and Social Care Select Committee's inquiry into NHS workforce burnout. Denise told the committee how she'd worked 70-hour weeks during the first wave of the pandemic and how nurses have been, and continue to be, under huge pressure mentally.



Macmillan Clinical Nurse Specialists attending the Conservative Party conference in Manchester.

# The cost of cancer

Tens of thousands of people across the UK struggle to pay bills and buy essentials, including food, because of the impact cancer has on their lives. This is an unacceptable situation that has been compounded by the pandemic and the rising cost of living.

## £891

**worse off each month**

**People living with cancer are, on average, £891 a month worse off because of their illness.**

## 83%

**impacted**

**83% of people living with cancer in the UK experience negative financial impact because of their illness.**

## 50%

**reduced earnings**

**The pandemic has led to over 50% of people with cancer leaving their jobs, having their income or hours reduced or moving to home-working.**

We want to make money one less worry for people living with cancer. We campaigned hard for change and drew national media attention to the financial cost of cancer.

But that's not all. We helped to promote the range of financial support we provide to people living with cancer, by sharing stories of people who have benefited from receiving a Macmillan Grant. These featured in 320 pieces of media coverage across the

UK and, subsequently, we saw an increase in people enquiring about this type of financial support.

## Universal Credit

We joined a wide range of organisations, including many from the charity sector, to support the Keep the Lifeline campaign. It called on the Government to permanently keep the £20 a week increase to the Universal Credit benefit, which was introduced in April 2020.

Our activities included adding our signature to an open letter to the Prime Minister and the Chancellor, as well as speaking directly to Parliamentarians about this urgent issue and why the uplift is so important to people living with cancer.

We also called on our brilliant campaigners to take action, which resulted in them contacting 92% of MPs about the need to maintain the £20 increase.

As a result of our work and the Keep the Lifeline campaign, the Government extended the £20 uplift until the end of September 2021. However, we were disappointed that a permanent increase wasn't secured.

## Leading the way Macmillan most mentioned

Macmillan was the charity most mentioned in media coverage that focused on Universal Credit and people living with cancer.

## 56% of decision-makers reached

Our work on this issue led to us reaching 56% of national and local government decision-makers and 44% of adults in the UK with key messages about the financial impact of cancer.

After the media covered our research revealing that 100,000 people living with cancer were struggling to pay their bills because of coronavirus, we saw the following potential associations:

## 15% increase in calls

15% increase in calls to our Financial Guidance team on the Macmillan Support Line, compared with 4 weeks previously.

## 33% increase in visits

33% increase in visits to the benefits and financial support page on our website compared with the previous year.



## A vital lifeline for people like Judith

**“My world unravelled when I was told I may have months left to live and I had to give up work. The £20 per week Universal Credit increase I receive goes towards the travelling costs I incur for medical appointments.**

**The money is important now, more than ever before, as it helps me avoid public transport during the pandemic, especially as restrictions are being lifted while cases are rising.**

**The extra £80 a month is vital – it means it's one less thing to worry about during an already anxious time to have cancer.”**

Judith's story helped to bring to life why the Universal Credit increase is so important, after she was diagnosed with incurable bile duct cancer in 2018.

# Working with partners to achieve large-scale change

One of our priorities is to ensure people living with cancer receive high-quality personalised care that meets their individual needs. In 2021, this involved us influencing key decision-makers and asking challenging questions at national policy forums. Encouragingly, this work successfully led to personalised care featuring more prominently in national guidance across the four nations.

## UK-wide

Last year, we published our Caught in the Maze report, which outlined what national and local services need to do to deliver joined-up personalised care for people living with cancer. Already, local cancer services have used the report to secure investment in their support programmes, and the report has received praise from various ministers and system leaders.

On top of this, we continued to provide the secretariat for the All-Party Parliamentary Group on Cancer at Westminster. This provided us with an excellent opportunity to speak to MPs and decision-makers at NHS England about issues affecting people living with cancer and what needs to be done to address them.

## England

In 2021, we pushed for better personalised cancer care in England by speaking to ministers and advisers in Downing Street, the Department of Health and Social Care and NHS England, alongside parliamentary committee inquiries about the need for and benefits of personalised care.

We helped to shape the National Cancer Patient Experience Survey for 2020/21 so it featured more questions relating to personalised care. Additionally, after years of advocacy and partnership work with the NHS, we were delighted to see the launch of a new NHS survey and metric which helps to measure the quality of life of a person living with cancer. In the long-term, we hope this will drive greater personalisation and better care.

## Scotland

We continued to work closely with the Scottish Government and local authorities to expand the Transforming Cancer Care programmes. This ensures more people in Scotland receive the personalised emotional, practical and financial support they need following a cancer diagnosis.

Last year, we were also delighted the Scottish National Party (SNP) made a long-term commitment to these programmes in its 2021 manifesto, and that the country's new health secretary, Humza Yousaf, heralded them to the media.

Overall, our Transforming Cancer Care programmes are now viewed as a key part of the Scottish Government's answer to current cancer and health service pressures.

## Wales

We used our leadership of the Wales Cancer Alliance to challenge the Welsh Government to prioritise personalised care and the workforce in their new national plans for cancer.

We also secured a commitment from the Government to a cancer workforce strategy that would meet the recommendations outlined in our Cancer Nursing on the Line report.

## Northern Ireland

We continued to drive forward the development of a national cancer strategy for Northern Ireland. This involved us engaging and working with key decision-makers, health and social care professionals and people living with cancer to provide secure high-quality feedback on the proposed strategy.

Last year, we also played a major role in the progression of a cancer workforce strategy for Northern Ireland. A vital plan of action we hope will be finalised in 2022.

# Raising money for vital support

**Without our amazing supporters, we simply couldn't provide so much care and support to people living with cancer and their loved ones.**

In 2021, despite the continuing challenge of the pandemic, they generously gave their time and effort to raise a tremendous £227.5 million.

Brilliantly, this total exceeded our expectations and has put us in a strong financial position. As a result, we feel assured we can invest confidently in our services for people living with cancer in 2022.



Charlotte taking part in our Brave the Shave fundraiser in her workplace.



Employees at Virgin Money held various fundraisers to raise money for Macmillan.

# No challenge too great for our supporters and fundraisers

Because of the pandemic, our challenge events went virtual for the first half of 2021. When it was safe to do so, our amazing runners, hikers, cyclists and swimmers got back to doing what they do best.

Overall, their unrelenting energy and determination meant that 2021 was our most successful fundraising year to date for challenge events. This was exactly what we needed after a year of cancellations in 2020.

[Read more](#) 

## £227.5 million

raised

**Our supporters raised a whopping £227.5 million in 2021, an increase of £42 million from 2020.**

## 98%

income donated

**98% of our income comes from money donated by our awesome supporters.**

**Thank you** 

# Walk a marathon and make a difference

Over 21,000 people pulled on their walking boots and took part in our Mighty Hikes events in England, Scotland and Wales.

Together, they successfully raised £12.6 million to help fund our vital services for people living with cancer.

Proving particularly popular were our 13-mile half-marathon routes, which we introduced alongside our traditional 26-mile hikes.

In 2021, we also introduced three new events to our Mighty Hikes routes (Yorkshire Dales, Gower Peninsula and Dedham Vale), taking our total number of picturesque locations to 11.



## Leaving a mark for Macmillan

To mark the anniversary of when he lost his mother to breast cancer, Mark completed his first Mighty Hike in 2018. Fast forward to 2021 and Mark had signed up to the unbelievable challenge of completing all Mighty Hike routes in just one summer. However, during his fundraising, his wife Becky was diagnosed with skin cancer.

**“It came as a huge shock to us both. Luckily, surgery followed very quickly, and she was given the all-clear on 1st September, which certainly put a spring in my step over those huge Jurassic coast hills! Completing every single Mighty Hikes route was a big achievement for me, but it is important to say that none of this was about me. It was all about raising money for Macmillan and doing the hikes for all the people who are unable to.”**

# Virgin Money London Marathon

We had the honour of being charity of the year for the 2021 Virgin Money London Marathon in October, a special partnership that resulted in many great achievements throughout the past 12 months. Over 1,220 runners helped us turn the capital green to raise money for, and awareness of, the vital services we provide for people with cancer.



Hundreds more took on a virtual 26-mile course and together, their tremendous efforts raised £2.4 million, which exceeded our fundraising target of £2.1 million.

On top of this, over £500,000 was generated through our partnership with Virgin Money. This was achieved through colleague fundraising activities, customer donations, and banking product promotions.

As part of our wider partnership with Virgin Money, Macmillan provided bespoke training to selected members of staff so they could become a Virgin Money Macmillan Guide. In this unique role, they provide expert information, offer emotional support and direct people living with cancer to other helpful services.

Now, as our partnership with Virgin Money has been extended for a further two years, we're looking forward to building on this success.



## Will goes the distance

Inspired by his late mum, who was cared for by Macmillan, Will completed a formidable challenge in 2021: running a marathon in each of England's 48 counties in just 30 days. Speaking after completing his final leg and raising over £37,000, Will said,

**“My feelings are hard to pinpoint, as trying to think about the whole challenge is overwhelming. What I do know is that I feel tremendously proud to have done what I did in my mum's honour and for Macmillan Cancer Support, who have supported me through the whole process.”**

# Macmillan Coffee Morning

Lockdown restrictions and uncertainty around social distancing led to fewer people taking part in Macmillan Coffee Morning 2021 than we'd hoped. The good news is we had almost 70,000 registrations which was still higher than in 2020, and we are so grateful to everyone who took part.

Famous faces who raised a cuppa last year and helped to promote the event included actor Larry Lamb, broadcaster Victoria Derbyshire and TV personality Alison Hammond.

We also called on the public to email their MPs and encourage them to join a special Coffee Morning at Westminster. In response, over 200 MPs came together for a reception in the Houses of Parliament. The event was attended by some of our incredible Macmillan nurses, who spoke to MPs about the need for greater investment in cancer nursing.

**£13.3 million**  
raised

Macmillan Coffee Morning 2021 raised a fantastic £13.3 million – £3.3 million more than 2020.

**12th**  
year

Marks & Spencer was our headline partner for the 12th year in a row.

**£500,000**  
raised

Betty Crocker and NESCAFÉ Original, our official Coffee Morning sponsors, raised over £500,000.

**13,000**  
conversations

Our tweet about the UK's best-loved biscuits instigated 13,000 conversations on Twitter and attracted national media attention.



# Gifts in wills

Over 3,000 people generously left us a gift in their will in 2021. This resulted in us receiving an incredible £90.4 million (an increase of £18.6 million from 2020) to help ensure everyone with cancer gets the care they need.

## 60 million

reached

**Our new gifts in wills TV advert helped us reach an estimated 60 million people in 2021.**

We're now looking to expand the campaign in 2022 by investing in new communication channels, so that as many people as possible learn about this special way of supporting our services.

## A loving legacy

Chris's late mother Beryl received excellent support from Macmillan nurses before she passed away in 2011. Chris subsequently attended one of our talks about gifts in wills at the Macmillan Horizon Centre in Brighton. Inspired to help other people receive the same high-quality care, Chris has decided to leave a gift in his will to Macmillan.

**Thank you, Chris.**



# Corporate partnerships

Despite another challenging year, our corporate partners achieved incredible fundraising success through a great mix of activities, customer and staff donations, product sales and sponsorships.

A huge thank you to everyone who got involved. We can't wait to see the fun, creative and downright wacky fundraising you get up to in 2022.

## £19 million income

**Our income from corporate partnerships passed £19 million in 2021. Thank you to everyone who made this possible.**



**Boots UK** reached another incredible achievement this year with the partnership hitting the £20 million fundraising milestone. This is due to the unwavering support of Boots UK employees, customers and partners.

**Greene King** smashed their fundraising target and raised an amazing £2.2 million, with generous customer donations, Coffee Mornings and colleagues taking part in challenge events such as Brave the Shave, ice bucket challenges, cycles, walks and runs.

**CBRE**, the real estate adviser, became a new corporate partner in 2021 and raised over £300,000 in their first year, which funded six roles on the Macmillan Support Line. One hundred CBRE colleagues also became Macmillan volunteers and generously donated 994 hours of their time to help support people living with cancer in a range of ways.

**Marks & Spencer** raised over £1.7 million as our Coffee Morning headline partner. This fantastic amount was reached through colleague fundraising activities, customer donations, Sparks loyalty card donations and the sale of Coffee Morning products, including a Macmillan-themed Colin the Caterpillar cake.

**Betty Crocker** and **NESCAFÉ Original** raised over £500,000 as our official Coffee Morning sponsors and promoted the event to thousands of people across the UK.

**National Garden Scheme**, our longest serving partner, donated £500,000 towards the Y Bwthyn NGS Macmillan Specialist Palliative Care Unit in South Wales. This means they've now donated a massive £18 million since 1984.

**Toolstation** surpassed all expectations and raised a brilliant £580,000 through customer donations, raffles, bake sales, challenge events and many more fundraising activities.

**Motor Fuel Group** became one of our corporate partners in April 2021 and managed to raise an impressive £515,000 in just nine months. Beyond fundraising, Motor Fuel Group also provided us with free advertising on fuel pumps in almost 600 UK locations. This hugely generous gift allowed us to promote our Support Line to millions of people.



# Finding new ways of raising money

With the pandemic changing the ways we spent time with friends and family in 2021, we focused on developing new fundraising activities that could be done indoors or by individuals.

## Games Night In

Launched in 2020, Games Night In involves people playing virtual games, including Whodunnit, in the comfort of their homes. Last year, we built on the success of the fundraiser's first year and managed to encourage 58,000 people to play and raise over £1.2 million at the same time.

## Facebook challenges

We promoted various Facebook challenges to supporters, including '26 miles in 26 days' and 'a mile a day in May'. The two most successful Facebook challenges raised over £4 million combined – '100 squats a day' and 'Walk 100k with your dog in November'. A huge success we hope to repeat in 2022 with other similar challenges.

**100  
SQUATS  
A DAY IN APRIL  
CHALLENGE**



## Digital fundraising

In 2021, our amazing supporters donated £2.1 million by using QR codes and contactless card readers. This was £500,000 more than in 2021. Through the QR code included in our Coffee Morning packs alone, we raised £567,000 in donations compared to the total of £304,000 in contactless donations for Coffee Morning 2020. However, we feel there are plenty more opportunities to grow our digital fundraising and achieve even better results in 2022.

**100  
new ideas**

**In 2021, we developed over 100 new fundraising ideas, tested 31 of them and launched four trial fundraisers on a reduced scale to see how they performed.**

**£2.5 million  
raised**

**Altogether, our innovation work raised £2.5 million to help meet the needs of people living with cancer.**



## A remarkable voyage

Olle of Ipswich raised over £27,000 for our vital services after we supported his late daughter, Toni, following a diagnosis of pancreatic cancer.

He did this by embarking on a four-month sailing voyage around the UK. But what's particularly remarkable about Olle's story is that he was being treated for bowel cancer at the same time.

This meant Olle took chemotherapy tablets while on his yacht Renegade; and he even paused his trip when he reached Scotland, so he could return home for five weeks of radiotherapy.

Sadly, Olle, who was 63, passed away in November 2021, just two months after completing his remarkable challenge. Thank you, Olle.

# The power of philanthropy

We couldn't help so many people living with cancer if it wasn't for the trusts, major donors and organisations who support our work with truly transformative gifts.

A huge thank you to every one of you for your incredible generosity.

"I feel not only humbled and privileged to be able to help others, I feel happily obliged to do so."

**Sir Robert Ogden, CBE Hon LLD**

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## An interview with Sir Robert Ogden, CBE Hon LLD

15th January 1936 – 6th March 2022

For more than 50 years, Sir Robert Ogden played an integral role in helping us transform cancer care in Yorkshire. As Macmillan's largest individual donor his vision and commitment enabled thousands of people living with cancer and their families to receive the care and support they needed during some of the most difficult times in their lives.

### **What first inspired you to become a supporter of Macmillan?**

I was impressed by Macmillan's vision to see cancer care and support made available to all and by the rigour with which the charity was driving forward change.

### **How has cancer care and support changed in the years you have been supporting Macmillan?**

In the early 1970s, cancer was seen by many as a death sentence. Information and support were hard to find and there were very few specialist cancer nurses or professionals working in the healthcare system. Today, more people are surviving cancer and living for longer than ever before.

The landscape and nature of cancer care itself has changed considerably, adapting over the past 50 years to meet patients' evolving needs.

But despite the progress made, there is still so much to do. Major advances through science and technology will change the scenery of cancer care. If we harness the collective expertise and tools available to us, to continue delivering the highest standard cancer care in our cancer centres, I am confident the next decades will bring positive transformations beyond our wildest dreams.

## When you look back on your time supporting Macmillan, what are you most proud of?

My personal passion has been to support the development of high-quality care and support for people dealing with a cancer diagnosis. Over the years, I have funded three major cancer centres; the first of which was in Leeds and was the first of its kind in Yorkshire, pioneering a new approach that gave people with cancer personalised support in an exceptional and tranquil care environment.

Through The Sir Robert Ogden Charitable Foundation (registered number 1180422) and in partnership with Macmillan Cancer Support, Lady Ogden and I developed a further two new centres of excellence at Harrogate in 2014 and Northallerton in 2018, providing both financial and building design support. Each of these centres has been designed with the patients' needs in mind and to deliver high-quality cancer care.

The Sir Robert Ogden Charitable Foundation will continue my charitable legacy for many generations to come, identifying and developing new cancer centres in areas of most need in Yorkshire and new ways to exceed the expectations on quality treatments and care for people living with cancer and their families.

I take the opportunity to thank the outstanding teams of cancer care professionals who work in these centres – I believe their dedication and competence will leave a lasting legacy of high-quality cancer care that will benefit patients for decades to come.

I often receive very touching letters from patients and family members who have been receiving treatment and support at one of The Sir Robert Ogden Macmillan Centres. Sometimes these letters are from people I know, but it's the ones from the people I've never met that make me feel the most humbled. It's a privilege to have people share their personal experiences with me in this way and to know the difference the centres are making to people's lives.

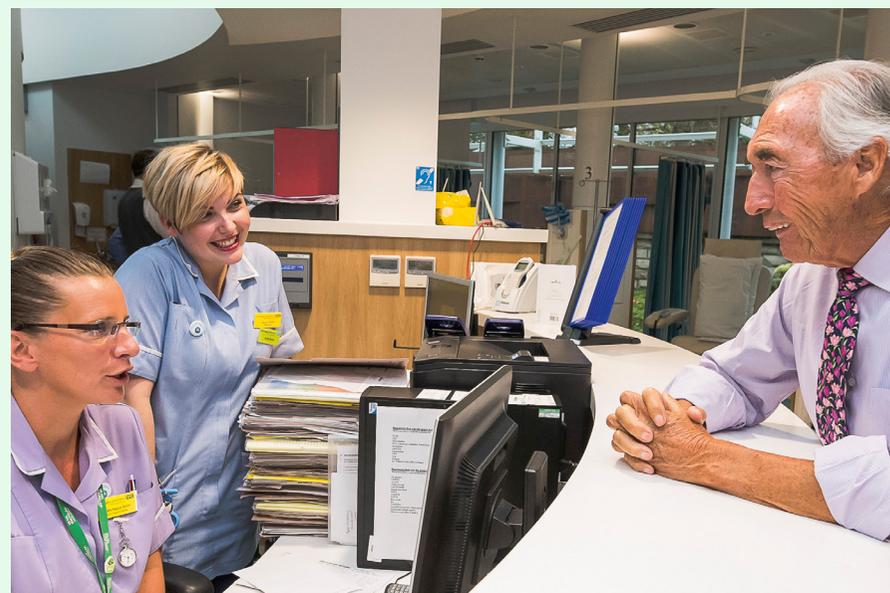
## What advice would you give to the next generation of philanthropists?

