THE CANDLELIGHTERS TRUST

England & Wales · Charity number 1045077

Details

Status	Registered
Legal form	Charitable company
Company number	03020552
Registered	1995-03-17
Register	View on the Charity Commission register

Contact

Address	Candlelighters 8 Woodhouse Square Leeds LS3 1AD
Phone	0113 3229283
Email	info@candlelighters.org.uk
Website	candlelighters.org.uk

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Activities

Objects: 1.THE ALLEVIATION OF THE SUFFERING, AND THE PROMOTION OF THE RELIEF, CARE, WELL-BEING, AND REHABILITATION, OF CHILDREN AND YOUNG PEOPLE AFFLICTED WITH ANY FORM OF MALIGNANT DISEASE OR A NON-MALIGNANT BUT LIFE THREATENING HAEMATOLOGICAL DISORDER, IN PARTICULAR (BUT NOT EXCLUSIVELY) THOSE WHO ARE OR WHO HAVE BEEN UNDER THE CARE OF, OR OTHERWISE SUPPORTED BY, HOSPITALS IN YORKSHIRE;2.THE PRESERVATION AND PROTECTION OF THE GOOD PHYSICAL AND MENTAL HEALTH AND WELL-BEING OF INDIVIDUALS FORMERLY UNDER THE CARE OF, OR OTHERWISE SUPPORTED BY, HOSPITALS IN YORKSHIRE, PARTICULARLY THOSE INDIVIDUALS EXPERIENCING SERIOUS MEDICAL PROBLEMS ASSOCIATED WITH THEIR ORIGINAL DISEASE OR DISORDER OR ITS TREATMENT; 3.THE PROTECTION AND PRESERVATION OF GOOD PHYSICAL AND MENTAL HEALTH AND WELL-BEING AMONGST FAMILIES AND CARERS OF, OR OTHER PEOPLE PROVIDING SUPPORT TO, INDIVIDUALS FALLING UNDER OBJECTS 1 OR 2 AND THE PROVISION OF PRACTICAL AND OTHER SUPPORT IN THEIR ROLE OF CARING FOR SUCH INDIVIDUALS; 4.THE PROVISION OF SUPPORT FOR SUCH ACTIVITIES AS MAY BE LEGALLY CHARITABLE IN THE WORK OF HOSPITALS IN YORKSHIRE INCLUDING THE PROVISION OF FINANCIAL ASSISTANCE FOR THE ACQUISITION AND MAINTENANCE OF EQUIPMENT FOR USE WITHIN HOSPITALS IN YORKSHIRE OR IN CONNECTION WITH THE WORK OF HOSPITALS IN YORKSHIRE AND THE PROVISION OF SUPPORT, IN WHATEVER WAYS THE TRUSTEES THINK FIT, FOR RESEARCH, EDUCATION AND TRAINING WITHIN OR CONNECTED WITH HOSPITALS IN YORKSHIRE AND THE DISSEMINATION OF THE RESULTS OF SUCH RESEARCH.

Activities: CANDLELIGHTERS SUPPORTS THE WORK OF THE REGIONAL PAEDIATRIC ONCOLOGY & HAEMATOLOGY UNIT IN LEEDS. FUNDING IS PROVIDED FOR HARDSHIP GRANTS, SUPPORT GROUPS, HOLIDAYS AND SOCIAL ACTIVITIES FOR FAMILIES WHOSE CHILDREN ARE UNDERGOING TREATMENT FOR CANCER OR LEUKAEMIA AT THE UNIT; MEDICAL AND OTHER EQUIPMENT; MEDICAL; NURSING AND SOCIAL SUPPORT STAFF AND RESEARCH INTO CHILDHOOD CANCER AND LEUKAEMIA

