



Mid-Year 2020 Update*

Chairman's Update

As we headed into 2020, the focus of the Board was to raise the reserves of the charity and maintain a high level of service to those men and women who served who we support. No one predicted what was coming next, and so I am delighted I can report that despite the global impact felt by the COVID-19 pandemic, as a Board we remain confident our strategic aims for this year will be met nonetheless. It is a testimony to the staff of the charity that they have adapted to these testing circumstances and have remained on point throughout. During this period, we were able to audit our 2019 numbers and importantly sign off the charity as a going concern. As a Board, we are now anticipating a better than budgeted performance in 2020 allowing the current focus of the executive to be into 2021 which will undoubtedly prove to be a challenging year from both an economic and fundraising perspective. Nevertheless, there will be individuals and family members who will need the care we provide and so we will be there to deliver that.

CEO Update

While there have been the obvious challenges during the first half of 2020, WWTW finds itself in a strong position. Clearly we faced specific impact to various revenue streams as a result of the lock down, most specifically around two crucial events we run annually (Cumbrian Challenge, Marathon des Sables), but due to the strength of some of our strategic funding relationships we have been able to cover these shortfalls. Year-on-year, compared to the first half of 2019, we have actually seen revenues grow by 49% to £3.02m. This demonstrates how our funding model is far less geared to individual giving compared to many in our sector.

Operationally as an organisation we were able to react very quickly to deliver our services remotely. There were clear challenges with this, but our front-line staff and IT team adapted swiftly, and we were able to maintain continuity across all our programmes with very encouraging outcomes. Our core value of *Client First* was upheld and the staff should be applauded for their considerable efforts. Of note was a recent piece of research by the *Centre of Mental Health* which recognised the improvements we have implemented in outcomes to our mental health programme, and our strong performance compared to the NHS IAPT service. We were also part of 4 out of the 5 newly awarded NHS High Intensity Services in England, demonstrating the value of our care coordination programme. This further shows our commitment to partner with the NHS, whose position as the universal care provider is something we seek to complement and enhance. In the six months to 30th June we directly supported 1,611 individuals, compared to a total of 1,875 during the whole of 2019. This significant growth reflects an increase in our capacity as well as continued improvements in the efficiency and effectiveness of how we deliver our programmes.

**All 2020 numbers are unaudited*

As we look towards the end of the year, it remains difficult to predict ‘what next?’ due to the pandemic and so we need to maintain our flexibility and focus on providing positive outcomes. Our attention is on two major fundraising events – The Grenadier Walk of Oman and Walking Home For Christmas – as well as ensuring our institutional and corporate funding partners remain fully informed about how we continue to manage the charity in these difficult times. We are also continuing to develop how we deliver care to our beneficiaries and significant enhancements are being made within our digital strategy to do this.

Only two of our staff were furloughed, and they have returned to full time work. Our focus remains firmly on delivering the best care possible to those we support while ensuring the safety of both our staff and beneficiaries.

Finance Overview

2019 Results

Following sign-off of the 2019 accounts, the Annual Report has now been completed and available to view or download from our Website.

WWTW has reported an in-year deficit of £95k due to planned spend from funds received in a previous year. This is a one-off item and excluding this item the Charity delivered a surplus of £61k.

Total reserves carried into 2020 were £186k with unrestricted reserves improving year on year by £15k.

2020 Outlook

Despite the impact of the Covid-19 pandemic, the financial outlook for 2020 remains on track. Several of our major fundraising events were cancelled but this has been countered by support from two of our key strategic partners – NHS England and the Armed Forces Covenant Trust Fund. This support together with other covid related grants have secured income to confirm our 2020 position.

As a reflection of this, the cash balance of £0.4m at 31 December 2019 has increased to £1.75m as at 30 June 2020 which will fund charitable activities in the second half of 2020.

Although the Charity has always planned to operate with low reserves, to ensure maximum funds reached our beneficiary programmes, we have reviewed this strategy in the light of the risk created by the pandemic. We will look to increase our reserves to ensure the Charity can remain resilient through the uncertainty ahead.

Our Fundraising and Financial attention is now focused on generating income for Q4 2020 and 2021. In context of a UK recession, this will be a challenging time and continue to put risk into our normal fundraising events and we are controlling and managing our cost base in response to this. However, continuing to support our beneficiaries as we move out of lockdown into the new normal will require additional support from partners and funders as we head into 2021.