There is nothing more fulfilling in life than being able to help not only the ones you know or the ones around you, but to be able to help people beyond. Helping others in need, whether that's by dedicating your time or donating funds to a cause you really believe in, brings the most profound happiness in the purest sense. I feel not only humbled and privileged to be able to help others, I feel happily obliged to do so.

**Thank you Sir Robert for your exceptional support for Macmillan's work.**

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## Sir Robert at The Sir Robert Ogden Macmillan Centre in Harrogate.



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## The Baraka Khan Foundation

The Baraka Khan Foundation was created in 2016 in loving memory of Baraka, who lost her valiant battle with lung cancer at the age of 24. On the day of her diagnosis, Baraka was supported by a Macmillan nurse who was on hand for emotional support – she also accessed Macmillan's specialist information and support during her treatment. Baraka raised nearly £750,000 (and counting!) for charitable causes that were close to her heart, including Macmillan.

Baraka's family and friends continue this incredible legacy by turning grief into a source of positive energy and doing good – from helping Macmillan evolve to develop stronger relationships with Muslim communities, to generously donating towards our Support Line Service.



THE BARAKA KHAN  
FOUNDATION

“If we can continue to do this and other good work in the UK, then the work of the Foundation would have been well rewarded.”

Iqbal Khan.

Baraka wrote

“I am supporting Macmillan in the hope that no one is ever alone in their fight.”



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## Macmillan Endowment Fund

Last year, we established the Macmillan Endowment Fund to ensure we can be there for people living with cancer for generations to come.

When someone gives to the Endowment Fund, their donation will be invested to support the long-term sustainability of Macmillan's work. The investment income from their donation will be used to fund our services in the present day, while the original gift amount remains intact and can be used to support people in the future.

Already, the fund has proved popular with many supporters, with one donor pledging a multi-million-pound gift in their will following the invaluable support provided by Macmillan nurses during the last days of their father's life. This gift will have a real and lasting impact, supporting people living with cancer for many years to come.

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**"**Every penny  
that I will give  
is assured as  
a contribution  
for my life  
and beyond.**"**

**Trevor, donor to the Macmillan Endowment Fund**

# How we work

**As an organisation, we do whatever it takes to make sure everyone with cancer gets the care they need.**

This includes developing and implementing policies and procedures that ensure our employees, volunteers, professionals, and supporters reflect the communities we help and achieve the highest standards.

To support this, we provide a wide range of high-quality training and resources. We also robustly record our decisions and incidents, monitor our performance and gather feedback to make sure we constantly learn and improve.



Helen is a Macmillan Colorectal Nurse Specialist at University Hospitals of South Manchester NHS Trust.

  
LHSM

# Supporting our people

Our aim is to provide our people with everything they need to excel in their roles, fulfil their potential and support their wellbeing. In 2021, this involved us developing a range of new resources and providing extra care and support to meet people's needs during the pandemic.

## Our cancer care professionals

For healthcare professionals, the pandemic has made a tough job even tougher. We have seen first-hand how hard NHS staff have been working and supporting our frontline cancer workers has never been more crucial. Giving excellent support to our frontline cancer workers improves the care they provide to people living with cancer, helps to advance their professional development, and leads to more people using our services and getting the best personalised care.

In response to this, in May we launched the Learning and Communications Hub, an online site for professionals to access all our learning and development resources to support them in their role. The hub gives our cancer workforce instant access to a wealth of expert information and training in one place and makes it easier for professionals to connect with each other.

We also engaged with and supported more professionals by hosting a hybrid conference and awards ceremony in Manchester. This gave us the opportunity to thank, inform and reconnect members of our inspiring cancer workforce in person and virtually across the UK. Almost 600 professionals attended the conference, either in Manchester or online. This was 33% more people compared to the last in-person only event in 2019.

## Learning and Communications Hub – the facts

**10,130**

signed up

**10,130 professionals signed up following our 2021 launch.**

**2,744**

attendees

**2,744 people have attended 350 virtual classroom events so far.**

**28**

free courses

**28 free learning courses opportunities are currently available.**

[Read more](#) 



## A terrific team effort

At Macmillan, we put the experiences and expertise of people living with cancer at the heart of our services. This is an approach exemplified by the Macmillan Cancer Information and Support team at Calderdale Royal Hospital and Huddersfield Royal Infirmary, who were award winners at the Professionals Conference 2021.

First, they worked closely with members of their Cancer Patient Focus Group to design and launch a Health and Wellbeing Programme for people living with cancer. Then when the pandemic struck, they called again on the fantastic Focus Group to help them rapidly rethink the programme so it could work equally well online.

Helen, Macmillan Information and Support Service Manager at Calderdale Royal Hospital and Huddersfield Royal Infirmary, says, "Doing things virtually meant people who were isolating and shielding, and extremely anxious, could access that beneficial peer support."

Rob, a member of the Cancer Patient Focus Group, adds,

**"Everyone listens to the patients at the focus group. I'm not from a medical background. The only experience I have is going through cancer treatment. But it's vital that voices like mine are heard."**

## Our supporters and volunteers

In 2021, we provided extra tailored support and thanking of our supporters and volunteers on a more individual level. For our volunteers, this included the hosting of three virtual webinars for around 400 volunteers who connected with each other, heard from members of the Macmillan leadership team and learned more about the different ways their volunteering helps to change lives.

As a result of the webinars, 89% of attendees said they felt more connected to Macmillan. Overall, we received very positive feedback from supporters and volunteers on our more personalised approach.

Whilst supporting our active volunteers continued to be a priority, we were equally as passionate about supporting those volunteers who needed to temporarily step down during the height of the pandemic. We focused on keeping all volunteers engaged at this time through regular communication and updates, which was vital in ensuring that once safe to do so, our volunteering services could resume in-person once again.

**7,000**  
volunteers

**In 2021, we had over 7,000 inspiring volunteers support people living with cancer.**

**51**  
hours donated

**On average, each of these volunteers donated 51 hours of their time throughout the year.**

**9,000**  
supported

**We provided more personalised support to 9,000 supporters, including those who took part in Mighty Hikes, Coffee Morning and corporate partnership events. Together, they raised over £5.2 million in 2021.**



## A big family

**“As a volunteer, Macmillan has been an amazing charity to be part of. Right from registering, through the training and inductions, to supporting me now, when I am taking a short break from volunteering.**

**The support for volunteers is extremely well organised and you feel like you are part of a big volunteer family and really appreciated. Volunteering is about giving up your time and effort, but it's also about becoming part of something bigger.”**

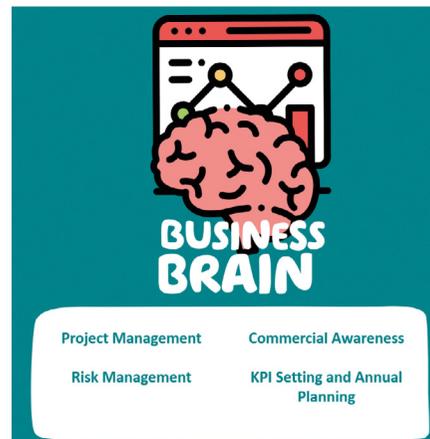
**Bianca, who volunteered on our Macmillan Buddies Service**

## Our employees

Throughout 2021, many of our employees worked from home but some started to use our offices on a part-time basis, when it was safe to do so.

To ensure they felt fully supported during this time, and to help them thrive in their roles, we did the following:

- Promoted our wellbeing support offer which includes a telephone support service and counselling, access to mental health first aiders and wellbeing champions
- Introduced a flexible furlough scheme for working families and carers and topped up the allowances of employees on furlough to ensure they received 100% of their salary
- Provided training opportunities so all employees could focus on their personal development and career progression
- Provided additional support for those with line management responsibilities, to support and lead employees remotely



## Caring for our people

In 2021, we started to offer our volunteers and Macmillan professionals an assistance package, just like we do for our employees. This means they can now access free legal advice or mental health support, if they ever need it.

# Protecting our supporters

We want everyone we interact with to feel free from undue influence when they consider donating. This includes anyone who may be in a temporary or permanent vulnerable state and unable to make an informed decision about giving.

There are lots of reasons why someone might be vulnerable, and we need to be able to spot the signs. We train our employees and fundraising suppliers to recognise these signs, so they can manage conversations and act in the most appropriate way.

We define our processes and procedures on vulnerability in our 'Fundraising with people in vulnerable circumstances' policy, which forms part of our fundraising supplier contracts. The policy includes the steps to take when vulnerability is identified.

We also make sure our fundraising scripts and training materials reflect our policy. We have developed the policy to prevent people who represent Macmillan from behaving in a way that could be considered intrusive or putting repeated or undue pressure on someone to donate.

Our Compliance team routinely monitor our fundraising materials and how our suppliers perform, such as through call monitoring and mystery shopping. This ensures our standards remain high and we treat our supporters fairly. We regularly review feedback from our supporters and other interested parties to ensure our fundraising offer is appropriate and complies with relevant rules and regulations. We adhere to, and are committed to meeting the standards in, the Fundraising Regulator's Code of Fundraising Practice. In 2021, there were no complaints logged with the Fundraising Regulator against our charity.

In response to the Government's changing guidance on coronavirus, the Fundraising Regulator regularly updated its published guidance in 2021 on public fundraising for charities. This guidance recognised that the number of people who may be vulnerable was likely to be higher because of the pandemic. We reviewed and updated our risk assessments and put appropriate measures and training in place for employees and fundraising suppliers to recognise the signs, so they could continue to manage conversations with the vulnerable and take the most appropriate action.

To help protect people in vulnerable circumstances, we continued to follow guidance from the Government and the Fundraising Regulator and only carried out public fundraising when we considered it safe to do so. We carried out the same level of increased monitoring of our fundraising suppliers as in 2020, all of who comply with the Fundraising Code of Practice, and we continued to speak to more supporters to make sure our standards stayed high during the pandemic.

# Using feedback to constantly improve

In 2021, we received just over 3,000 complaints, which is 1,400 fewer than in 2020. 1,600 of these complaints were specific to our fundraising, marketing and communications operations.

Our new approach to feedback encourages our employees to capture all individual comments about how we can improve, not just complaints. Therefore, we now actively monitor responses to our social media posts. In 2021, there were just over 9,000 expressions of dissatisfaction to our social media posts.

Most of the comments we received were from people who felt we could have done more to support their fundraising efforts. The other main areas of complaint focused on communication errors and concerns that products or campaigns were insensitive.

We take all negative feedback very seriously, respond to every piece individually and aim to learn from everything we're told, whether positive or negative. We also review the performance of fundraising partners and take action to address complaints from our supporters.

We take great interest in listening to what our customers have to say about us, whether this is negative or positive. All feedback is key to us continuously improving the experience for our supporters, volunteers and for people living with cancer.

# Considering ethical issues

We are committed to maintaining high ethical standards, and we make sure that our activities and those of our partners and suppliers are in line with our values. We follow sector guidance and best practice, including Charity Commission guidance and the National Council for Voluntary Organisations' ethical principles.

We have a duty under charity law to maximise Macmillan's income and, therefore, our expenditure on charitable activities. However, it's essential that we don't let our relationships with third parties undermine our values.

Our ethics policy puts people living with cancer at the centre of our decision-making, and we regularly review and update this. Our policy and procedures help us manage ethical issues, such as deciding whether to accept or refuse a donation, partner with other organisations, or make an investment.

# Improving equity, diversity and inclusion

From our employees, to our supporters and to the people we help, everyone should feel welcome, represented and valued at Macmillan, regardless of their background.

In 2019, we introduced employee networks. Our employee networks bring together specific groups of colleagues and amplify their voices, as well as creating communities of support and enabling individuals to network and socialise with like-minded people.

Last year, we continued to make improvements towards becoming a more equitable, diverse and inclusive organisation by carrying out a wide range of initiatives, including:

## Employee networks

Our networks championed inclusion and demonstrated a culture of openness and honesty by sharing their experiences, and resources, with their colleagues through internal communication activity. They also provided peer support by further expanding the people that can be involved in our networks, including, creating new networks for mental health and employees with a lived experience of cancer, and a sub-group of our working families network for parents of children with additional needs.

## The Macmillan Census

We launched our first Macmillan Census to understand our employees better and track whether our policies and processes were leading to equity and diversity in our workforce.

## Perspectives Panels

To help promote diversity and inclusion, we hosted a series of webinars which gave employees and external experts a platform to share their personal experiences and what they value in life. Our panels throughout 2021 focused on International Women's Day, mental health awareness, International Day of People with Disabilities, LGBTQ and Pride, race and ethnicity, and neurodiversity.

## Our employee networks





## Brand audit

We commissioned an audit of our brand, marketing and products to assess whether they were representing the people we support and inclusive to everyone. As a result, we now have an action plan that will help us avoid bias and stereotyping and use more inclusive language and imagery.

For more information on how we're making our services more accessible, please refer to page 18.

# Providing excellent services with our partners

To ensure everyone with cancer gets the care they need, it's critical we have strong, effective relationships with our service delivery partners, such as hospitals and local councils.

To make this happen, we continued to develop systems and processes in 2021 so partners have an even clearer understanding of what we expect them to do for people living with cancer.

We also continued to place a strong emphasis on partners capturing quality data about the services they provide, so we can work more efficiently together.

# How we manage the money you give us

**We are in a strong and better than anticipated financial position following the difficult savings decisions we had to make in 2020. Although there is still some uncertainty, we feel confident in increasing our investment in our strategy to support more people living with cancer, which will see us investing in skills, capability and capacity in a carefully managed way over the next few years. We are confident that Macmillan remains a financially stable organisation and that we are well positioned to operate as effectively as possible.**

We made difficult spending decisions in 2020 to make sure what we spent delivered the most impact for people living with cancer. These decisions helped put our organisation in a stronger financial position in 2021.



# How we raised our money in 2021

We raised **£230.2 million** in 2021 from our superb supporters and grant income.

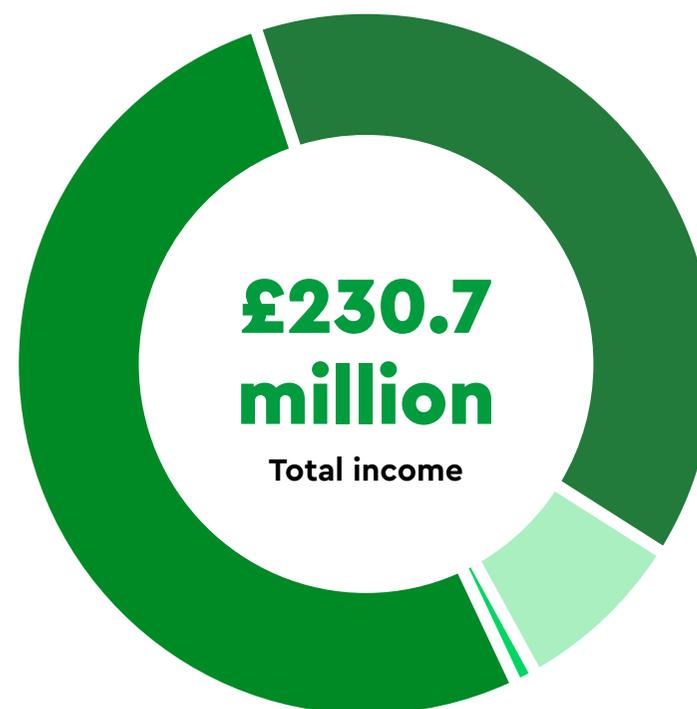
	<p><b>Legacy income</b> This is from people leaving a gift to us in their will.</p>	<p><b>£90.4 million</b></p>
	<p><b>Donation income</b></p> <p><b>Fundraising events</b> Includes national, challenge and local events.</p> <p><b>Direct marketing</b> Money raised by activities like direct debit campaigns and mailings.</p> <p><b>Corporate income</b> Income from corporate partners and supporters.</p> <p><b>General donations</b> We raise lots of money from general donations by the public.</p> <p><b>Philanthropy</b> Donations from trusts and major donors.</p> <p><b>Local fundraising committees</b> Donation income raised and collected by fundraising committees in their local communities.</p> <p><b>Donated services and facilities</b> The value of services and facilities donated to us.</p>	<p><b>£119.6 million</b></p> <p><b>£51.2 million</b></p> <p><b>£29.6 million</b></p> <p><b>£16.6 million</b></p> <p><b>£13.4 million</b></p> <p><b>£5.8 million</b></p> <p><b>£2.2 million</b></p> <p><b>£0.8 million</b></p>
	<p><b>Grant income</b> Income awarded by grant-giving bodies given to support Macmillan initiatives.</p>	<p><b>£2.7 million</b></p>
	<p><b>Trading activities</b> Includes income from our raffles and lotteries, fundraising committee sales, online shop, licensing and other commercial activities.</p>	<p><b>£17.5 million</b></p>

**£230.2 million**

**Total income before investment income**

**£0.5 million**

**Investment income**



# How we spent our money in 2021

We spent **£180.7 million** on services for people affected by cancer.\*

	<b>Healthcare</b> We fund and support a range of health and social care professionals.	<b>£62.3 million</b>
	<b>Financial support</b> We provide financial support to help people who are struggling with the cost of cancer, including through Macmillan grants, benefits advice and financial guidance.	<b>£55.5 million</b>
	<b>Campaigning and raising awareness</b> We campaign for changes to improve the lives of people affected by cancer and raise awareness of issues most important to them.	<b>£20.8 million</b>
	<b>Information and support</b> We provide people with information to help them make important decisions about their treatment and care.	<b>£28.5 million</b>
	<b>Practical and emotional support</b> We help people find the emotional support they need and get help with the practical issues arising from cancer.	<b>£9.7 million</b>
	<b>Learning and development</b> This includes providing training opportunities for professionals, volunteers and people affected by cancer.	<b>£3.9 million</b>

**\*Figure does not include grant releases and discounting adjustments**

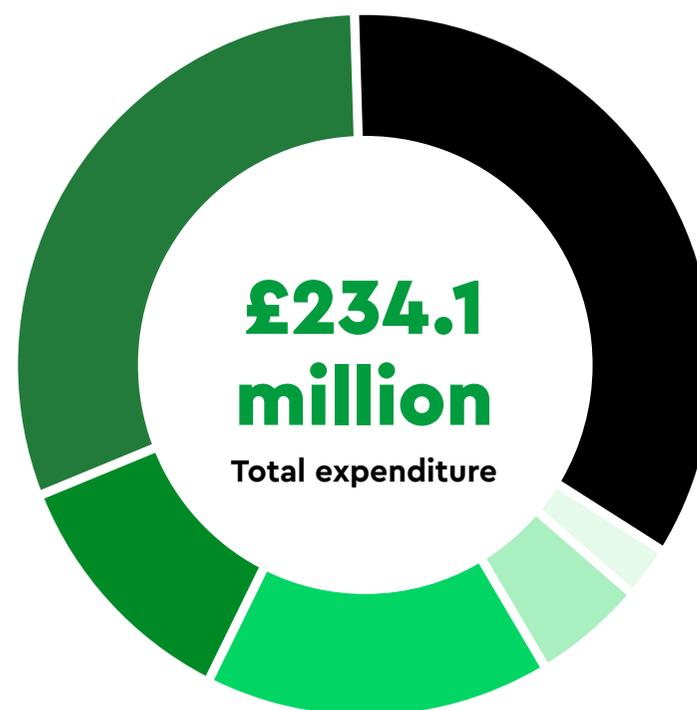
In-year charitable expenditure	<b>£180.7 million</b>
Prior year grant writebacks and discounting adjustments	<b>-£9.1 million</b>
<b>Total expenditure on charitable activities</b>	<b>£171.6 million</b>

**£171.6 million**

**Total expenditure on charitable activities**

**£62.5 million**

**Expenditure on raising income**



# Our income

We generated income totalling £230.7 million in 2021, which returns us to our pre-pandemic fundraised income levels. This a fantastic achievement given all the challenges that the coronavirus pandemic has thrown at us over the last two years, and represents an increase of 18% compared to 2020.