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Other Defined Groups

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Geography

- Bradford City
- Calderdale
- City Of Wakefield
- City Of York
- East Riding Of Yorkshire
- Kingston Upon Hull City
- Kirklees
- Leeds City
- North Lincolnshire
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-02-28	£1,903,375	£2,092,454	£2,610,881	33
2024-02-29	£1,766,173	£2,628,963	£2,678,351	37
2023-02-28	£2,143,542	£1,998,949	£3,485,923	36
2022-02-28	£1,457,364	£2,100,661	£3,552,645	28
2021-02-28	£2,205,357	£1,603,948	£4,184,914	31

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Trustees

Name	Role	Appointed
KEITH ANTHONY HARDCASTLE	Chair	
DOCTOR EDWARD MICHAEL RICHARDS		
Dale Painting		2024-10-09
David Mayman		2018-11-06
Dr MARTIN ELLIOTT		
Gregory John Felgate		2020-09-23
John Robert Goodden		2018-09-12
Julie White		2022-09-28
Lisa Wilding		2025-10-08
Rohan Randhawa		2023-10-04
Susan Mariea Patterson		2015-02-25
Tom McHugh		2025-10-08

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THE CANDLELIGHTERS TRUST

England & Wales - Charity number 1045077

Accounts

THE CANDLELIGHTERS TRUST

Charity Registration No. 1045077
Company Registration No. 3020552

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

For the year ended 28 February 2025

Candlelighters
Supporting the families of children with cancer

THE CANDLELIGHTERS TRUST
Annual report and financial statements for the year ended 28 February 2025

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THE CANDLELIGHTERS TRUST
Legal and administrative information

Patron
Lady Emma Ingilby

Clinical (including Medical) Trustees
C De Biase (resigned 07/03/2025)
Dr M Elliott
J Goodden
Dr E M Richards (Vice Chair)
J White
Dr S Wilkins

Lay Trustees
G Felgate
K Hardcastle (Chair)
D Lawson (appointed 09/10/2024)
D Mayman (Vice Chair)
S Patterson
R Randhawa

Finance and Audit Committee
K Hardcastle
D Mayman (Chair of Finance and Audit Committee)
Dr E M Richards

Research Committee
C De Biase (resigned 07/03/2025)
Dr M Elliott (Chair of Research Committee)
J Goodden
K Hardcastle

Nominations and Remuneration Committee
C De Biase (resigned 07/03/2025)
K Hardcastle
S Patterson (Chair of Nominations and Remuneration Committee)
Dr E M Richards

Family Support Committee
G Felgate
D Lawson (as a non-trustee before being appointed as a Trustee 09/10/2024)
J White
Dr S Wilkins
K Baldwin (non-trustee)
S Redman (Chair of Family Support Committee) (non-trustee)
N Shaw (non-trustee)
H Vaughan (non-trustee)

Key management personnel/Senior Management Team:

E Wragg	**Chief Executive Officer**
L Fletcher	**Chief Operating Officer and Company Secretary**
N Kisby	**Head of Family Support**
L Pomeroy	**Chief Financial Officer**
T Robertshaw	**Head of Fundraising**
C Gill	**Head of Engagement**

Head office:
8 Woodhouse Square
Leeds, LS3 1AD

Independent auditors:
Thomas Coombs Limited
Chartered Accountants and Registered Auditors
3365 The Pentagon
Century Way
Thorpe Park
Leeds
LS15 8ZB

Bankers:
Virgin Money
94-96 Briggate
Leeds, LS1 6NP

Solicitors:
Wrigleys
19 Cookridge Street
Leeds, LS2 3AG

Investment Managers:
Brewin Dolphin Limited
10 Wellington Place
Leeds, LS1 4AN

The Trustees present their report and audited accounts for the year ended 28 February 2025. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

Objectives

The Charity's Objects are as follows:

1. The alleviation of the suffering, and the promotion of the relief, care, well-being, and rehabilitation, of children and young people afflicted with any form of malignant disease or a non-malignant but life threatening haematological disorder or central nervous system disorder, in particular (but not exclusively) those who are or who have been under the care of, or otherwise supported by, hospitals in Yorkshire;
2. The preservation and protection of the good physical and mental health and well-being of individuals formerly under the care of, or otherwise supported by, hospitals in Yorkshire, particularly those individuals experiencing serious medical problems associated with their original disease or disorder or its treatment;
3. The protection and preservation of good physical and mental health and wellbeing amongst families and carers of, or other people providing support to, individuals falling under objects 1 or 2 and the provision of practical and other support in their role of caring for such individuals; and
4. The provision of support for such activities as may be legally charitable in the work of hospitals in Yorkshire including the provision of financial assistance for the acquisition and maintenance of equipment for use within hospitals in Yorkshire or in connection with the work of hospitals in Yorkshire and the provision of support, in whatever ways the Trustees think fit, for research, education and training within or connected with hospitals in Yorkshire and the dissemination of the results of such research.

In pursuing the Charity's Objects the Charity provides support to families affected by childhood cancer in Yorkshire and anyone under the care of the Children and Teenage Oncology and Haematology department at Leeds Teaching Hospital Trust. Further information on our activities is outlined below.

In accordance with their duties pursuant to Section 4 of the Charities Act 2011, the Trustees have considered the Charity's objects and activities in light of the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Activities and Performance

Each year over 150 children in Yorkshire are diagnosed with cancer. When a child is diagnosed, lives are turned upside down instantly: not just for the child but the entire family. Getting well again can be a long and challenging journey, emotionally, physically, and financially.

Supporting children and families throughout that journey is why our charity, Candlelighters, was formed nearly 50 years ago. Our mission is to bring light to every family affected by childhood cancer in Yorkshire by providing emotional, practical and financial support, as well as bringing hope, by investing in vital research to improve the outcomes and lives of children with cancer.

Candlelighters' first priority is always the welfare of the children being treated at the Children and Teenage Oncology and Haematology department and their families. Whilst the outlook for children with cancer continues to improve, the distress caused to families should not be underestimated.

In 2023 we undertook a year-long research project to further understand the challenges faced by families who have a child diagnosed with cancer and how best we can support their needs in the future.

This highlighted and reinforced the many and significant emotional, practical and financial challenges families face. The below outlines the services Candlelighters provides to support families and we constantly review these services to make sure they are adapted as the needs of families evolve.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Candlelighters @ The Square

The Square is our family support centre that supports any member of a family affected by childhood cancer. The centre is a five-minute walk from the Children's Hospital and can provide daily support for a family whilst on the ward, visiting clinic appointments, and for additional support at the family's convenience. The variety of support has evolved from family feedback over the past 10 years.

The centre is open Monday to Friday from 10.00am to 4.00pm and later on a Thursday evening. Also, during 2024 we piloted The Square being open on a Saturday in response to family feedback. It was so successful we have made Saturday opening permanent between 12.00pm and 4.30pm. The type of services offered at The Square include:

- Wellbeing therapies including a variety of massages, reflexology, and energy balancing treatments
- Talking therapy and mindfulness sessions for both children and adults
- A quiet space for relaxation and refreshments
- Grandparents support groups
- Sibling support groups
- Support groups for parents
- Patient support groups
- Family events

The team of support workers @ The Square provide flexible professional support.

Providing care closer to home

Candlelighters in Your Community

The Family Support Team provide a range of support closer to home, whether that be through helping the family to access Candlelighters services or more appropriate services that are available in the area that the family live.

For patients who are palliative the Family Support team also provide and co-ordinate precious wishes and memories for patients and families.

Regional Outreach Play Specialists

Candlelighters funds two outreach play specialists. The role supports families by providing therapeutic play within the child's own home including support to siblings; addressing anxieties where the child feels safe and putting action plans together. The play specialists liaise with the hospital play team to ensure preparation work at home is continued in hospital and action plans followed to provide continuity of care and increase the child and family's confidence in hospital, providing a less frightening experience for the child and family. The role has continued to develop over the years and now provides a huge support to children and their families who are receiving palliative care and to those who have sadly been bereaved.