This is thanks to our generous and loyal supporters and the huge efforts of our volunteers and employees to continue to fundraise and innovate during 2021.

## 2018–2021 income levels

We are almost entirely funded by charitable donations from the general public. Overall, 98% of our income – £227.5 million – came from fundraising activities. The remaining 2% came from grant income and investments. Importantly, we have a strong and diverse portfolio of fundraising income streams, having consistently invested in fundraising innovation for many years.

As the number of people diagnosed with cancer increases, so does the need for our services. A gift left in a will (legacy) could help ensure that we can continue to be there to meet this future need. Last year, legacy income increased by 26% to £90.4 million, the most we've ever raised in a single year. This is mainly due to a number of large legacies

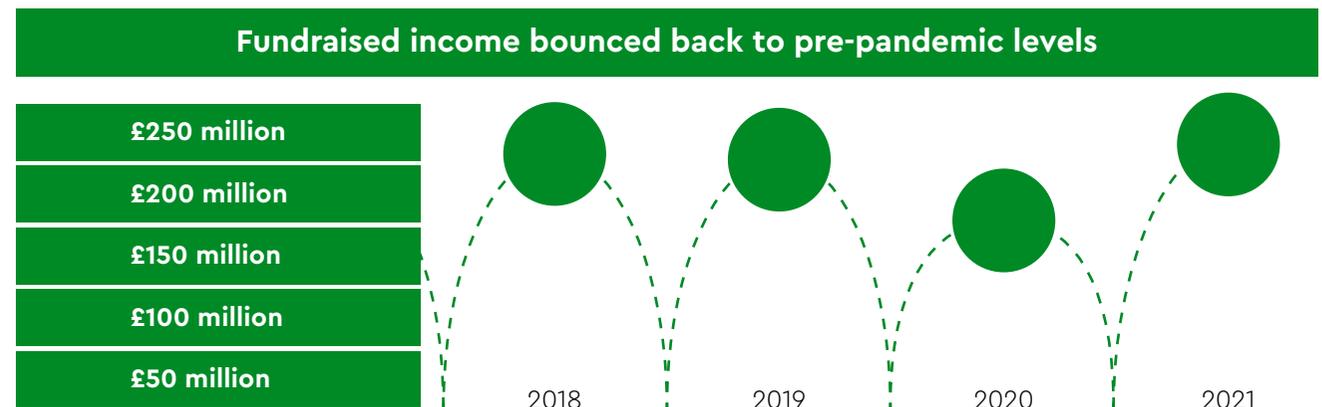
being recognised during the year, also resulting in an increase in our legacy debtors at year end, which increased from £58.5 million to £69.6 million. Legacies continue to be our biggest single source of revenue, making up 39% of our total fundraised income, and therefore we will continue to invest in this area.

For more information on Gifts in Wills, see page 36.

Our donation income is made up of multiple income streams and for 2021 totalled £119.6 million (2020: £97.2 million), an increase of 23%. This includes money raised through national events such as Macmillan's Coffee Morning, challenge events, corporate supporters, direct marketing, trusts and major donors, as well as income generated by our active volunteer fundraising committees across the UK.

The Mighty Hikes series was a fundraising highlight in 2021, generating over £12.6 million, an increase of £10.8 million from 2020, due to this activity being largely cancelled due to the coronavirus pandemic in 2020. During 2021 we expanded the Mighty Hikes series, with additional locations and the introduction of half-marathon routes which proved a huge success.

Grant income for 2021 totalled £2.7 million, a decrease from £8.1 million in 2020, mainly due to the £4.9 million reduction in income from the Government's Job Retention Scheme, following the closure of the furlough scheme during 2021. Grant income includes £2.1 million from the Scottish Government for the Improving Cancer Journey Programme.



# Funding our services

2021 saw us able to increase our charitable spend, spending £171.6 million on services for people living with cancer in 2021, compared to £89.3 million in 2020. Our strategic reports on pages 9 to 69 explain what we did last year and what we achieved with the money we spent.

Having achieved pre-pandemic levels of income during 2021 and continuing to project income above these levels from 2022 onwards, this will allow for continued additional investment in our services.

We regularly monitor and track our income and expenditure to respond appropriately to the changing environment. This agile approach enabled us to prioritise spending on services to deliver the greatest impact to those who need us most.

There are two main ways we develop services:

## **a) Our direct services**

We fund some services directly and employ the people who deliver them. For example, our Macmillan Support Line. Our expert teams provide vital support and guidance to everyone who needs it, from answering clinical questions, to helping ease money worries, or providing someone to talk to who understands what they are going through. We also give individual patient grants to people on low incomes who are struggling with their finances after a cancer diagnosis.

## **b) Working with partners**

We also develop services by working with a broad range of partners such as the NHS, local authorities, health boards, commercial organisations, and other charities and non-profit organisations. This involves our team of managers working with partner organisations in their locality to develop the requirements for and negotiate the funding of a service. The standard arrangement is that we provide a grant to fund a service for an agreed period and then a partner organisation picks up the ongoing funding, recruits the professionals to deliver the service and monitors the ongoing delivery of the service.

In 2021, services delivered directly by us, such as our Macmillan Support Line, identified £84.6 million of financial gains for people living with cancer, a 4% rise on 2020. We increased our spend on support line services to £20.2 million, an increase of 20% compared to 2020. We also identified almost £218 million in financial gains for people living with cancer through the benefits services we run in partnership with Citizens Advice, NHS trusts, local authorities and other organisations. There continue to be delays in the benefits system, including benefits received by people at the end of their life. To help make money one less worry, we drew media attention to some of these issues to raise political and media pressure to resolve them.

In 2021 we spent £12.2 million on providing grants to over 33,000 people who were facing financial hardship, an increase of 34% from 2020. The grants offer people a speedy lifeline when financial problems arise that relate to their cancer. They help pay for a wide variety of things – from essential items like a new washing machine, to fuel bills, or even to fund a much-needed break.

# Managing our costs

In July 2021 we agreed additional investment of £46.9 million in our services including extending our focus on psychosocial care and filling the gaps in our local information and welfare partner services. It is worth noting that during 2021 we made a change to our welfare benefit partner contracts, extending these to three years from one year. We have therefore accounted for the full three years of expenditure in 2021, which has caused a spike in expenditure in 2021 but will result in a fall in 2022 and 2023.

In 2021, we campaigned hard to make sure the Governments and other key decision-makers acted swiftly to reduce the cancer backlog and provide people with the care they urgently needed.

Over 7,600 Macmillan roles employed and managed by our partners were active across the UK in 2021, all working to improve the lives of people living with cancer. This includes over 4,500 nursing related posts, over 500 support worker posts and over 850 allied health professional posts. We generally fund new Macmillan professionals for a fixed period. After this time, the partner organisation takes over the funding of their salary. Macmillan continues to provide ongoing professional development and support. Funding Macmillan professionals in this way means we can support more professionals into more roles, in a sustainable way.

During 2021 we made grant commitments to partner organisations totalling £76.4 million, a significant increase from 2020 when we saw a pause in grant commitments to partners as a result of the pandemic.

The cost of raising our income in 2021 was £62.5 million, a 7% increase on 2020, due to the increase in our activities following a year of 'pause' due to the pandemic. We will continue to keep a very close eye on all our costs and fundraising activities, to make sure that we are making the most of all our resources.

You'll find a more detailed analysis of our charitable expenditure in note 10 to the financial statements.

We continued to respond to the changing environment around us so we can protect our ability to deliver the most impact for the people we are here to support.

Given our strong financial position and to support the additional investment and delivery of our ambitious strategy for people with cancer, we have started to grow our organisation again. Whilst this news is positive, we are still operating in an uncertain environment and must remain conscious of that.

We have a rigorous process in place to manage the size and structure of Macmillan. By understanding the capabilities and capacity needed to meet our strategic objectives, our leaders work with Finance and HR teams to identify new and additional roles across Macmillan.

Our plans must be sustainable, ensuring we make the best use of our time and money, as well as supporting our ambition to be more equitable, diverse and inclusive, and so all new roles are carefully considered.

# Liquidity

As an organisation relying almost entirely on annual fundraised income, our policy is to hold adequate funds to enable us to react to any unexpected adverse impact on our finances. The trustees continued to endorse a liquidity policy in 2021, as Macmillan remains in a financially strong position and is therefore able to maximise support for those living with cancer.

Under our liquidity policy, our target is to retain £100 million in investments and cash which are capable of being liquidated at relatively short notice. In addition, we will hold cash and other liquid funds to meet normal day-to-day cash flow requirements. As at 31 December 2021, our investments and cash totalled £157.5 million (2020: £141.4 million), £152.6 million of which is held in short-term funds and cash.

In 2022, we will review our liquidity, with a view to potentially reduce this target, whilst ensuring we maintain appropriate levels of easily accessible funds. We are confident in our plan to do our very best for people with cancer and want to continue our commitment to increase charitable expenditure.

# Our year-end result and reserves

Our reported in-year operating result for 2021 is an operating deficit of £3.3 million before investment losses. After investment losses we ended the year with a deficit of £3.5 million.

As at 31 December 2021, our general reserves totalled £54.7 million, an increase of £1.3 million from 2020. Designated funds totalled £3 million, a small decrease of £0.3 million from 2020. Restricted funds totalled £16.4 million, a decrease of £4.5 million from 2020. Total reserves stood at £74.1 million, compared to £77.6 million in 2020.

As mentioned above, Macmillan operates a liquidity rather than a reserves policy, reflecting our operating model which sees the immediate recognition of multi-year grant commitments as per our accounting policy. It also means that by focusing on an appropriate level of liquidity, rather than a targeted level of reserves, we can increase our impact on the lives of people living with cancer. These grant commitments mean that our liabilities are particularly high, and if we were to exclude these long-term creditors (grants falling due after more than one year £82.9 million), our reserves level would increase from £74.1 million to £157 million.

# Our investments

## Fixed asset investments

Our portfolio is being managed by Sarasin and Partners. At 31 December 2021, our long-term fund, which includes the value of some residual holdings with our previous investment managers, JP Morgan Private Bank, stood at £2.8 million in comparison to £3.3 million in 2020. Our short-term fund totalled £96.3 million, showing no movement compared to 2020.

The performance of Sarasin and Partners is regularly monitored by the trustees against agreed benchmarks and trustees are satisfied with this performance. We continue to review our investment strategy with Sarasin and Partners on a regular basis. We do not directly invest in tobacco. We have made it clear to Sarasin and Partners that our funds must not be directly or indirectly invested in tobacco stocks.

In our financial statements, in addition to the above funds, our fixed asset investments also include legacy property of £0.6 million and a programme related investment of £1.4 million.

## Current asset investments

Additionally, we hold funds to meet ongoing commitments. The trustees regularly monitor these funds to ensure the security of this money, as well as reviewing the performance of our investments. We increased the value held in our current investments from £28.3 million to £45.9 million during 2021 due to an increase in our cash balances following a return to pre-pandemic fundraising levels. The trustees are satisfied that these funds are prudently invested and will continue to monitor their status closely.

## Pension schemes

Our defined benefit pension scheme was closed to future accruals on 30 June 2010. We now operate a defined contribution stakeholder pension scheme for eligible employees.

The Financial Reporting Standard 102 (FRS102) valuation of our defined benefit pension scheme at 31 December 2021 showed a surplus of £10.6 million, a 24% increase from 2020. This surplus is not recorded in the financial statements, as the surplus in the Scheme is not fully recoverable by the Charity.

A formal triennial valuation was undertaken as at 31 December 2019 and showed a surplus of £1 million. The trustees regularly review the pension scheme and are confident the scheme is well run and well-funded and there are no plans to change the current investment strategy.

# Principal risks & uncertainties

# How we manage risks at Macmillan

**We define risk as anything that can adversely affect our ability to achieve our objectives for people living with cancer, sustain our operations, maintain our reputation or meet regulatory requirements.**

**We see risk as being inherent in what we do and the decisions we make. We seek to understand the risks we face or create, and plan to operate within an acceptable level of risk-taking. However, we also know that we must innovate and take risks to reach and improve the lives of people living with cancer. Our approach to risk management follows the recommendations of the Charity Governance Code.**

We ask all our employees, in everything they do, to be aware of the risks and opportunities in what they are trying to achieve, to assess the potential seriousness and chance of them occurring and to manage them for the benefit of the people living with cancer that we support.

We have a strong governance framework, ensuring risks are discussed, debated and agreed from an operational perspective to a strategic level. The Head of Risk, Governance and Compliance reports to the Chief Financial Officer, who is also Macmillan's Senior Information Risk Officer and has an additional independent reporting line into the Treasurer, who is chair of the Finance & Audit Committee.

# Risk planning and review

More formally, as part of our planning and review cycle, teams throughout the organisation (e.g. directorate teams, programme teams and operational risk managers) assess their risks each quarter to input into the Risk Leads Group as well as to agree these with their respective Executive Directors. Risks have been linked to Macmillan's planning cycle to ensure we add more value to the process and content. As well as identifying things that could go wrong, we look for opportunities we might miss for further growth and a sustainable future, as missing these could also stop us improving the lives of people living with cancer. Risks are scored for the impact they would have and how likely they are to happen. Each risk has an identified owner. All corporate risks are assigned to the relevant sub-committee as agreed at our executive Performance & Risk Board and confirmed at the Finance & Audit Committee of the main Board of Trustees.

# Appropriate level of risk

Key to assessing our risks is establishing our risk appetite; the amount of risk we are prepared or able to accept in pursuit of our purpose. Risk appetites can be different for different situations, depending on the extent of benefit we are aiming for and the availability of effective controls. If we are faced with too much risk, the risk owner may need to take further mitigating actions to reduce the risk; if not enough risk is being taken to generate the expected benefit, then we may need to reduce some mitigating actions or look for ways to find more benefit. For instance, we may be willing to be more risk seeking in the pursuit of new initiatives but would be intolerant of any activities that could produce compliance issues.

For our principal risks, formal risk appetites are codified in our policies and procedures to provide direction and boundaries for consistent, risk aware decision-making for our risk owners. As the environment in which we operate changes, along with stakeholder expectations and our priorities, we may have to adapt our risk appetites. Ultimately, we recognise that we may not always be able to prevent individual incidents, but risk owners will still look to reduce the impact risks may have and the likelihood they may occur to an appropriate level.

# Management review

All risks are scrutinised monthly at the Performance & Risk Board meetings to ensure all our Executive Directors, our CEO, Chief Operating Officer and Chief Financial Officer monitor all our corporate risks monthly as a group. We also conducted a Risk Horizon Scanning exercise with Executive Directors and their nominated Directors to map future existential risks for Macmillan. We continue to regularly engage with our all trustees, especially via the Finance & Audit Committee meetings to ensure we review and scrutinise every risk. Macmillan has always reviewed its risks and compliance metrics through regular meetings with risk leads from each directorate. This continued throughout the pandemic and, depending on the need, the frequency of these meetings increased. However, we are in a position now that risk leads only need to meet quarterly, and our Performance & Risk Board receives quarterly internal reports on compliance and risk metrics.

The corporate risk register is an organisation-wide summary of our risk profile and corresponding mitigating actions to help management validate our performance and sustainability and then present to the trustees for scrutiny and approval. Regular reviews of risk management plans inform our strategic planning, change management, operational decision making; they also feed into our assurance framework, including our annual Internal Audit Plan.

# Risk governance

Our risk management process is supported by our governance structure. Our trustees and executive management recognise the importance of maintaining a strong system of internal controls, supported by these risk management activities and assurance mechanisms, including internal and external audit. Whilst our executive management team is responsible for the day-to-day operation of our risk processes, our trustees are responsible for ensuring there is an effective risk management process and an appropriate internal control environment. Executive management are informed by our directorate leadership teams, a Performance & Risk Board and the Risk Leads Group. They present updates to the Finance & Audit Committee which reviews the principal risks and provides oversight of the risk management process, so that the Treasurer can report annually on the effectiveness of the risk management process to our Board of Trustees.

# Our risk profile

To help us analyse our risks, we identify and categorise our risks into three broad areas: strategic, operational and regulatory, and financial.

We have a clear and compelling programme of strategic initiatives designed to reach even more people living with cancer, improve standards of care and support and help people living with cancer live life as fully as they can. This is being rolled out pragmatically, informed by our understanding of what people living with cancer need and want, learning as we progress. However, there continues to be significant change and uncertainty in the external environment in which we operate: the ongoing impact and potential persistence of coronavirus; major changes to NHS and social care structures, major pressures on public spending, an uncertain economic outlook and a competitive charitable sector. We remain agile by monitoring and adjusting our focus as needed. Operationally, as we grow and change we are continuously looking for new and more efficient ways of delivering our services – such as listening to people living with cancer; improving the way we work with partner organisations, our volunteers and employees; and enhancing our technological support. This is against a background of continuing pressure on donors' finances. Changes in regulation, particularly regarding data protection, require investment and changes to policies and

procedures. Financially, we continue to review the level of liquidity we need to safely sustain our operations, so we can deploy as much as possible for our strategy and make more of a difference for people living with cancer.

Throughout the year, we stay alert for changes, both externally and internally, and adjust to keep us on track to achieve our objectives, sustain our operations, maintain our reputation and meet regulatory requirements.