Bolus Chemotherapy Specialist

During the financial year Candlelighters has continued providing funding to enable a pilot initiative for a Clinical Nurse Specialist to perform a bolus chemotherapy service which enables chemotherapy to be delivered at home to patients. This service was provided by the NHS during COVID-19 and the Charity's funding has allowed it to continue and expand with the hope it becomes part of the core NHS service in the future.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Support in hospital

Family Support Workers

Candlelighters have a team of Family Support Workers who are at the hospital six days a week to make this difficult time a little easier for families. They work incredibly hard to make the wards and clinic feel less clinical and more enjoyable, bringing some comfort and fun to the hospital environment. From 7:30am to 7:30pm the team are around to support families on a one-to-one basis, provide fun group activities, sit with children to allow parents a break and to help families access vital support through Candlelighters.

Support for Teenagers

Candlelighters supports all families with children diagnosed before their 19th birthday. To enhance the support to teenagers, in 2022 the Charity approved the application to fund a Youth Activity Co-ordinator to be based solely on the teenage ward (Ward 33). After challenges faced by this role being recruited by the NHS, we brought the role in-house and successfully employed someone to the role in 2024. They have since been providing peer support activities and supporting patients on a one-to-one basis to promote their continued emotional and psychological development through treatment. Given the role is now employed and not a grant, the initial funding commitment of £67,000 was released in the financial year and the cost is part of salary costs going forward. Since the financial year, given the positive impact this role has had on young people staying in hospital, we have decided to make this role permanent rather than a fixed term.

Champ's Pantry

Champ's Pantry was introduced in 2024 in response to our research project around the challenges families face. The pantry provides free, nutritious food to families for parents and carers who are staying in hospital with their child. This eases the financial strain and challenges accessing necessary nutrition that often comes with long hospital stays. This has since become an award-winning service winning a national award at The Charity Governance Awards within 'The Challenge to Change' category.

Pavilion

The Candlelighters Pavilion is a warm and welcoming space located just off the children's cancer ward designed to provide comfort and support for both patients and their families. Unlike the clinical environment of the hospital, the Pavilion offers a peaceful setting where families can take a break, share a meal, or simply relax together during what is often an overwhelming and stressful time.

Hospital equipment and environment

The Charity routinely provides funding for the replacement of play, technical equipment and any key white goods for the wards, outpatient's clinic, paediatric radiotherapy department and bone marrow unit. In 2023, Candlelighters started a programme of works to improve the hospital environment. With any potential new Children's Hospital now looking a long time into the future, this investment has continued and most recently we have fully updated the décor in the day unit and have got designs finalised for the radiotherapy department with work to commence in the coming months.

Dinner Supervisor

Many patients undergoing treatment for cancer experience problems with eating during treatment. The problem is worse when the child has to spend long periods in hospital as hospital food is served at set times and by the time it arrives at ward level is unlikely to tempt a child with a failing appetite. Candlelighters fund one full-time Dinner Supervisor who provides nutritious snacks on demand for the patients throughout the day.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Support in hospital (continued)

Playleaders

During 2024 Candlelighters was pleased to learn the NHS recognised nationally the need for a 7-day-a-week play service for children in hospital. After funding the Play Team for over 25 years on the haematology and oncology wards, the Charity has seen how important this is for children so we are thrilled that children in other wards will also now benefit from better play support. Leeds Children's Hospital secured funding to enable this level of play provision to be rolled out across all wards. Accordingly, towards the end of 2024, our funding was no longer needed to ensure this provision is available in the haematology and oncology department. This has enabled us to focus our funding on further enhancing our Family Support provision in the hospital and play support for children at home.

We continue to provide funding for materials for the Play Team to provide distraction activities for patients during the long hours spent on the ward and in the day unit.