Each risk category is described in more detail below along with our approach to managing them.

## Strategic risk

**The world in which we operate is uncertain. We build processes and systems that help us stay on track of our short, medium and long-term goals so we can continue to be there for people with cancer.**

Every year, we go through a rigorous strategic planning process that analyses the internal and external environment to highlight our areas of focus and potential risks. Through this we develop objectives, initiatives and plans for delivery. It is supported by a programme management function and a communication programme to inform employees, professionals and volunteers of our

strategy and progress. We have an established annual planning and budget process into which we will feed any changes to the strategy, plans or budget resulting from the ongoing uncertainty.

We regularly monitor progress against our objectives through our Performance & Risk Board. Through this process, we can react quickly and adapt our approach to changing circumstances.

We are guided by policies and processes to help us understand what ethical issues to consider when making decisions, such as where to invest charitable funds, what donations we can accept, or which partners, suppliers or individuals to work with.

We look to protect our future by maintaining a diverse mix of income streams; assessing the need for local and national improvement in cancer services, now and in the future; engaging with current partners to deliver services with us and developing new relationships; and constantly innovating to stay competitive and support people living with cancer.

## Operational and regulatory risk

**We hold ourselves to high standards to do our very best for those we work with and support.**

We have policies, procedures and governance structures to monitor and mitigate operational risks and major incidents, including understanding our regulatory requirements.

We recruit and manage people, informed by clear role profiles and an operating model showing our current and future needs. Macmillan is working to remove unconscious bias from our recruitment and encourages applications from all candidates regardless of background.

Specialist compliance training is delivered to employees in key areas to build their skills and ensure awareness of compliance requirements. A stocktake of all completed mandatory training is reviewed at an executive level in the Performance & Risk Board meetings, chaired by the Chief Operating Officer.

Our internal processes around information security, health and safety, safeguarding and counter-fraud have been benchmarked against recognised standards. We also ensure we understand the information governance behind our use and retention of data, and we act responsibly in line with the Information Commissioner's Office best practice.

Not everything goes as planned so we have contingency planning, incident management and crisis management arrangements in place.

## Financial risk

**We are 98% funded by voluntary donations, including fundraising activities, so we regularly monitor the external environment as it could impact our income, investments and spend.**

We monitor our financial performance, liquidity and solvency through a system of financial reporting that compares actual results against the phased annual budget and the latest quarterly forecast on a monthly basis. In addition, we prepare longer-term financial forecasts aligned to our strategic plans, incorporating scenarios, to confirm our longer-term solvency.

Financial instrument borrowings are not used, and our investment and liquidity policies are set, with input from external advisers, to ensure we manage our risks and have adequate cash available to meet our ongoing liabilities.

In our investment activities, foreign exchange forward and options contracts are used to hedge exposure resulting from any risk of changes in foreign currency rates. All other assets and liabilities are held in sterling.

Credit risk on amounts owed in respect of incoming resources is low.

Investment policies, delegation of authorities, procurement and expenses policies are in place.

We have defined accounting policies and financial controls for accurate and timely reporting.

## Additional pervasive feedback and assurance controls.

We have complaints and grievance procedures and an anonymous whistleblowing hotline to enable appropriate reporting and consideration of internal and external stakeholders' concerns, and individual comments on how we can improve.

An annual internal audit programme tests the existence and effectiveness of key controls, supplemented by external reviews.

# Looking forward



Wye Valley Mighty Hike.

# Our strategy and plan

Right now, there are more than 3 million people living with cancer in the UK, and that number keeps growing. Despite that challenge, Macmillan will do whatever it takes to help everyone with cancer live life as fully as they can. We launched our ambitious new strategy in 2018. Since then, we've continued to evolve our plans, drawing on insight to respond to the changing environment and to be sure we can have the biggest impact for people living with cancer.

## Our plan for 2022

Our plan for 2022 sets out how we will deliver our strategy this year. It details what we will do to achieve our objectives and is clear about what our priority deliverables are. To do this, we'll rely on the dedication of thousands of colleagues, professionals, volunteers, partners and supporters. It's up to all of us to do whatever it takes to help everyone with cancer live life as fully as they can. Let's make it happen.

**This is how we'll do it together**

-  With heart
-  With strength
-  With ambition

**1** Everyone with cancer will know that they can turn to Macmillan from the moment they are diagnosed, and how we can help them.

**2** Everyone with cancer will have a conversation about all their needs and concerns, and get the support that's right for them.

**3** Everyone with cancer will have their vital needs met by high quality services.

**4** We will inspire more people to give to Macmillan so we can continue to be there for people when they need us the most.

**5** We will improve the key processes which support Macmillan to do its work as efficiently and effectively as possible.

**6** We will reflect and represent the communities we serve in everything we do to support everyone living with cancer.

1

- Reach 35% of people living with cancer at the point of diagnosis, through the Macmillan Support Line, cancer information pages on our website, our Information and Support Centres and Online Community.
- Make it easier for people living with cancer to access our services by improving signposting, navigation and referral.
- Develop and test new approaches to deliver local information support services.

2

- Influence decision-makers and the healthcare system to give people with cancer care that is personal to them.
- Work with partners to deliver healthcare that is personal to the individual by funding over 300 new frontline posts to the areas in the UK that need them the most.
- Equip people with cancer to personalise their experience when accessing support online and digitally.

3

- Provide financial support to people with cancer through our services, by working in partnership with organisations and professionals, and by influencing decision-makers.
- Help to deliver good end of life care by agreeing to six new partnerships.
- Help people with cancer get the emotional and practical support they need.

4

- Engage our customers so we can do more for people with cancer.
- Recognise our value to generate new income from our commercial partnerships.
- Inspire more people to give to Macmillan and raise £227 million in fundraised income so we can be there for people living with cancer for now and in the future.

5

- Upskill our colleagues and improve our processes to help them do their jobs.
- Update our systems and processes using data and insight to allow us to improve the experience of people with cancer.
- Carefully manage our money in the most efficient and effective way.

6

- Develop our leadership and culture to create a diverse and inclusive environment for all colleagues to thrive so that we are representative at all levels of the organisation and all our colleagues and volunteers feel they belong.
- Improve our services and advocacy so that people with cancer from all backgrounds feel cancer services are accessible and inclusive.
- Improve how we look and how we communicate so that our fundraising, marketing and innovation activities are representative and inclusive.

# Governance

# Setting ourselves up for success

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that, in doing so, the directors should have regard, amongst other matters, to:

- **The likely consequence of any decision in the long-term** – Our strategic objectives (pages 9–69) were developed as part of a long term strategy to improve the lives of people living with cancer. We routinely review external developments and horizon scan for future trends, and ensure that our plans can be adapted as needed to meet changing circumstances. There has been an additional focus on this during the ongoing pandemic, to ensure that any short-term actions needed to deal with the impact of Covid-19 do not adversely affect our ability to deliver services for our beneficiaries in the longer term.
- **The interests of the company's employees** – Our employees are vital to Macmillan and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised through these as quickly as possible. Feedback from Our Voice,

our employee representative forum, is shared with our Executive Strategy team and the Trustees. We have employee networks to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks. During 2021, when most employees continued to work from home for much of the year, we continued to hold regular webinars to keep colleagues updated and maintain engagement. All employees have access to a Wellbeing Hub, and there are Wellbeing Ambassadors and Mental Health Champions throughout the charity to support colleagues.

- **The need to foster the company's business relationships with suppliers, customers and others** – Our relationships with partners and suppliers are key to our effectiveness. Each will have an individual staff member as their contract manager, and we work with them closely to develop a mutually beneficial relationship. We encourage feedback from our customers so that we can learn from this to improve how we do things. Trustees receive regular reports on key supplier relationships and customer feedback. More information on pages 49–52.

- **The impact of the company's operations on the community and the environment** – We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. Our Social & Environmental Impact Policy is monitored by a Compliance & Assurance Group and progress reports are regularly reviewed by our executive level Performance & Risk Board. More information on page 73.
- **The desirability of the company maintaining a reputation for high standards of business conduct** – Our reputation and public trust in Macmillan is fundamental to our future success. We use our organisational values in our recruitment and training for both employees and volunteers to ensure that we maintain high standards, and these are used as a performance measure in our appraisal processes. Our procurement and ethical policies and procedures ensure that our values are also a key part of our selection of partners and suppliers.
- **The need to act fairly as between members of the company** – We aim to be a fully inclusive organisation which is relevant and accessible for anyone living with or affected by cancer. We will not unfairly discriminate against anyone. More information on page 51.

# Safeguarding

We are committed to safeguarding the welfare of our employees, volunteers and everyone who receives our support. We believe children and adults have the right to protection from all types of harm or abuse. Our employees and volunteers have a duty to prevent abuse and report any safeguarding concerns.

Our safeguarding policy and training modules help our employees and volunteers to remove, reduce and manage safeguarding risks for everyone we support and work with. We also operate two safeguarding contact numbers, which offer real-time advice and emotional support to anyone dealing with sensitive, challenging and difficult issues, 24 hours a day, seven days a week.

We want to create a safe working environment for all our employees and volunteers and our continual aim is to reduce their risk of harm when working for us. Our health and safety procedures and training are designed to keep our premises and events safe for all. We provide support and training for people who regularly work or volunteer alone in the community, as well as access to a lone worker alarm with 24/7 emergency support.

As well as offering emotional support and guidance through our Safeguarding team, we give all employees access to a 24/7/365 assistance programme and healthcare cover for additional support.

# Employment of disabled persons

We are committed to growing the representation of disabled colleagues to ensure we are representative of all our communities by 2025. We strongly encourage people of different age groups, socio-economic and/or ethnically diverse backgrounds, religions, beliefs or no faith, and who identify as lesbian, gay, bisexual, transgender, non-binary people, veterans, parents, and individuals with disabilities to apply for roles at Macmillan. To support this, we have and regularly review policies, procedures and training to ensure we continue to evolve for all colleagues including our disabled colleagues.

Our recruitment processes are being reviewed to ensure we reduce and challenge personal bias wherever possible, and to ensure a fully accessible and inclusive process is in place for all candidates, both internal and external. This will include launching a partial anonymised recruitment process for all roles, introduction of recruitment adjustment guidance for disabled and neurodivergent candidates, diverse panels and a complete refresh of the training and support package for hiring managers. We have also invested in paid internships and are working with three charity providers to attract and place disabled and ethnically diverse candidates and/or individuals from less advantaged backgrounds.

# Gender pay

We want our employees to be paid fairly and equally. Our gender pay report helps us to understand and monitor any difference in average earnings between female and male employees. In this most recent reporting year (5 April 2021), we have seen our mean gender pay gap increase from 8.67% to 10.15%, which is disappointing.

**2.11%**  
increase

**Our median gender pay gap increased by 2.11% since 2020, which means a middle-ranking female earns £0.38 less and a middle-ranking male earns £0.04 more per hour.**

## What's caused this increase?

Several factors will have contributed to this increase. In particular, this increase is due to the difficult decision we had to make during the pandemic to reduce our headcount by more than 370 employees. However, we recognise that this does not justify the lack of progress we have made in closing our gender pay gap and there is more progress yet to be made.

### Definition:

Our median gender pay gap is the difference in pay between the middle-ranking female and male employees.

# Living wage initiative

Throughout 2021, we implemented several positive changes in a bid to address this. We anonymised and improved our recruitment practices, conducted in-depth pay reviews of our roles, and worked with our Working Families Employee Network to identify where we can better support colleagues with families.

However, there is still more to do. While the disparity we have continues to be lower than the national average, this is not enough, and we are committed to removing this gap entirely.

## How are we going to address this gap?

- We will increase transparency about pay, including a review of our pay procedures and policies to ensure they are inclusive
- We will continue to adapt how we recruit, develop, and support our employees, to ensure we are representative at all levels
- We have made changes to our reporting process so we can report and act on the findings quicker

You can read more in our Gender Pay Gap report about the steps we have taken, and continue to take, to address our gender pay gap at Macmillan.

[Read more](#) 

All our employees deserve a wage which meets their everyday needs. In 2017 we made it policy to pay at least the voluntary real living wage (£11.05 per hour in London and £9.90 across the UK), rather than the statutory minimum wage (£8.36 for under 23s) or national living wage (£8.91 for over 23s).\*

## Fighting modern slavery

There is no modern slavery or human trafficking in our supply chains or in any part of our business. When we review our contracts, and develop new ones, we assess the possibility of modern slavery. In cases where we feel there is potential for slavery, we take actions to change our arrangements. We continue to monitor and improve how we manage contracts and share developments with our employees.

\*Figures correct at the time of publication.

# Caring for the environment

We are committed to being an environmentally responsible charity and will seek to reduce the longer-term social and environmental impact of our operations. As a charity, we understand that we have a special duty to earn and maintain the trust of our supporters by ensuring that what we do maximises positive outcomes and minimises adverse impacts. Embracing our responsibilities for social and environmental impact in line with our values enables us to play our part and ensure we continue to support people living with cancer, sustainably, ethically and for the long term. But these decisions must also be financially viable to ensure we do not dilute our ability to support and care for people with cancer.

In 2021, we:

- Launched a Social and Environmental Impact policy to guide how we make decisions
- Created dashboards to monitor our electricity and travel use
- Joined the Fit for the Future sustainability network

Streamlined Energy and Carbon Reporting (SECR) is a set of regulations that require certain companies in the UK to disclose their energy and carbon emissions, including electricity, gas and transport. In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, our energy use and greenhouse gas (GHG) emissions are set out below. The data relates to UK emissions for the 12-month period from 1 January 2021 to 31 December 2021.

## Quantification and Reporting Methodology:

The boundaries of this report are based on operational control. We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only that come under the operational control boundary. The 2021 UK Government GHG Conversion Factors for Company Reporting published by the UK Department for Environment Food & Rural Affairs (DEFRA) are used to convert energy use in our operations to emissions of CO<sub>2</sub>e. Carbon emission factors for purchased electricity calculated according to the 'location-

based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. We purchased 100% renewable energy for our office in Brighton and have included an additional figure calculated using market-based factors to account for this in our report above.

For Shipley and Albert Embankment some utilities are included in the rent, so benchmarking based on floor area against industry benchmarks has been used to provide estimated consumption for gas at Albert Embankment and electricity at Shipley. Our approach to calculating electricity consumption at Shipley has been updated for 2021 as landlord recharge data is not available at the time of reporting. For purposes of comparison we have recalculated the Shipley data for 2020 based on the same methodology.

We closed 5 offices in 2020 (Edinburgh, Belfast, Millbank, Pencoed and York). These offices accounted for 53 tonnes of electricity emissions (tCO<sub>2</sub>e) and 48 tonnes of gas emissions (tCO<sub>2</sub>e) in 2020 and our 2021 emissions have reduced as a result of a smaller portfolio. We now utilise serviced offices in Belfast, Cardiff and Edinburgh for which consumption is included in this report. Emissions from these offices are based on the total number of days booked during the period and the

floor area of the locations. We hope to improve the quantification of energy use and emissions in serviced offices with more accurate data on hours of occupancy and attendee numbers. All serviced offices are assumed to be serviced by electricity and gas.

Data sources include billing, invoices, and internal systems. For transport data where actual usage data (e.g. litres) was unavailable, conversions were made using average fuel consumption factors for the vehicle type to estimate the associated emissions. For short-term hire car use only total spend was available, therefore, it was assumed all vehicles were diesel and conversions were made using the average fuel prices published by the UK Government.

## Intensity Ratio

We have chosen to report our gross emissions against FTE staff and Income (£m) because these metrics are likely to align most closely to fluctuations in carbon emissions.

## Energy Efficiency Action:

Macmillan Cancer Support is committed to reducing the environmental impact of its operations. We have transitioned more employees to homeworking, reducing the energy use

associated with operating large offices. The introduction of Microsoft Teams has reduced the need for business travel and meeting room hire. Instead we began to utilise serviced offices in Belfast, Cardiff, and Edinburgh.

In our last report we referenced the introduction of a pre-authorisation procedure for travel. Line managers now receive an alert when travel is booked by a report allowing them to raise any concerns around the sustainability of travel options considered.

Challenge Events are focusing on sustainability across the programme in 2022. All running, hiking and cycling kit is sourced by the Merchandise Team ensuring sustainable materials are used and ethical supply chains are in place for all suppliers. The team has also moved away from sending physical fundraising packs to participants, replacing them with a postcard highlighting the wealth of fundraising and training support available on the website. Using results of a carbon impact assessment on a past Mighty Hike, the team is also working with its event delivery partner to review transportation, site power provision and menu choices for 40,000 participants, to minimise environmental impact.

## Macmillan Cancer Support Energy Use and Associated Greenhouse Gas Emissions

	January – December 2021	January – December 2020 (updated)
<b>Total Energy consumption</b>	<b>1,549,946 kWh</b>	<b>2,502,418 kWh</b>
Emissions from combustion of gas (Scope 1)	132 tCO <sub>2</sub> e	179 tCO <sub>2</sub> e
Emissions from combustion of fuel for the purposes of transport (Scope 1)	26 tCO <sub>2</sub> e	136 tCO <sub>2</sub> e
Emissions from purchased electricity (Scope 2)	144 tCO <sub>2</sub> e	199* tCO <sub>2</sub> e
Emissions from serviced offices (Scope 3)	0.07 tCO <sub>2</sub> e	NA
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	14 tCO <sub>2</sub> e	31 tCO <sub>2</sub> e
<b>Total gross emissions</b>	<b>316 tCO<sub>2</sub>e</b>	<b>546 tCO<sub>2</sub>e</b>
<b>Emissions per FTE</b>	<b>0.21 tCO<sub>2</sub>e per FTE</b>	<b>0.31 tCO<sub>2</sub>e per FTE</b>
<b>Emissions per £m Income</b>	<b>1 tCO<sub>2</sub>e per £m Income</b>	<b>3 tCO<sub>2</sub>e per £m Income</b>
<b>Total Gross Scope 1, Scope 2 [market based] &amp; Scope 3 emissions (tCO<sub>2</sub>e) [optional]</b>	<b>298 tCO<sub>2</sub>e</b>	<b>540 tCO<sub>2</sub>e</b>

\*Electricity data for Shipley recalculated in line with 2021 method. Please see narrative for detail.

# Legal Structure

Macmillan Cancer Support is a company limited by guarantee and a registered charity. Macmillan is governed by its Articles of Association, which sets out the Charity's powers and authorities.

The objects of the Charity included in the Articles of Association are:

- a) to provide support, assistance and information directly or indirectly to people affected by cancer
- b) to further build cancer awareness, education and research
- c) to promote and influence effective care, involvement and support for people affected by cancer.

# Board of Trustees

The Board of Trustees (Board) is ultimately responsible for the overall control and strategic direction of the Charity and for the protection of its assets. Day-to-day responsibility for running the Charity is delegated to the Chief Executive, Lynda Thomas, and the Executive Directors who comprise the Executive Strategy team (see page 81).

The trustees are also directors under company law and are our company members. They are appointed by the Board for a term of three years and normally serve a maximum of three terms. The Board's Nominations Committee reviews the structure, size, composition (including the skills, knowledge and experience) of the Board, considers succession planning, and makes recommendations on appointments to the Board. The trustees all give their time to Macmillan on a voluntary basis and receive no remuneration. Out-of-pocket expenses may be reimbursed.

When recruiting new trustees, the Board aims to attract a diverse range of candidates who have the skills the Charity needs. It values the benefits of having members with different backgrounds, expertise and experience. All Board appointments are based on merit, in the context of ensuring that we have an appropriate balance of skills and experience. During 2021 we recruited two new trustees.

All new trustees undertake an induction programme, which includes meeting with the Chief Executive, Executive team members and other key staff, along with service visits. Inductions in 2020 and 2021 were carried out online because of the impact of coronavirus, but future inductions and visits will revert to in-person interactions as soon as possible. Additional and ongoing training is arranged as required for individual trustees or for the Board as a whole.

The trustees who served during the year and up to the date of this report are seen opposite.

Biographies of our trustees are available at [macmillan.org.uk/about-us/who-we-are](https://www.macmillan.org.uk/about-us/who-we-are)

During the year and up to the date of approval of the Trustees' report, there was a qualifying third-party indemnity in place for directors, as allowed by Section 234 of the Companies Act 2006.

## Macmillan Cancer Support Board of Trustees

**Professor Jean Abraham**

(appointed 16.06.21)

**Dr Jag Ahluwalia**

(Chair of Charitable Expenditure Committee)

**Iain Cornish**

(Treasurer and Chair of Finance & Audit Committee)

**Professor Jane Cummings CBE**

(Chair of People Committee from 16.06.21)

**Professor Timothy Eisen**

(to 16.06.21)

**Rachel Higham**

**Kate Howe**

(Chair of Fundraising Marketing & Communications Committee from 29.07.21)

**Sue Langley OBE**

(Chair of Remuneration Committee to 16.06.21)

**Feilim Mackle**

(Chair of Fundraising Marketing & Communications Committee to 29.07.21)

**Mohammed Mehmet**

**Richard Murley**

(Macmillan Chair and Chair of the Nominations Committee)

**Dame Una O'Brien DCB**

(to 16.06.21)

**Nick Owen CBE**

**Dame Helen Stokes-Lampard DCB**

(appointed 01.09.21)

**Toby Strauss**

**Mark Ware**

[Read more](#) 

## How the Board works

The Board normally meets six times per year, including an annual strategy day which helps trustees and the Executive Strategy team to focus in more depth on the Charity's long-term strategic direction. Due to the ongoing pandemic, the majority of trustee meetings in 2021 continued to be held by video conference, which worked very effectively.

A framework of delegation is in place to set out matters delegated to committees of the Board or to the Executive or other staff. This is regularly reviewed and updated as necessary. Conflicts of interest are considered at each meeting and the Company Secretary maintains a register of conflicts.

# Board Committees

The Board has delegated specific responsibilities to its committees, each of which has detailed terms of reference and reports to the Board. The remit of the committees is reviewed regularly to ensure they continue to work well.

**Finance & Audit Committee:** Monitors the financial performance of the Charity, the performance of Macmillan's investments and our investment strategies, financial reporting, planning and budgeting processes, compliance, corporate risk and our internal and external audit arrangements.

**Charitable Expenditure Committee:** Reviews charitable expenditure and activities against strategic corporate priorities agreed by the Board.

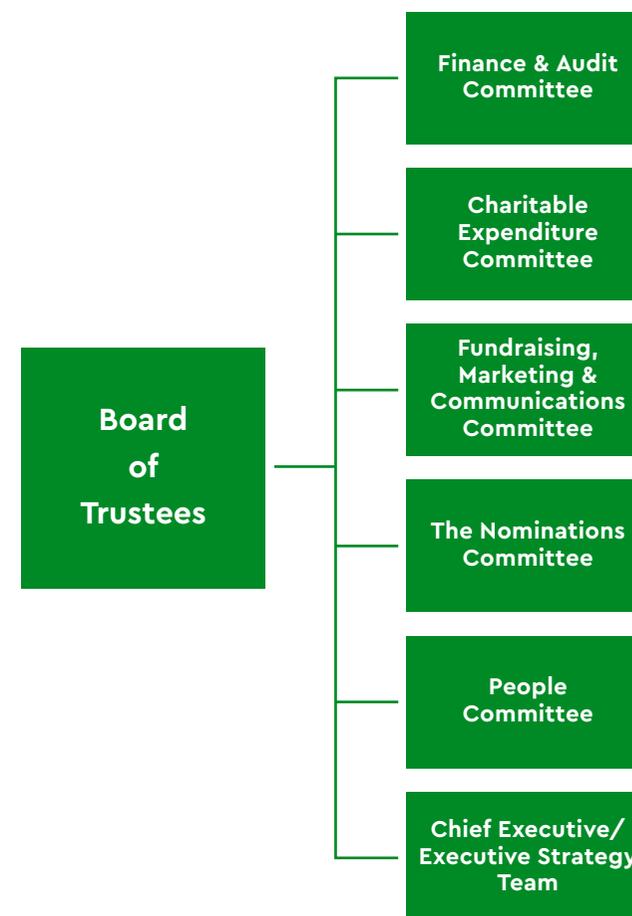
**Fundraising, Marketing & Communications Committee:** Oversees the Charity's fundraising, marketing and communications strategies and ensures that the Charity follows high standards of fundraising practice.

**Nominations Committee:** Considers the membership of the Board and recommends potential new trustees for election. This committee also keeps under review succession planning in respect of Honorary Officers and the Chief Executive, and oversees Board effectiveness reviews and action plans resulting from such reviews.

**People Committee (formerly Remuneration Committee):** Determines and recommends to the Board the overall policy for the remuneration of the Charity's employees, and provides an oversight on people issues and related policies. During 2021 the remit of this committee was reviewed. A change of name and increased number of meetings per year were agreed, to enable the committee to focus on a broad range of people issues for both employees and volunteers.

## Number of meetings held in 2021

Board of Trustees	6
Charitable Expenditure Committee	5
Finance & Audit Committee	5
Fundraising, Marketing & Communications Committee	4
People Committee	2
The Nominations Committee	The Nominations Committee did not meet in 2021.



# Governance review

The Board regularly undertakes a review of its effectiveness to identify any improvements to the Board's governance and ways of working or any training needs. The Board supports the principles of good governance set out in the Charity Governance Code and uses the Code to evaluate its effectiveness. The performance of individual trustees is assessed each year.

An external governance review was commissioned by the Board in 2021. This was undertaken by Caroline Copeman and Christine Fogg of the Centre for Charity Effectiveness, Bayes Business School, and concluded in February 2022, when the findings were presented to the Board. The facilitators held interviews with all trustees, the Chief Executive, members of the Executive team, other senior staff and the Company Secretary, along with observing meetings.

The review was based around the principles of the Charity Governance Code and good practice from a range of other organisations, and included an evaluation of the Board's committees and their effectiveness. The facilitators also considered progress against the recommendations made in the last external review in 2018.

The review found that Macmillan continued to have a strong Board, with trustees who work well

together and with the Executive team. There is a good balance between the assurance role of the Board and offering insight and challenge, the value of which had been particularly demonstrated in the response to the pandemic. The virtual meetings necessitated by coronavirus had worked well for routine business, although it was recognised that deeper discussions about future strategic direction and the changing nature of cancer care would be helped by a return to face-to-face Board meetings in 2022.

The governance framework, committee terms of reference, decision-making levels and governance principles and expectations were found to be clearly defined and understood. The role of the committees in focusing on detailed oversight and fiduciary responsibilities of their respective areas works well and frees up time at Board meetings to focus on strategy and overall performance, although there were recommendations to ensure good information flows between committees and the Board.

Recommendations from the review included extending future horizon discussions to cover changes in charity governance and how the Board might need to respond and develop itself; involvement of trustees earlier in the strategy

cycle to maximise their input and expertise; considering risk appetite in the post-pandemic era, in light of Macmillan's ambition to reach more people living with cancer and new approaches to income generation; and occasional meetings of committee chairs to check alignment and ensure areas are not falling through any cracks. Following initial discussion by the Board, the Nominations Committee will draw up an action plan to take the recommendations forward.

# Statement of responsibilities of the trustees

Macmillan's trustees, who sit on Macmillan's Board and are also directors of Macmillan Cancer Support for the purposes of company law, are responsible for preparing the trustees' annual report (including the Strategic 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 accounts for each financial year that give a true and fair view of the state of affairs of the Charitable Company and the Group, and of the incoming resources and application of resources, including the income and expenditure of the Charitable 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures being disclosed and explained in the financial statements

- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Charitable Company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy the financial position of the Charitable Company at any time and provide financial statements which comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Charitable Company and the Group, and taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees have overall responsibility for Macmillan's internal controls, while the Finance & Audit Committee reviews internal risks and monitors how well the trustees manage these risks.

In so far as the trustees are aware:

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

The trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Macmillan has its registered office in London, as well as additional offices in Glasgow and Shipley.

# Legal and administrative details

## As at 31 December 2021

### Status

The organisation is a charitable company limited by guarantee, incorporated on 30 June 1989 and registered as a charity in England and Wales on 21 June 1989 and in Scotland on 1 October 2008. Within this document, the Company is variously referred to as Macmillan, Macmillan Cancer Support and the Charity.

### Governing document

The organisation was established under a Memorandum of Association and is governed under its Articles of Association (last amended 25 July 2019), which establish the objects and powers of the organisation.

Company number	2400969
Charity number	261017
Scottish charity number	SC039907

### Registered office

89 Albert Embankment, London SE1 7UQ

### Patron

HRH The Prince of Wales

### President

The Countess of Halifax

### Deputy Presidents

Jamie Dundas  
Julia Palca

### Chair

Richard Murley

### Treasurer

Iain Cornish

### Company Secretary

Elsbeth Cox MVO

### Chief Executive

Lynda Thomas CBE

### Executive Strategy Team

Advocacy and Communications  
Steven McIntosh

Finance, Legal and Audit  
Steve Clayton

Fundraising, Marketing and Innovation  
Claire Rowney

### People

Kathy Taylor

Strategy and Performance /  
Cancer Support Operations  
Simon Phillips

Technology  
Roxanne Heaton

### Bankers

Natwest  
250 Bishopsgate, London EC2M 4AA

### Investment Managers

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

### Independent Auditors

PricewaterhouseCoopers LLP  
1 Embankment Place, London WC2N 6RH

### Macmillan Defined Benefit Pension Scheme Actuary

Declan Keohane  
First Actuarial LLP  
Network House, Basing View, Basingstoke,  
Hampshire RG21 4HG

# Further information

## Subsidiaries

Macmillan Cancer Support has seven subsidiary companies:

- Macmillan Cancer Support Trading Limited – which sells Christmas cards and other items, and carries out fundraising trading activities – continued to operate during 2021, and all of its profits were transferred to the Charity
- Macmillan Cancer Information Lottery Limited, Macmillan Financial Grants Lottery Limited, Macmillan Healthcare Lottery Limited and Macmillan Influencing Cancer Care Lottery Limited – which all operate society lotteries – continued to operate during 2021. All of their profits were transferred to the Charity
- Macmillan Cancer Support Enterprises Limited – which was originally established to provide design and construction services to Macmillan Cancer Support – was dormant throughout 2021
- Cancer backup was dormant throughout 2021
- Note 7 to the financial statements summarises the results of the subsidiaries, which performed satisfactorily in 2021.

### Related parties

Details of other related parties and connected organisations can be found in note 26 to the financial statements.

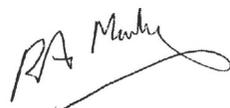
### Basis of preparation

The trustees' report and the financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' and Financial Reporting Standard 102.

### Independent Auditors

PricewaterhouseCoopers LLP is the Group and Charity's auditors. A resolution will be proposed by the charity's members that PricewaterhouseCoopers LLP is reappointed as auditors for the ensuing year.

The trustees' report, including the strategic report on pages 9 to 69, was approved by the board of trustees and authorised for issue on 28 June 2022.



Richard Murley, Chair

Runners taking part in our Run the Trail event.



# Independent auditors' report to the members and trustees of Macmillan Cancer Support

## Report on the audit of the financial statements

### Opinion

In our opinion, Macmillan Cancer Support's group financial statements and parent charitable company financial statements ("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 2021 and of the group's incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- 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) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the group and the parent charitable company balance sheets as at 31 December 2021; the consolidated statement of financial activities and the consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled

our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

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

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Trustees' Annual Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

### Strategic Report and Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Annual Report. We have nothing to report in this respect.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of responsibilities of the trustees, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 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 and parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the group and parent charitable company/industry, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the manipulation of key accounting judgements and estimates. Audit procedures performed included:

- enquiry of management and the Board of Trustees, including consideration of known or suspected instances of non-compliance with laws and regulations, and fraud;
- reading minutes of meetings of the Board of Trustees and Board subcommittees, including the Finance and Audit Committee;
- reviewing the terms and conditions of significant contracts;
- reviewing correspondence with regulators including the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator;
- understanding and evaluating the group's control environment;
- identifying and testing journal entries, including journal entries posted with unusual account combinations to income or expenditure accounts;
- testing the recognition of grant expenditure against the terms of the grant awards;
- assessing the reasonableness of key accounting judgements and estimates including accrued legacy income; and
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

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

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate and proper 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



**Philip Stokes (Senior Statutory Auditor)**

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

04 July 2022

# Consolidated statement of financial activities (including an income and expenditure account)

For the year ended 31 December 2021

		Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>							
Legacies, donations and grants:							
Legacy income	2	85,727	4,678	90,405	66,549	5,267	71,816
Donation income	3	106,703	12,877	119,580	87,549	9,648	97,197
Grant income	4	259	2,453	2,712	5,149	2,937	8,086
Total legacies, donations and grants		192,689	20,008	212,697	159,247	17,852	177,099
Income from trading activities	5	17,019	531	17,550	16,370	81	16,451
<b>Total income before investment income</b>		<b>209,708</b>	<b>20,539</b>	<b>230,247</b>	<b>175,617</b>	<b>17,933</b>	<b>193,550</b>
Investment income	6	460	-	460	1,339	-	1,339
<b>Total income</b>		<b>210,168</b>	<b>20,539</b>	<b>230,707</b>	<b>176,956</b>	<b>17,933</b>	<b>194,889</b>
<b>Expenditure</b>							
Expenditure on raising income	9	62,426	55	62,481	58,173	299	58,472
Expenditure on charitable activities	10	146,597	24,977	171,574	70,933	18,398	89,331
<b>Total expenditure</b>		<b>209,023</b>	<b>25,032</b>	<b>234,055</b>	<b>129,106</b>	<b>18,697</b>	<b>147,803</b>
<b>Net (expenditure) / income before (loss) on investments</b>		<b>1,145</b>	<b>(4,493)</b>	<b>(3,348)</b>	<b>47,850</b>	<b>(764)</b>	<b>47,086</b>
Net (loss) on fixed and current asset investments		(142)	-	(142)	(5,721)	-	(5,721)
<b>Net (expenditure) / income</b>		<b>1,003</b>	<b>(4,493)</b>	<b>(3,490)</b>	<b>42,129</b>	<b>(764)</b>	<b>41,365</b>
Transfers between funds	25	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>1,003</b>	<b>(4,493)</b>	<b>(3,490)</b>	<b>42,129</b>	<b>(764)</b>	<b>41,365</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		56,679	20,929	77,608	14,550	21,693	36,243
<b>Total funds carried forward</b>	25	<b>57,682</b>	<b>16,436</b>	<b>74,118</b>	<b>56,679</b>	<b>20,929</b>	<b>77,608</b>

No corporation tax was payable by the Group or Charity for the year ended 31 December 2021 (2020: £nil).

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 25 to the financial statements. The notes on pages 89-111 form part of these financial statements.

# Balance sheets

As at 31 December 2021

Company Number 2400969

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
<b>Fixed assets</b>					
Tangible assets	13	7,148	7,633	7,148	7,633
Investments	14	101,126	101,695	101,126	101,695
<b>Total fixed assets</b>		<b>108,274</b>	<b>109,328</b>	<b>108,274</b>	<b>109,328</b>
<b>Current assets</b>					
Investments	15	45,905	28,355	45,905	28,355
Cash at bank and in hand	16	10,423	11,384	4,597	5,360
Stocks and property awaiting sale	18	370	311	-	28
Debtors	19	78,629	66,974	83,030	70,935
<b>Total current assets</b>		<b>135,327</b>	<b>107,024</b>	<b>133,532</b>	<b>104,678</b>
<b>Liabilities</b>					
<b>Creditors: amounts falling due within one year</b>					
Grants committed not yet paid	20	(69,009)	(54,710)	(69,009)	(54,710)
Other creditors and deferred income	21	(16,413)	(14,576)	(14,618)	(12,230)
<b>Net current assets</b>		<b>49,905</b>	<b>37,738</b>	<b>49,905</b>	<b>37,738</b>
<b>Total assets less current liabilities</b>		<b>158,179</b>	<b>147,066</b>	<b>158,179</b>	<b>147,066</b>
<b>Creditors: amounts falling due after more than one year</b>					
Grants committed not yet paid	20	(82,856)	(68,733)	(82,856)	(68,733)
Provisions for liabilities	23	(1,205)	(725)	(1,205)	(725)
<b>Net assets</b>	24	<b>74,118</b>	<b>77,608</b>	<b>74,118</b>	<b>77,608</b>
<b>The funds of the charity</b>					
<b>Restricted income funds</b>		<b>16,436</b>	<b>20,929</b>	<b>16,436</b>	<b>20,929</b>
<b>Unrestricted funds:</b>					
Investment revaluation reserve		(3,193)	(3,187)	(3,193)	(3,187)
Other general funds		57,892	56,562	57,892	56,562
<b>Total general funds</b>		<b>54,699</b>	<b>53,375</b>	<b>54,699</b>	<b>53,375</b>
Designated funds		2,983	3,304	2,983	3,304
<b>Total unrestricted funds</b>		<b>57,682</b>	<b>56,679</b>	<b>57,682</b>	<b>56,679</b>
<b>Total funds of the charity</b>	25	<b>74,118</b>	<b>77,608</b>	<b>74,118</b>	<b>77,608</b>

The net expenditure for the year of the parent Charity was £3,490,000 (2020: £41,365,000 net income).