Financial support

Financial difficulties can add to the trauma of diagnosis and treatment. At a time when income is often reduced, families face additional expenses such as the cost of food when living at the hospital for long periods of time, travel and increased burden on the family budget. Candlelighters provide three monthly allowances for families upon diagnosis or relapse. There is also potential access to a Family Assistance Grant to help families in times of financial need any time during treatment. In addition, Candlelighters also provides Christmas grants and compassionate grants.

Other support

Candlelighters Cottage (Brandon Cottage)

Our Cottage officially opened in November 2018 to families. We know how important it is for families to be together and our Cottage provides a comfortable and homely place for them to stay to enable them to be near to the wards when their child is an inpatient at Leeds Children's Hospital. The Cottage provides four ensuite bedrooms in addition to Eckersley House which is part funded by Candlelighters as below.

Eckersley House

Eckersley House, adjacent to Clarendon Wing, provides accommodation for families from outside the Leeds area whose child is being treated at the Hospital. The house is run by the Sick Children's Trust. In recognition of the use made of the house by paediatric oncology parents, Candlelighters make a substantial contribution each year towards the running costs.

Holiday breaks

Every family who has a child diagnosed with cancer is able to take a holiday provided by Candlelighters at various holiday resort locations in the UK. The holiday provides a crucial break away from the routine of treatment and hospital visits secure in the knowledge that, if necessary, they are within easy travelling distance of the hospital. We also provide financial support to families to be able to pay for travel or other expenses for their holiday. The holidays are also offered to those families whose child has sadly passed during the year and the family need a break to get away.

Support groups

In response to requests from families for emotional support, Candlelighters provide funding for a variety of support groups and social activities for patients, siblings, parents and grandparents away from the hospital environment.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Research grants

The main activity during the year in relation to research grants was as follows:

- The Charity entered its second year of funding a new leading research programme in Supportive Care in order to improve the quality of life for children affected by childhood cancer. Supportive Care includes preventing side effects of treatment, managing pain and reducing infection. It is the care that gives children as full a life as possible. A major research programme in this area has been a strategic priority for Candlelighters for many years and it was a key moment for the Charity when the "Candlelighters Supportive Care Research Centre" launched in November 2023. It is intended the programme will be funded for five years and total funding to be £1 million. Last financial year, £555,000 was committed which relates to years 1 to 3 of the programme. Future years are subject to the progress of the Centre and also the financial position of the Charity including the success in raising funds for the programme in order to sufficiently increase reserves.

- The long running funding of the Yorkshire Specialist Register of Cancer in Children and Young People continued. The Register is a research database which is used to support research into the effectiveness of cancer treatments and any complications which emerge several years after therapy has been completed.

- The Candlelighters Fellowship programme recently came to a finish and the most recent Fellows successfully completed their PhD. The programme was created to utilise the research expertise and facilities of the University of Leeds and Leeds Teaching Hospitals NHS Trust to support the research training of academic paediatric oncologists and haematologists, and in order to ensure doctors with relevant expertise are based in Yorkshire to look after children affected by cancer. During the programme, Candlelighters has supported nine Fellows in total.

FINANCIAL REVIEW

The financial statements are presented in the standard format required by the Charity SORP and cover the activities of the Charity and its dormant subsidiary Candlelighters Trading Limited. The Statement of Financial Activities ("SOFA") shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

Income from the branches is shown gross and the fundraising costs are allocated to the fund for which the money was raised.

Income

The Charity experienced improved but still challenging conditions during the financial year. Like many charities, we faced a difficult fundraising environment as the cost of living crisis continued to put a significant squeeze on the finances of supporters. However, the effort we have put into fundraising initiatives and to diversify income is yielding results and this was a key driver behind total income in the financial year of £1,903,375 compared to £1,766,173 in the previous year.

Most notably Major Donor income was £179,525 compared to £69,305 in the previous financial year. The Major Donor initiative was launched a few years ago and through this initiative we were fortunate enough to receive one donation of £100,000 in 2024.