The financial statements, including the notes on pages 91-113, were approved by the Board of Trustees and authorised for issue on 28 June 2022, and signed on its behalf by:



Richard Murley – Chair



Iain Cornish – Treasurer

# Consolidated cash flow statement

For the year ended 31 December 2021

	Note(s)	2021 £'000	2020 £'000
<b>Net (expenditure) / income for the year (as per the statement of financial activities)</b>		<b>(3,490)</b>	<b>41,365</b>
<b>Adjustments to exclude non-cash items and investment income</b>			
Depreciation	13	485	510
Increase/(decrease) in grant commitments, other creditors and deferred income	20,21	30,259	(80,193)
Increase/(decrease) in provisions	23	480	(9)
(Increase)/decrease in stocks and property awaiting sale	18	(59)	847
Increase in debtors	19	(11,655)	(416)
Losses on fixed and current asset investments		142	5,721
Investment income	6	(460)	(1,339)
Shares and investments acquired via legacies and gifts	14	-	-
Current asset gifted properties acquired via legacies and gifts		(1,035)	-
Loss on programme related investment	14	464	279
<b>Net cash generated from / (used in) operating activities</b>		<b>15,131</b>	<b>(33,235)</b>
<b>Cash flows from investing activities</b>			
Investment income	6	460	1,339
Purchase of tangible assets	13	-	(464)
Payments to acquire fixed asset investments	14	(486)	(995)
Proceeds from sales of fixed asset investments	14	-	-
Proceeds from sales of current asset gifted properties		1,035	554
Payments into current asset investments		(88,200)	(88,618)
Withdrawals from current asset investments		70,650	99,600
Transfer to cash and cash equivalents	14	449	26,639
Transfer to stocks and property awaiting sale	14	-	-
<b>Net cash (used in) / generated from investing activities</b>		<b>(16,092)</b>	<b>38,055</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(961)</b>	<b>4,820</b>
Cash and cash equivalents at the beginning of the year		11,384	6,564
<b>Cash and cash equivalents at the end of the year</b>	16	<b>10,423</b>	<b>11,384</b>
<b>Reconciliation of net cash</b>			
	At start of year	Cash flows	At year end
<b>Cash</b>	<b>11,384</b>	(961)	<b>10,423</b>

# Notes to the financial statements

For the year ended 31 December 2021

## 1. Accounting policies

### Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of investments to fair value, and in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' and Financial Reporting Standard (FRS) 102, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

These financial statements consolidate the results of the Charitable Company and its wholly owned subsidiary companies: Macmillan Cancer Support Trading Limited, Macmillan Healthcare Lottery Limited, Macmillan Financial Grants Lottery Limited, Macmillan Cancer Information Lottery Limited and Macmillan Influencing Cancer Care Lottery Limited on a line-by-line basis. Uniform accounting policies are adopted across the Group and inter company transactions are eliminated on consolidation. Cancerbackup and Macmillan Cancer Support Enterprises were dormant in 2020 and 2021, and have both been excluded from the consolidated financial statements on the basis of materiality. The Charity also has an investment in an associate which is a programme related investment and is accounted for under the equity method in the consolidated financial statements, see note 14. A separate Statement of Financial Activities for the Charity itself is not presented as allowed by Section 408 of the Companies Act 2006 and paragraph 5.1 of the SORP 2015. The income of the parent Charity was £225,330,000 (2020: £189,917,000) and the expenditure was £228,678,000 (2020: £142,831,000). The net expenditure of the Charity after recognised losses of £142,000 (2020: £5,721,000 losses) was £3,490,000 (2020: £41,365,000). The Charity has taken advantage of the exemption from preparing a Cash Flow Statement under FRS 102 Section 1.12(b). The cash flows of the Charity are included in the Consolidated cash flow statement.

The accounting policies have been consistently applied across the Group from year to year in accordance with FRS 102.

### Critical accounting estimates

In the preparation of the financial statements, accounting estimates are made. The most significant areas of estimation that affect items in the financial statements are to do with estimating the accrued legacy income for the year and the discount applied to grant commitments not yet paid falling due after more than one year to adjust the valuation to its present value.

The Bank of England base rate is used when calculating the discount applied to grant commitments not yet paid falling due after more than one year.

In calculating the value of a legacy estate, we apply an estimated deduction for costs incurred in administering the legacy of 8%. This is based on the average costs that have been incurred over a three-year period.

See note 1, 'Legacy income' and notes 2 and 19 for more information on the accrued legacy income. See note 1, 'Grant commitments' and notes 17 and 20 for more information on grant commitments.

### Critical accounting judgements

In the preparation of the financial statements, accounting judgements are also made. The most significant area of judgement that affects items in the financial statement relates to the defined benefit pensions surplus.

As per FRS 102, Macmillan can only recognise a surplus on its defined benefit pension scheme if there is a right to a refund. Such a refund would only occur on wind up of the scheme as there are no other provisions for a refund in the consolidated scheme rules. Macmillan believe that they do not have sufficient control over the surplus to be able to recognise the asset as they cannot be certain of the surplus figure continuing to be so in the future and the balance may not continually be recoverable. Macmillan have therefore exercised judgement in not recognising this asset on the consolidated balance sheet. If we were to recognise this, it would result in an asset of £10,635,000. See note 1, 'Pensions' and note 29 for more information on the defined benefit pension scheme.

### Other accounting judgements

In the preparation of the financial statements, other accounting judgements are made, which are not considered critical.

One of the areas that affects items in the financial statements relates to donated goods and services. No amount is included for items where Macmillan would not have paid for the donated good or service under ordinary circumstances. Further detail on donated goods and services can be found in note 1 'Donation income'.

### Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 December 2021, the Trustees are required to consider whether Macmillan Cancer Support can continue in operational existence for the foreseeable future.

As at 31 December 2021 Macmillan had cash and investment balances of over £157 million as outlined in the liquidity and reserves sections of the annual report, well above the target minimum liquidity of £100 million that the Trustees have set in order to remain in a financially strong position and be able to maximise support for those living with cancer.

The Trustees, after reviewing Macmillan's budgets, business plans, cash flow forecasts and investment and cash reserves, consider that the Group and Charity have sufficient resources and liquidity available at the date of approval of this report and for a period of at least 12 months. Accordingly, the Trustees are satisfied that it is appropriate to adopt the going concern basis in preparing the Annual Report and Accounts.

### Taxation

As a registered charity, the Charity benefits from rates relief and is exempt from corporation tax on its charitable activities but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates. The subsidiary undertakings do not generally pay direct tax because their policy is to Gift Aid their taxable profits to the Charity.

### Legacy income

Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, notification has been received and where they can be valued. Residuary legacies with a life interest are only valued where legal title has passed to the Charity.

## 1. Accounting policies (continued)

### Donation income

General donations, donations from fundraising events, corporate and philanthropy income and direct marketing income are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Income received in advance is deferred where appropriate. Donation income from local fundraising committees is included when received and notified by the committee. Gift Aid receivable is included when claimable. Donated goods and services are valued and included as income and expenditure, at the price estimated by the donor that Macmillan would pay in the open market for an equivalent good or service. Donated goods for resale are recognised when they are sold. A valuation of volunteer time given to the Charity is not included in these financial statements.

### Grant income

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a specific future period, in which case it is deferred. Included within grant income is income received as part of the Coronavirus Job Retention Scheme (CJRS), which has been accounted for as a government grant under the performance model. CJRS grants are receivable in respect of qualifying employees and are recognised when salary payments have been made to the qualifying employees. As the CJRS is designed to compensate for staff costs, the amounts received are recognised over the same period as the costs to which they relate. CJRS grants are not received with restriction as to the charitable purposes for which they can be spent.

### Income from trading activities

Income from trading activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period, in which case it is deferred. Income received in respect of raffles and lotteries is recognised when the draw is made. Income received in advance for future raffle and lottery draws is deferred until the draw takes place. Trading income from local fundraising committees is included when received and notified by the committee.

### Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Expenditure on raising income includes the costs incurred in raising legacy income, donation income, grant income and income from trading activities, including

apportioned support costs. Expenditure on charitable activities comprises the costs incurred on charitable activities including apportioned support costs.

### Allocation of expenditure

Expenditure is allocated to the particular activity to which the cost relates. Where expenditure contributes to more than one area of activity, the costs are allocated to each of the activities based on estimated staff numbers on a FTE basis.

### Governance costs

Governance costs are the costs associated with constitutional and statutory requirements and with the strategic management of the Charity's activities.

### Redundancy and termination payments

Redundancy and termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

### Tangible and intangible assets

Tangible assets are stated at cost, net of cumulative depreciation and provision for impairment. Depreciation is charged in equal instalments over the life of each tangible asset at the following rates:

Furniture and equipment	20%
Computer equipment	33.33%
Motor vehicles	20%
Leasehold property and leasehold property improvements	Over the life of the lease

Items of equipment, motor vehicles, and property are capitalised where the purchase price exceeds £10,000. Leasehold improvements are capitalised where the cost exceeds £250,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

An annual impairment review is undertaken and adjustments are made where the adjustment is material.

Assets under construction are not depreciated and comprise expenditure on the purchase, creation or enhancement of tangible assets not brought into use at the Balance Sheet date. Transfers are made from assets under construction to the relevant category of tangible asset when the asset is brought into use.

Intangible fixed assets are capitalised at cost. The Group capitalises items costing more than £250,000 that meet the criteria for capitalisation as per FRS 102. Amortisation is charged to write off the cost of intangible assets on a straight-line basis over 3 years.

### Investments

Listed investments are included on the Balance Sheet at fair value which is their closing bid price on the current or previous trading day.

Unlisted investments are included on the Balance Sheet at their fair value. For unlisted funds this is based on the Charity's share of the net asset value of the investments using the latest available performance data. Investments in subsidiaries are recorded at cost in the Charity's Balance Sheet.

Realised gains and losses on disposals in the year and unrealised gains and losses on investments at the Balance Sheet date are included in the Statement of Financial Activities for the relevant underlying funds. All investment income is treated as unrestricted.

Investment properties include properties that arise from legacies or lifetime gifts from donors where legal title has passed to the Charity. Investment properties are included on the Balance Sheet at fair value. Investment property land is valued by an independent valuer who holds a relevant professional qualification and has relevant experience of both the class and location of the asset. Investment properties that relate to properties with a life interest where legal title has passed to the Charity are valued by management based on the current market value of similar properties less an adjustment to reflect the life interest. Properties with a life interest cannot be sold until the life interest held by a third party has ended.

Current asset investments have a maturity date or expected disposal date of less than one year and are not held for long-term investment purposes.

### Programme related social investments

Programme related social investments are investments made in order to directly further the charitable purposes of the Charity. Any financial return obtained is not the primary reason for making the investment. Programme related social investments are held at cost adjusted for impairment losses. Impairments in the value of programme related investments are charged to charitable expenditure. Gains in the value of programme related investments are credited to investment income.

Where the Charity has a significant interest in a programme related investment, it will be treated as either a joint venture or an associate, dependent on the level of control exerted by

the Charity. Joint ventures and associates are included at cost, subsequently adjusted for the Charity's share in the associate's net assets under the equity method in the consolidated financial statements. The annual movement in the value of programme related investments is shown as a separate category in the investments note.

### Cash at bank and in hand

Cash at bank and in hand includes deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but not held for investment purposes.

Macmillan also have cash balances that are held by local fundraising committees. For those committees which hold restricted cash balances and have an agreement in place with Macmillan, the committees are responsible for how these funds are spent.

### Financial instruments

The Charity has applied the provisions of FRS 102, Section 11, 'Basic Financial Instruments' and Section 12, 'Other Financial Instruments Issues'. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. The Charity initially recognises a financial asset or a financial liability at transaction price, for debtors and other creditors this is the settlement amount. Grant commitments over one year are discounted to reflect present value.

### Stocks

Goods purchased for resale are valued at the lower of cost and net realisable value.

### Property awaiting sale

Gifted properties awaiting sale are valued at their fair value, which is their expected sale price, less costs of sale. Properties awaiting sale are valued by an independent valuer who holds a relevant professional qualification and has relevant experience of both the class and location of the asset.

### Debtors and creditors

Trade debtors and other debtors are recognised at their transaction price less any allowance for doubtful debts. Liabilities are recognised when, as a result of past events, there is a probable future outflow of resources and the amount can be estimated reliably. Trade creditors and other creditors are included at their nominal value.

### Grant commitments

Grants are generally made to organisations to meet employment and development costs of Macmillan post holders and related service developments, to assess and meet patient needs. This covers costs associated with health, financial, information and emotional and practical support developments, including buildings. The full value of the charitable grant is recognised in the year in which the commitment is made and shown as a long or short-term creditor as appropriate. The discount applied to grant commitments not yet paid falling due after more than one year to adjust the valuation to its present value is the current base rate. Commitments are recognised on the date the Charity formally notifies the recipient of the award.

Macmillan grants are grants to individuals which are made to cover a wide range of practical needs and are recognised in the year in which they are paid.

### Releases of grant commitments

There are occasions when it becomes necessary to withdraw and redeploy a grant which has been approved in a prior year. Where redeployment occurs the intention of the original grant is observed where possible. If it cannot be spent in the current year, the funds revert to the original unrestricted or restricted reserve.

### Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

### Leases

The Charity enters into operating leases as detailed in note 27. Expenditure on operating leases is charged in the Statement of Financial Activities as incurred.

### Fund accounting

Restricted, designated and general funds are separately disclosed, as set out in note 25. The different funds held are defined as follows:

Restricted funds	These are subject to specific restrictions imposed by the donor or by the nature of the appeal.
Designated funds	These are set aside at the discretion of the trustees for specific purposes. They would otherwise form part of the general funds.
General funds	These are available to spend at the discretion of the trustees in furtherance of the charitable objectives of the Charity.

Any transfers between funds and any allocations to and from designated funds are approved by trustees.

### Pensions

During the year the Charity operated a defined benefit pension scheme for employees. The scheme closed to new members on 30 April 2005, and to the accrual of future benefits, with no further member contributions required, on 30 June 2010. The scheme is accounted for in accordance with FRS 102.

Following the closure of the scheme during 2010, the resultant scheme surplus is not recognised on the Charity's Balance Sheet. Any future scheme deficit would be shown on the Charity's Balance Sheet. The amounts charged in the Statement of Financial Activities for defined contribution pension schemes represent the contributions payable in the period.

The assets of the scheme are held separately from those of the Charity in an independently administered fund. The Charity also contributes to a separate stakeholder pension scheme provided by Legal & General. Contributions to the Charity's stakeholder pension scheme are charged to the Statement of Financial Activities in the year in which they become payable.

Macmillan contributed to a further defined benefit pension scheme, the National Health Service Pension Scheme which is unfunded. It is not possible for Macmillan to identify its share of the liabilities for the scheme and therefore contributions are recognised in the Statement of Financial Activities in the year in which they become payable.

## 2. Legacy income

	Unrestricted	Restricted	2021 Total £'000	2020 Total £'000
Legacy income	<b>85,727</b>	<b>4,678</b>	<b>90,405</b>	<b>71,816</b>

## 3. Donation income

	Unrestricted	Restricted	2021 Total £'000	2020 Total £'000
Local fundraising committees	567	1,594	2,161	2,190
Fundraising events	48,784	2,446	51,230	30,333
Corporate income	10,426	6,207	16,633	13,908
Philanthropy	3,808	2,022	5,830	5,355
General donations	12,779	599	13,378	11,392
Direct marketing	29,577	9	29,586	31,556
Donated services and facilities	762	-	762	2,463
	<b>106,703</b>	<b>12,877</b>	<b>119,580</b>	<b>97,197</b>

Donated services and facilities comprises contributions totalling £312,000 (2020: £1,867,000) to our fuel management programme, £68,000 (2020: £68,000) of advertising space, £367,000 (2020: £465,000) in respect of professional advice including training, £nil (2020: £48,000) for PPE provided for Macmillan nurses and £15,000 (2020: £15,000) for a software licence. The Charity also benefits from the services of unpaid volunteers.

## 4. Grant income

	Unrestricted	Restricted	2021 Total £'000	2020 Total £'000
Scottish Government – Improving Cancer Journey Programme	-	2,138	2,138	2,613
Sussex Cancer Fund – Macmillan Horizon Centre – Brighton	-	55	55	53
Coronavirus Job Retention Scheme	254	-	254	5,149
NHS North Cumbria CCG	-	130	130	135
Department for Health (Northern Ireland)	-	110	110	-
Norfolk & Waveney STP – Telephone Buddy Service	-	20	20	-
Dorset CCG	5	-	5	-
Coronavirus Community Support Fund	-	-	-	90
Energy Savings Trust	-	-	-	46
	<b>259</b>	<b>2,453</b>	<b>2,712</b>	<b>8,086</b>

## 5. Income from trading activities

	Unrestricted	Restricted	2021 Total £'000	2020 Total £'000
Lottery and raffle	13,909	-	13,909	13,998
Local fundraising committees sales	109	307	416	114
Fundraising events	199	224	423	57
Corporate and other trading income	2,802	-	2,802	2,282
	<b>17,019</b>	<b>531</b>	<b>17,550</b>	<b>16,451</b>

## 6. Investment income

	2021 Unrestricted £'000	2020 Unrestricted £'000
Income from fixed asset investments	441	1,247
Income from cash and current asset investments	19	92
	<b>460</b>	<b>1,339</b>

## 7. Subsidiary undertakings

As at 31 December 2021, the Charity had seven wholly owned subsidiaries which are incorporated in the UK. The registered address for all the subsidiary undertakings is 89 Albert Embankment, London, SE1 7UQ. All of their taxable profits each year are transferred to the Charity. The specific activity or status of each company is:

	Company registration number	Principal activity
Macmillan Cancer Support Trading Limited	2779446	Fundraising trading activities and sale of Christmas cards and other items
Macmillan Cancer Support Enterprises Limited	3123290	Dormant
Cancerbackup	2803321	Dormant
Macmillan Healthcare Lottery Limited	9771479	Seasonal raffle
Macmillan Cancer Information Lottery Limited	9771409	Weekly lottery
Macmillan Financial Grants Lottery Limited	9494065	Weekly lottery
Macmillan Influencing Cancer Care Lottery Limited	9771351	Weekly lottery

## 7. Subsidiary undertakings (continued)

A summary of the trading results and Balance Sheets of the non dormant companies is shown below. The companies have the same year end date as the Charity.

	Macmillan Cancer Support Trading Limited £'000	Macmillan Healthcare Lottery Limited £'000	Macmillan Cancer Information Lottery Limited £'000	Macmillan Financial Grants Lottery Limited £'000	Macmillan Influencing Cancer Care Lottery Limited £'000	<b>2021 Total £'000</b>	2020 Total £'000
<b>Profit and loss for year ended 31 December 2021</b>							
Turnover	3,081	3,326	3,684	3,254	3,645	16,990	16,277
Cost of sales	(809)	(656)	(867)	(811)	(636)	(3,779)	(3,294)
Gross profit	2,272	2,670	2,817	2,443	3,009	13,211	12,983
Operating costs	(418)	(212)	(142)	(67)	(55)	(894)	(749)
Interest receivable	-	-	-	-	-	-	5
Net profit	1,854	2,458	2,675	2,376	2,954	12,317	12,239
Costs recharged by and interest paid to the Charity	(662)	(103)	(73)	(68)	(86)	(992)	(940)
Result on ordinary activities before and after taxation	1,192	2,355	2,602	2,308	2,868	11,325	11,299
Amount donated to the Charity under Gift Aid	(1,192)	(2,355)	(2,602)	(2,308)	(2,868)	(11,325)	(11,299)
<b>Result on ordinary activities before and after taxation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance sheet as at 31 December 2021</b>							
Current assets	2,960	1,203	849	2,997	1,132	9,141	9,213
Creditors: amounts falling due within one year	(2,960)	(1,203)	(849)	(2,997)	(1,132)	(9,141)	(9,213)
<b>Net assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Share capital – ordinary shares at £1 each	-	-	-	-	-	-	-
Retained earnings	-	-	-	-	-	-	-
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The called up share capital of Macmillan Cancer Support Trading Limited and Macmillan Cancer Support Enterprises Limited is £2; for Macmillan Healthcare Lottery Limited, Macmillan Financial Grants Lottery Limited, Macmillan Cancer Information Lottery Limited and Macmillan Influencing Cancer Care Lottery Limited, the called up share capital is £1. Cancerbackup is limited by guarantee.

## 8. Expenditure

	Grants £'000	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	<b>2021 Total £'000</b>	2020 Total £'000
Expenditure on charitable activities	88,631	33,162	38,030	11,751	171,574	89,331
Expenditure on raising income	-	20,768	35,539	6,174	62,481	58,472
	<b>88,631</b>	<b>53,930</b>	<b>73,569</b>	<b>17,925</b>	<b>234,055</b>	<b>147,803</b>

Other direct costs associated with raising income include direct event and campaign costs, marketing and advertising. Note 10 provides further detail on expenditure on charitable activities in year.

	Governance £'000	Human Resources and Facilities £'000	Information Technology £'000	Finance, Legal, and Executive £'000	Policy and Communications £'000	<b>2021 Total £'000</b>	2020 Total £'000
<b>Analysis of support costs</b>							
Charitable activities	834	3,293	2,072	3,662	1,890	11,751	28,455
Raising income	438	1,730	1,089	1,924	993	6,174	14,105
	<b>1,272</b>	<b>5,023</b>	<b>3,161</b>	<b>5,586</b>	<b>2,883</b>	<b>17,925</b>	<b>42,560</b>

Support costs, including staff costs, were apportioned to activities on the basis of staff numbers on a full-time equivalent basis for each of the departments supporting the various activities. Governance costs included within support costs are apportioned on the same basis.

	<b>2021 £'000</b>	2020 £'000
<b>Analysis of governance costs</b>		
Employees and contract staff	918	906
External audit fees	141	121
Board meeting expenses	3	3
AGM and annual report costs	15	11
Legal, strategy and other costs	195	105
	<b>1,272</b>	<b>1,146</b>

External audit fees above represent the fees receivable by the auditors and therefore exclude VAT. Total external audit fees paid by the group, including non-recoverable VAT, are £168,000 (2020: £145,000).

## 9. Expenditure on raising income

	<b>2021 £'000</b>	2020 £'000
Costs of raising legacies, donations and grants	56,503	52,822
Costs of trading activities	5,831	5,012
Investment management fees	147	638
	<b>62,481</b>	<b>58,472</b>

## 10. Expenditure on charitable activities

	Direct costs £'000	Grants £'000	Support costs £'000	<b>2021 Total £'000</b>	2020 Total £'000
<b>Healthcare</b>					
Macmillan nurses	4,862	45,227	532	50,621	16,378
Macmillan allied health professionals	804	6,638	145	7,587	1,636
Treatment and care buildings	1,664	211	249	2,124	2,339
Macmillan GPs	1,494	274	162	1,930	1,909
<b>Information and support</b>					
Information services	6,080	974	511	7,565	4,706
Information buildings	-	-	1	1	14
Mobile Macmillan cancer information centres	189	-	488	677	3,946
Macmillan Support Line	17,534	198	2,520	20,252	16,871
<b>Financial support</b>					
Macmillan grants	354	12,201	179	12,734	12,203
Macmillan benefits advice	2,529	29,565	532	32,626	11,683
Macmillan welfare rights helpline	5,904	92	1,033	7,029	6,092
Financial guidance service	2,495	38	544	3,077	3,501
<b>Practical and emotional support</b>					
Social care schemes	908	1,644	132	2,684	4,115
Macmillan social workers	-	-	45	45	175
Volunteering services	5,790	185	1,048	7,023	7,242
<b>Learning and development</b>					
For Macmillan professionals	3,396	34	498	3,928	5,215
<b>Campaigning and raising awareness</b>					
Research to improve cancer services	2,167	151	637	2,955	4,348
Public education and awareness raising	11,652	62	394	12,108	10,360
Inclusion	388	220	37	645	351
Policy and campaigning	2,620	33	1,995	4,648	14,821
Customer and content management	362	4	69	435	404
	71,192	97,751	11,751	180,694	128,309
Grant releases and discounting adjustment	-	(9,120)	-	(9,120)	(38,978)
	<b>71,192</b>	<b>88,631</b>	<b>11,751</b>	<b>171,574</b>	<b>89,331</b>

## 10. Expenditure on charitable activities (continued)

New grants committed in the year are recognised as charitable expenditure in the year in which they are made and are shown above. Write-backs of underused grants are released against the line of charitable expenditure to which they were originally made. In year grants awarded totalled £97,751,000 (2020: £37,576,000). Grant writebacks totalled £8,725,000 (2020: £41,979,000) and discounting adjustments totalled £395,000 credit (2020: £3,001,000 debit).

Grants to institutions and partner organisations resulted in expenditure of £76,430,000 (2020: £10,467,000 net credit). Grants to individuals totalled £12,201,000 (2020: £9,065,000). A list of the grants made to institutions and partner organisations is disclosed in a separate publication which is available on the Charity's website.

The grants figure shown above comprises both multi-year grants where the full cost is recognised on the Balance Sheet and as a liability in the year of commitment and those grants, mainly Macmillan grants, which are wholly disbursed during the year.

Grant commitments vary in size from an individual post to a full redesign of a service or a building. This can cause significant movements in the expenditure within a category from one year to the next.

## 11. Net expenditure for the year

This is stated after charging:

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Depreciation	485	510
External audit fees	141	121
Operating lease rentals:		
• Property	3,054	4,110
• Vehicles & equipment	10	52

External audit fees above represent the fees receivable by the auditors and therefore exclude VAT. Total external audit fees paid by the group, including non-recoverable VAT, is £168,000 (2020: £145,000).

No trustee has received any remuneration from the Group during the year (2020: £nil). The total amount of trustee expenses incurred directly by Macmillan or reimbursed during the year was £3,065 (2020: £6,736), which all related to trustee meetings and seminar attendance. One trustee was reimbursed in 2021 (2020: one). Donations received from trustees during the year totalled £8,316 (2020: £36,825). Trustees also generate non-donation income through their involvement in, and support of, other Macmillan activities.

## 12. Staff costs and numbers

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Wages and salaries	57,697	66,741
Agency and contract staff	2,887	2,515
Employers' National Insurance contributions	6,384	6,961
Pension costs	7,049	7,875
Other employee benefits	1,030	1,227
Redundancy and termination costs	453	3,826
	<b>75,500</b>	<b>89,145</b>

Redundancy and termination costs included amounts totalling £nil which were unpaid as at 31 December 2021 (2020: £397,000). The Executive Strategy Team (EST) are regarded as the Charity's key management personnel under FRS 102. The total earnings, including benefits, employer pension contributions and termination payments received by staff who were members of the EST during 2021 totalled £1,380,000 (2020: £1,311,000 including one termination payment). During the year payments were made to 9 staff (2020: 7 staff).

The number of employees whose total earnings in the year (including benefits but excluding employer pension contributions) fell into the bands below were:

	<b>2021</b>	2020
	<b>No.</b>	No.
£60,001 – £70,000	60	61
£70,001 – £80,000	32	33
£80,001 – £90,000	15	15
£90,001 – £100,000	5	4
£100,001 – £110,000	8	10
£110,001 – £120,000	3	2
£120,001 – £130,000	3	-
£130,001 – £140,000	1	1
£140,001 – £150,000	-	1
£150,001 – £160,000	2	3
£160,001 – £170,000	-	-
£170,001 – £180,000	1	1
£180,001 – £190,000	1	1

The Chief Executive was the highest paid employee in 2020 and 2021.

## 12. Staff costs and numbers (continued)

Retirement benefits are accruing under defined benefit schemes for 21 (2020: 22) higher-paid employees. Contributions totalling £571,000 (2020: £562,000) were made to stakeholder schemes for 129 (2020: 116) higher-paid employees.

The average number of staff employed during the year was 1,629 (2020: 1,868) which includes 343 part-time staff (2020: 414). The average number of full-time equivalent (FTE) staff employed during the year was 1,527 (2020: 1,754).

The average FTE is analysed by function as follows:

	<b>2021</b>	2020
	<b>No.</b>	No.
Raising income	526	581
Charitable activities	1,001	1,173
	<b>1,527</b>	<b>1,754</b>

## 13. Tangible assets

The Group and Charity	Assets under construction £'000	Leasehold property £'000	Leasehold property improvements £'000	Motor vehicles £'000	Computer equipment £'000	Furniture and equipment £'000	<b>Total</b> <b>£'000</b>
<b>Cost</b>							
At 1 January 2021	16	7,096	2,353	1,194	820	1,683	13,162
Additions in the year	-	-	-	-	-	-	-
Disposals in the year	-	-	(650)	-	-	(401)	(1,051)
Transfers of assets brought into use	(16)	-	-	-	16	-	-
<b>At 31 December 2021</b>	<b>-</b>	<b>7,096</b>	<b>1,703</b>	<b>1,194</b>	<b>836</b>	<b>1,282</b>	<b>12,111</b>
<b>Accumulated depreciation</b>							
At 1 January 2021	-	615	1,790	966	803	1,355	5,529
Charge for the year	-	143	103	101	19	119	485
Disposals in the year	-	-	(650)	-	-	(401)	(1,051)
<b>At 31 December 2021</b>	<b>-</b>	<b>758</b>	<b>1,243</b>	<b>1,067</b>	<b>822</b>	<b>1,073</b>	<b>4,963</b>
<b>Net book value</b>							
<b>At 31 December 2021</b>	<b>-</b>	<b>6,338</b>	<b>460</b>	<b>127</b>	<b>14</b>	<b>209</b>	<b>7,148</b>
At 31 December 2020	16	6,481	563	228	17	328	7,633

Capital commitments as at 31 December 2021 totalled £nil (2020: £nil).

## 14. Fixed asset investments

The Group and Charity	Listed investments and related foreign exchange contracts	Unlisted investments and related foreign exchange contracts	Money market funds and cash for reinvestment	Investment properties	Programme related investments	2021 Total £'000	2020 Total £'000
Market value at 1 January	6,812	2,009	90,839	520	1,515	101,695	133,893
Purchased acquisitions	27,634	4	(27,638)	-	352	352	365
Shares and investments acquired via legacies and gifts	-	-	-	-	-	-	-
Transfer to cash and cash equivalents	-	-	(449)	-	-	(449)	(26,639)
Disposal proceeds	(4,612)	(678)	5,290	-	-	-	-
Net income reinvested	28	-	106	-	-	134	630
Net gains and losses on investments	(378)	29	155	52	(464)	(606)	(6,554)
<b>Market value at 31 December</b>	<b>29,484</b>	<b>1,364</b>	<b>68,303</b>	<b>572</b>	<b>1,403</b>	<b>101,126</b>	<b>101,695</b>

Investments in cash and cash equivalents within the £68,303,000 (2020: £90,839,000) money market funds and cash for reinvestment above includes £65,798,000 (2020: £82,416,000) in highly rated money market funds.

The programme related investment relates to the Charity's investment in the Care and Wellbeing Fund in partnership with Social Finance and Big Society Capital.

Investment properties comprise properties received from legacies when the Charity has title but there is a life interest.

The historical cost of Group and Charity fixed asset investments at 31 December 2021 was £104,319,000 (2020: £104,882,000).

## 15. Current asset investments

The Group and Charity	2021 £'000	2020 £'000
Listed investments	45,905	28,355
	<b>45,905</b>	<b>28,355</b>

The historical cost of the Group and Charity's listed investments at 31 December 2021 was £45,905,000 (2020: £28,355,000).

## 16. Cash at bank and in hand

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Cash at bank and in hand	10,423	11,384	4,597	5,360
	<b>10,423</b>	<b>11,384</b>	<b>4,597</b>	<b>5,360</b>

## 17. Financial instruments

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2021</b>	2020	<b>2021</b>	2020
<b>Categories of financial instruments</b>	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Financial assets</b>				
Fixed asset investments	101,126	101,695	101,126	101,695
Current asset investments	45,905	28,355	45,905	28,355
	147,031	130,050	147,031	130,050
Cash at bank and in hand	10,423	11,384	4,597	5,360
Debtors	74,479	66,691	78,888	70,652
	<b>231,933</b>	<b>208,125</b>	<b>230,516</b>	<b>206,062</b>
<b>Financial liabilities</b>				
Grants committed not yet paid	151,865	123,443	151,865	123,443
Other creditors and deferred income	14,410	12,020	12,620	9,675
	<b>166,275</b>	<b>135,463</b>	<b>164,485</b>	<b>133,118</b>

### Risk management

The Group is exposed through its operations and investments to the following financial risks:

- Market risk
- Foreign currency exchange rate risk
- Credit risk
- Liquidity risk

### Market risk, including foreign currency exchange rate risk

Market risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market prices. Market prices are influenced by movements in interest rates, currency movements and other market factors. The Charity manages this risk by employing professional investment managers and aims to hold a widely diversified portfolio of investments. As a result of the coronavirus pandemic, the trustees decided to liquidate the long-term fund in its entirety in 2020 in order to reduce exposure to changes in investment prices and improve liquidity.

The Charity is exposed to foreign currency exchange rate risk through its investment activities in assets denominated in foreign currencies. The Charity uses foreign exchange forward and option contracts to hedge this exposure.

All other non-investment related activities are denominated in sterling and therefore do not generate any foreign exchange rate risk.

### Credit risk

Credit risk in the Charity's investment portfolio as at 31 December 2021 and 31 December 2020 relates to the risk that funds in which the Charity has an investment would fail to process a request for redemption of the investment. The Charity manages this risk by employing professional investment managers and holding a widely diversified portfolio of investments ensuring that risks taken are carefully managed, monitored and controlled.

The nature of the Charity's non-investment assets and customer profile means that the Charity is not exposed to significant credit risk on these assets.

### Liquidity risk

The Charity's liquidity policy is framed to ensure there is no substantive liquidity risk. Under the policy, the Charity's target is to retain £100 million in investments and cash which are capable of being liquidated at relatively short notice to ensure cash is available to meet liabilities as they arise. In addition, the Charity will hold cash and other liquid funds to meet normal day-to-day cash flow requirements.

## 18. Stocks and property awaiting sale

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Goods for resale	370	281	-	-
Gifted properties awaiting sale	-	30	-	28
	<b>370</b>	<b>311</b>	<b>-</b>	<b>28</b>

## 19. Debtors

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Trade debtors	519	608	-	-
Amount owed by subsidiary undertakings	-	-	5,136	5,021
Accrued legacy income	69,636	58,526	69,636	58,526
Gift Aid recoverable	818	283	818	283
Other debtors	1,918	1,622	1,880	1,622
Prepayments and other accrued income	5,738	5,935	5,560	5,483
	<b>78,629</b>	<b>66,974</b>	<b>83,030</b>	<b>70,935</b>

It is estimated that £55,000,000 (2020: £44,000,000) of the accrued legacy income shown above will be received within one year.

In addition to the accrued legacy income above, the Charity has been notified of legacies for which no income has been recognised at 31 December 2021 because the income recognition criteria has not been met. The actual timing and amounts to be received are unknown. Based on the average value of legacies received, the value of these is estimated to be in the region of £36,000,000 (2020: £32,000,000).

Included within the amount owed by subsidiary undertakings is a loan of £370,000 to Macmillan Cancer Support Trading Limited (2020: £370,000 to Macmillan Cancer Support Sales Limited). Interest is payable on the loan and is calculated at base rate plus 2%. The loan is repayable by 31 December 2025, and is secured by a first-ranking debenture dated 28 July 1999 containing fixed and floating charges over all the assets of the subsidiary company. The remaining £4,766,000 (2020: £4,651,000) owed by subsidiary undertakings is interest free and repayable on demand.

## 20. Grants committed not yet paid

The Group and Charity

	Macmillan professionals' grants			2021	2020
	£'000	Buildings £'000	Other £'000	£'000	£'000
Commitments at 1 January	92,219	10,025	21,199	123,443	205,061
Grants paid during the year	(38,263)	(5,265)	(3,815)	(47,343)	(70,442)
New grants committed during the year	78,617	119	5,754	84,490	30,803
Commitments released	(5,670)	(883)	(2,172)	(8,725)	(41,979)
<b>Commitments at 31 December</b>	<b>126,903</b>	<b>3,996</b>	<b>20,966</b>	<b>151,865</b>	<b>123,443</b>
Falling due within one year	57,665	1,816	9,528	69,009	54,710
Falling due after one year	69,238	2,180	11,438	82,856	68,733
<b>Commitments at 31 December</b>	<b>126,903</b>	<b>3,996</b>	<b>20,966</b>	<b>151,865</b>	<b>123,443</b>

Other grants are those which are made in relation to a service which is more than just for a Macmillan professional post or a building. This includes developing and supporting research and services to assess and meet patient needs across health, financial, information, emotional and practical support, from diagnosis onwards

## 21. Other creditors and deferred income

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Taxation and social security	2,003	2,556	1,998	2,555
Accruals	5,042	4,546	4,863	4,356
Trade creditors	6,241	3,566	5,767	3,147
Other creditors	693	812	693	812
Deferred income	2,434	3,096	1,297	1,360
	<b>16,413</b>	<b>14,576</b>	<b>14,618</b>	<b>12,230</b>

## 22. Deferred income

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Deferred income at 1 January	3,096	2,035	1,360	462
Income deferred in the year	2,080	2,698	943	961
Deferred income released from prior years	(2,742)	(1,637)	(1,006)	(63)
<b>Deferred income at 31 December</b>	<b>2,434</b>	<b>3,096</b>	<b>1,297</b>	<b>1,360</b>

## 23. Provisions for liabilities

The Group and Charity	Dilapidations	Other	<b>2021</b>	2020
	£'000	£'000	<b>Total</b>	Total
	£'000	£'000	<b>£'000</b>	£'000
Provisions at 1 January	656	69	725	734
Additional provisions made in the year	736	-	736	133
Provisions released from prior years	(187)	(69)	(256)	(142)
<b>Provisions for liabilities at 31 December</b>	<b>1,205</b>	<b>-</b>	<b>1,205</b>	<b>725</b>

Dilapidation provisions relate to property leases with various termination dates up until November 2033. Other provisions relate to payments due in relation to office closures.

## 24. Analysis of group net assets between funds

The Group and Charity	Restricted funds	Designated funds	General funds	<b>Total funds</b>
	£'000	£'000	£'000	<b>£'000</b>
Tangible assets	4,165	2,983	-	7,148
Fixed asset investments	-	-	101,126	101,126
Cash and current asset investments	37,703	583	18,042	56,328
Debtors, stocks and property awaiting sale	4,258	-	74,741	78,999
Creditors, deferred income and provisions	(29,690)	(583)	(139,210)	(169,483)
<b>Net assets at 31 December 2021</b>	<b>16,436</b>	<b>2,983</b>	<b>54,699</b>	<b>74,118</b>

## 25. Movements in group funds

	Balance 1 January 2021 £'000	Income £'000	Expenditure £'000	Loss on investments £'000	Transfers £'000	Balance 31 December 2021 £'000
<b>Restricted funds</b>						
Local appeals	278	1,845	(2,119)	-	-	4
Macmillan Horizon Centre	4,249	-	(115)	-	-	4,134
Department of Health grants	115	-	-	-	-	115
Mobile Information support	80	-	(49)	-	-	31
Other funds	16,207	18,694	(22,749)	-	-	12,152
<b>Total restricted funds</b>	<b>20,929</b>	<b>20,539</b>	<b>(25,032)</b>	<b>-</b>	<b>-</b>	<b>16,436</b>
<b>Unrestricted funds</b>						
<b>General funds</b>						
Investment revaluation reserve	(3,187)	-	-	-	(6)	(3,193)
Other general funds	56,562	199,118	(197,973)	(142)	327	57,892
<b>Total general funds</b>	<b>53,375</b>	<b>199,118</b>	<b>(197,973)</b>	<b>(142)</b>	<b>321</b>	<b>54,699</b>
<b>Designated funds</b>						
Tangible asset fund	3,304	-	-	-	(321)	2,983
Macmillan local services	-	349	(349)	-	-	-
Healthcare	-	2,355	(2,355)	-	-	-
Information services	-	2,602	(2,602)	-	-	-
Macmillan grants	-	2,308	(2,308)	-	-	-
Influencing cancer care	-	2,868	(2,868)	-	-	-
SLS and Workforce	-	568	(568)	-	-	-
Total designated funds	3,304	11,050	(11,050)	-	(321)	2,983
<b>Total unrestricted funds</b>	<b>56,679</b>	<b>210,168</b>	<b>(209,023)</b>	<b>(142)</b>	<b>-</b>	<b>57,682</b>
<b>Total funds</b>	<b>77,608</b>	<b>230,707</b>	<b>(234,055)</b>	<b>(142)</b>	<b>-</b>	<b>74,118</b>

## 25. Movements in group funds (continued)

### Purposes of restricted funds

#### Local appeals

Local appeal funds comprise income generated from fundraising activities by Macmillan appeals throughout the UK. Local appeal deficits arise where we commit to funding the service early on in an appeal. Under our accounting policy, we recognise the full cost of multi-year grants when the commitment is made. Often, we will take three years to raise the income necessary to meet this cost. Such appeals will start in deficit and gradually work their way to break even over the life of the appeal. During the year no funds (2020: £nil) were transferred from unrestricted funds to restricted appeal funds to cover deficits which will not be matched by future fundraising. It is anticipated that the remaining deficits will be matched by future restricted income flows.

Some appeals raise significant funds before the actual grant commitment is made, particularly building appeals. As a result, they appear in surplus for the first part of the life of the appeal. Appeals at the year end in surplus totalled £1,384,000 (2020: £1,995,000). Appeals in deficit totalled £1,380,000 (2020: £1,717,000).

#### Macmillan Horizon Centre

Depreciation in the year of £116,000 (2020: £117,000, fixed asset expenditure net of depreciation) funded from appeal funds relating to an information and support centre adjacent to the Brighton Cancer Centre. The fund balance at 31 December 2021 was £4,134,000 (2020: £4,249,000).

#### Department of Health Grants – National Cancer Survivorship Initiative

There were no funds received or expended in the year (2020: £nil) and there were no grants released back to the fund in the year (2020: £nil). The fund balance at 31 December 2021 was £115,000 (2020: £115,000).

#### Mobile Information and Support Service buses

Depreciation in the year of £49,000 (2020: £49,000, fixed asset expenditure net of depreciation) funded from other funds relating to two Mobile Information and Support Service buses. The fund balance at 31 December 2021 was £31,000 (2020: £80,000).

### Other funds

Other restricted funds comprise income for specific Macmillan activities. At 31 December 2021, the balance of £12,152,000 (2020: £16,207,000) is made up of:

#### • Healthcare and information funds

Income which has been restricted to these funds has come from a variety of sources and is restricted either to clinical or information services, including nurses, allied health professionals, clinical and information buildings and information services. The income is sometimes further restricted to either a type of post or service or to a post or service at a specific location. Funds will be expended as appropriate posts are identified or developed. The balance at the year end totalled £8,890,000 (2020: £12,381,000).

#### • Financial support and practical and emotional support funds

Income which has been restricted to these funds has come from a variety of sources and is restricted either to financial support or daily living, including volunteer schemes and social work. Much of this income is restricted to a geographical area, and it is likely that we will expend a significant proportion of this income on Macmillan grants to individuals. There may, however, be other service developments in the area of the restriction and the income may be spent on such new service developments. The balance at the year end totalled £3,272,000 (2020: £3,826,000).

### Designated funds

#### Tangible asset fund

The tangible asset fund represents the value of general funds invested in tangible assets which are not, by the nature of tangible assets, readily available for use for other purposes. The transfer out of £321,000 (2020: transfer in of £120,000) makes the value of the fund equal to the net book value of the tangible assets less any restricted tangible assets at 31 December 2021. Tangible asset expenditure financed from restricted funds is shown within the restricted fund balances.

#### Macmillan local services

£349,000 (2020: £371,000) was designated and spent in the year on Macmillan professional posts, to match cause related marketing raised to fund local Macmillan services.

#### Healthcare

The £2,355,000 (2020: £2,290,000) profits donated to the Charity from Macmillan Healthcare Lottery Limited were designated and spent during the year on healthcare services.

#### Information services

The £2,602,000 (2020: £2,494,000) profits donated to the Charity from Macmillan Cancer Information Lottery Limited were designated and spent during the year on information services.

#### Macmillan grants

The £2,308,000 (2020: £2,445,000) profits donated to the Charity from Macmillan Financial Grants Lottery Limited were designated and spent during the year on Macmillan grants.

#### Influencing cancer care

The £2,868,000 (2020: £2,987,000) profits donated to the Charity from Macmillan Influencing Cancer Care Lottery Limited were designated and spent during the year on influencing cancer care.

#### SLS and Workforce

£568,000 (2020: £7,000) was designated and spent in the year on our Support Line Services and Cancer Workforce to match unrestricted funds raised through our campaign, 'Everyone. From Day One', as part of our charity partnership with 2021 Virgin Money London Marathon.

### Other unrestricted funds

#### Investment revaluation reserve

The investment revaluation reserve is calculated as the difference between the market valuation and the historical cost of the Charity's investments. The transfer out of £6,000 (2020: transfer out of £13,350,000) is an adjustment to align the fund to the difference between market value and historical cost at 31 December 2021.

## 26. Related party transactions

- Rosie Loftus is the Chief Medical Officer of Macmillan Cancer Support. Rosie's husband, Dr Peter Green, is an elected GP Governing Body Member of NHS Kent and Medway Clinical Commissioning Group (CCG). During 2021 Macmillan made two new commitments to Medical Clinical Commissioning Group totalling £91,000 (2020: £7,000), £91,000 (2020: £nil) for Clinical Nurse Specialists and no funds (2020: £7,000) were committed for GP posts. Macmillan made payments in relation to commitments from prior years totalling £163,000 (2020: £96,000) to the CCG: £77,000 (2020: £59,000) for GP posts, £nil (2020: £7,000) for a Primary Care Nurse, £76,000 (2020: £16,000) for Practice nurses, £10,000 (2020: £14,000) for a Primary Care Nurse Facilitator. During 2021 there were grant write-backs totalling £92,000 (2020: £25,000) relating to commitments from prior years. At 31 December 2021, our outstanding amount owed to NHS Kent and Medway CCG was £140,000 (2020: £334,000). In 2021, Macmillan Cancer Support also paid the CCG £29,000 (2020: £nil) in relation to a GP Associate Adviser contract.
- Mohammed Mehmet is a trustee of Macmillan Cancer Support. On 21 September 2020 he was appointed as non-executive director of Public Health Wales NHS Trust. During 2021 Macmillan made payments in relation to commitments from prior years totalling £611,000 (2020: £612,000) to Public Health Wales. Macmillan also committed no further grants (2020: £nil) and no grant write-backs relating to prior year grants were processed (2020: £682,000). At 31 December 2021, our outstanding amount owed to Public Health Wales was £998,000 (2020: £1,609,000).
- Claire Rowney is the Executive Director of Fundraising, Marketing and Innovation at Macmillan Cancer Support. She was also Chair of The Chartered Institute of Fundraising until July 2021. From January to July 2021, Macmillan made payments of £51,000 (2020: £66,000) to the Institute.

- Toby Strauss is a trustee of Macmillan Cancer Support. He is also non-executive director on the board of Legal & General plc and Chair of Pacific Life. During the year Macmillan received income from Legal & General of £nil (2020: £1,000).
- Lynda Thomas is the Chief Executive Officer (CEO) of Macmillan Cancer Support. She was also appointed as an Independent Board member of Cwm Taf University Health Board in October 2021. During 2021 Macmillan made payments in relation to grant commitments totalling £415,000 to Cwm Taf University Health Board. Macmillan also committed a further £678,000 in committed grants, including support grants, and there were grant write-backs totalling £25,000. At 31 December 2021, our outstanding amount owed to Cwm Taf University Health Board was £742,000 (2020: £504,000).

## Other

- Macmillan is a member of the National Cancer Research Institute (NCRI), which brings together the major organisations that fund cancer research to coordinate their activities, including joint funding initiatives. In 2021, the Charity made payments totalling £17,000 (2020: £5,000) to the NCRI for membership.
- Macmillan Cancer Support Jersey Limited (MCSJ Ltd) is a company limited by guarantee and incorporated in the Island of Jersey (company number 104090). It is an independent organisation which carries out fundraising on the Island and funds Macmillan services. Christopher Scally, Strategic Partnership Manager for South West England is a Director of MCSJ Ltd. During 2021 the Charity did not have any transactions with MCSJ Ltd (2020: £nil).
- The Charity acted as the Secretariat for the All Party Parliamentary Group on Cancer, a group which brings together MPs and Peers to improve cancer services. The Charity operates a separate bank account for the Group which had a balance of £60,000 (2020: £60,000) as at 31 December 2021.
- Lynda Thomas, the Chief Executive Officer at Macmillan Cancer Support, is the Vice-Chair of the Richmond Group of Charities. Macmillan Cancer Support is a member of the Richmond Group and provides administrative support to the Group. It makes payments and receives income on behalf of the Group. At the year end the Charity held funds totalling £29,000 (2020: £105,000) on behalf of the Group.

## 27. Operating lease commitments

The Group and Charity

The Group and Charity had commitments to future minimum lease payments under non-cancellable operating leases at the year end as follows:

	<b>Property 2021 £'000</b>	Property 2020 £'000	<b>Vehicles and equipment 2021 £'000</b>	Vehicles and equipment 2020 £'000	<b>Total 2021 £'000</b>	Total 2020 £'000
Within 1 year	3,282	3,274	5	7	3,287	3,281
Between 1 and 5 years	5,275	8,041	1	-	5,276	8,041
After 5 years	-	-	-	-	-	-
	<b>8,557</b>	<b>11,315</b>	<b>6</b>	<b>7</b>	<b>8,563</b>	<b>11,322</b>

## 28. Contingent liabilities

As at 31 December 2021, Macmillan had contingent liabilities of £6,100,000 (2020: £nil).

The Charity entered into a contract with Oxford University Hospitals NHS Foundation Trust and Social Finance Limited on 13 December 2021. The Charity will provide a social impact bond to the NHS Foundation Trust in relation to the provision of certain end of life care services. When the conditions and milestones set out in the contract are met, the Charity will recognise expenditure of up to £6,100,000 over the period ending 31 May 2025.

## 29. Pension costs

During 2021, the Charity operated a defined benefit pension scheme for employees who joined the scheme before 30 April 2005, the date the scheme was finally closed to all new entrants. On 30 June 2010, the scheme closed to the accrual of future benefits. The assets of the defined benefit scheme are held separately from those of the Charity in an independently administered fund. From 1 May 2004, the Charity has paid contributions for eligible employees into a stakeholder pension scheme. The Charity has also paid contributions for eligible employees into the National Health Service (NHS) Pension.

### Macmillan defined benefit scheme

The actuary has computed the following information about the financial position of the scheme as at 31 December 2021:

	<b>2021 £'000</b>	2020 £'000
<b>Scheme assets and liabilities</b>		
Fair value of the scheme assets	59,276	59,656
Present value of scheme liabilities	(48,641)	(51,091)
<b>Net surplus</b>	<b>10,635</b>	<b>8,565</b>

Following closure of the scheme to future accrual, in accordance with Financial Reporting Standard (FRS) 102, the scheme surplus is not recognised on the Charity's Balance Sheet.

Scheme funds are administered by the scheme's trustees and are independent of the Charity's finances. The scheme is a UK based defined benefit scheme, providing benefits at retirement and on death in service.

## 29. Pension costs (continued)

The scheme is subject to triennial valuation by an independent actuary using the projected unit method. The most recent triennial valuation was undertaken as at 31 December 2019 and reported a funding surplus of £983,000.

Following closure of the scheme to future accrual on 30 June 2010, there were no employer contributions made by the Charity in 2021 (2020: £nil). The Charity does not expect to make any contributions in 2022.

For the purposes of the disclosures required under FRS 102, the actuarial valuation has been updated at 31 December 2021 by a qualified actuary using the following assumptions:

<b>Financial assumptions</b>	<b>2021</b>	2020
Discount rate	1.80%	1.20%
Retail price inflation	3.50%	3.00%
Consumer price inflation	3.00%	2.20%
Rate of increase in salaries	n/a	n/a
Rate of increase in pensions in payment RPI capped at 5%	3.40%	3.00%
Rate of increase in pensions in payment RPI capped at 2.5%	2.30%	2.20%
Rate of increase in deferred pensions	3.00%	2.20%

The liabilities allow for future discretionary increases of RPI (capped at 5% per annum) to be awarded each year on pension accrued to 6 April 1997.

<b>Mortality assumptions</b>	<b>2021</b>	2020
Using mortality table 100% S3PMA_Middle/ 100%S3PFA_Middle CMI Model 2019 [1.25%] (year of birth) (2019: 102% S3PMA/110% S3PFA CMI Model 2018 [1.25%] (year of birth))	<b>life expectancy years</b>	life expectancy years
Males at 65 in 2021	21.4	21.4
Females at 65 in 2021	23.8	23.7
Males at 65 aged 45 in 2021	22.7	22.7
Females at 65 aged 45 in 2021	25.3	25.2

An analysis of the scheme assets and the expected long-term return rates at 31 December 2021 was as follows:

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Bonds	57,364	59,702
Other	1,912	(46)
	<b>59,276</b>	<b>59,656</b>

Assets do not include any amounts for the Charity's own financial instruments or property occupied, or other assets used by the Charity. The scheme's assets include £63,000 (2020: £69,000) of insured annuity policies in relation to pensions secured prior to May 1993. These insured annuity policies are included in the figure provided for "Other" above.

## 29. Pension costs (continued)

The following amounts have been recognised in the financial statements for the year ended 31 December 2021 under the requirements of FRS 102:

	2021 £'000	2020 £'000
Interest income	607	780
Interest on liabilities	(607)	(780)
Past service cost	-	-
Net credit to the Statement of Financial Activities	-	-
Unrecognisable credit due to closure of the scheme to future accrual	-	-
<b>Amount credited to the Statement of Financial Activities</b>	<b>-</b>	<b>-</b>
	<b>2021 £'000</b>	<b>2020 £'000</b>
Actual return on assets less interest	112	7,387
Actuarial losses on scheme liabilities	1,958	(9,672)
Limit on recognition of assets less interest	(2,070)	2,285
<b>Amount recognised in the Statement of Financial Activities</b>	<b>-</b>	<b>-</b>
	<b>2021 £'000</b>	<b>2020 £'000</b>
<b>Changes in the fair value of the scheme assets are as follows:</b>		
Fair value of scheme assets at 1 January	59,656	52,303
Interest income	607	780
Contributions	-	-
Benefits paid	(1,099)	(814)
Actual return on assets less interest	112	7,387
<b>Fair value of scheme assets at 31 December</b>	<b>59,276</b>	<b>59,656</b>
	<b>2021 £'000</b>	<b>2020 £'000</b>
<b>Changes in the present value of the scheme liabilities are as follows:</b>		
Present value of scheme liabilities at 1 January	51,091	41,453
Past service cost	-	-
Interest on liabilities	607	780
Benefits paid	(1,099)	(814)
Actuarial (gains) / losses on scheme liabilities	(1,958)	9,672
<b>Present value of scheme liabilities at 31 December</b>	<b>48,641</b>	<b>51,091</b>

## 29. Pension costs (continued)

### Other pension schemes

The Charity participates in the NHS Pension Scheme, an unfunded, defined benefit scheme for employees who were formerly employed in the NHS, GP practices and other bodies allowed under the direction of the Secretary of State, in England and Wales. During the year the Charity made contributions for 119 employees totalling £716,000 (2020: 154 employees, £912,000) to the NHS Scheme. There were no contributions outstanding at the end of the year (2020: £78,000). The NHS Scheme has been closed to new Macmillan employees from 1 January 2020.

The latest published actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016, which reported that the scheme had accumulated a notional deficit of £19.4 billion against the notional assets as at 31 March 2016. This valuation set the employer contribution rate payable from April 2019, increased by 6.3% to 20.68% of pensionable pay from this date (inclusive of administration levy) although the increase was met by NHS England and the Department of Health and Social Care for their financial years 2019/20 and 2020/21. The next actuarial valuation at end of 31 March 2020 is still not yet published. From an accounting perspective, a valuation of the scheme liability is carried out annually by the scheme actuary by updating the results of the full actuarial valuation based on detailed membership data. The latest assessment of the liabilities of the scheme was undertaken for the year to 31 March 2021 and is contained in the scheme actuary report which forms part of the annual NHS Pension (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pension website and are published annually. Copies can also be obtained from the Stationery Office.

The Charity has also made payments into a stakeholder scheme operated by Legal & General. This is a defined contribution scheme. During the year the Charity made contributions for 1,767 employees totalling £6,355,000 (2020: 1,886 employees, £6,964,000).

# Thank you

We simply wouldn't be able to do whatever it takes for people living with cancer without our supporters. There are so many incredible donors, partners, committees, volunteers and fundraisers that we cannot thank enough. They include those listed here.

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[macmillan.org.uk](https://www.macmillan.org.uk)

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