Trust and foundation income of £220,999 was £73,164 higher than the previous year. The increase reflects a focus on trying to obtain trust funding for the major commitment to the Candlelighters Supportive Care Research Centre. We had some success from those applications including one donation of £82,739 but in total this is still considerably below our investment in the Centre and we are still significantly short of the desired funds for the programme.

Community income in the financial year was slightly above the prior year and totalled £687,951 (2024: £645,735). Similarly, Individual Giving income of £95,943 was slightly above the prior year amount of £92,432. We are grateful to our branch supporters who were able to undertake more fundraising activities in the year having been constrained by COVID-19 previously and they raised £28,312 income (2024: £3,279).

Corporate income of £540,103 was in line with budgeted expectations but £85,949 lower than a very strong previous year.

Legacy income continued to be slightly lower than average and was £70,796 (2024: £62,340).

Investment income was lower than prior year as we moved to equities with a greater investment gain focus than those that pay dividends. It also reflected lower investments held as we have had to drawdown to meet commitments and manage recent in-year deficits.

The Charity would like to thank all our supporters for their immense effort during difficult times to raise money on the Charity's behalf.

Expenditure

Like many organisations the Charity continues to face significant cost pressure from inflation which is impacting all of the cost base. This is compounded by a greater demand on our services as families need us more than ever and have less support available elsewhere. The Charity continually strives to maintain and enhance services to families but simply providing the same level of support costs more. Wage inflation is included in this challenge which has meant we have had to increase wage amounts to some degree in order to retain and attract the necessary professionalism and skills for the Charity to best serve the families affected by childhood cancer. We regularly benchmark the salary of all the Charity's roles and this benchmarking is specific to the charitable sector rather than an index that includes other sectors where evidence suggests wage inflation is typically higher.

In real terms, our income is struggling to keep pace and it is this inflation which is putting pressure on income from supporters as they have less funds available for charitable giving.

FINANCIAL REVIEW (continued)

Expenditure (continued)

Expenditure on charitable activities for the year was £1,507,204. This is £578,723 lower than prior year primarily due to grants awarded. In the prior year the net research and non-research grants awarded totalled £624,500 which is £495,483 higher than the £129,017 this year. This is because last year included the major initial commitment to the Candlelighters Supportive Care Research Centre of £554,734 relating to years 1 to 3 of the programme. The total funding for the centre is expected to be £1 million over five years with future years subject to the progress and the financial position of the Charity including securing funds for the project.

Other significant variances to the cost of charitable activities to prior year include expenditure on family holidays reducing by £123,867 as last year included a significant amount of catch up of holidays from those unable to take them due to the risk and restrictions from COVID-19. This year's figure of £59,330 is more reflective of the annual cost going forward. Offsetting this is a £68,000 cost for a commitment to fund cardiac function equipment for the paediatric oncology department. This was possible due to specific funding received from a corporate supporter for the machines which are due to be purchased in the 2025/26 financial year.

The cost of raising funds of £585,250 was £42,214 higher than prior year. This increase is largely due to IT and website costs as during the financial year, the Charity incurred the majority of costs for two major technology projects. Firstly, a new CRM which is a database and system to manage donor and families and, secondly, a new website. Both will allow for better engagement with supporters and families as well as making the Charity more effective and efficient going forward. There was also more branch fundraising costs as the branches undertook more fundraising activities.

Collectively total expenditure for the financial year was £2,092,454. This is £536,509 lower than the prior year figure for the reasons outlined above.

The Charity continually reviews the cost base and support we provide to families to ensure every penny of Charity resources is used to support families where they need us most and to keep administrative costs to a minimum to ensure efficient use of resources.

Investment policy and performance

The Charity's investments are held in a mixture of equities, bonds, pooled funds and bank deposit balances. RBC Brewin Dolphin are the Charity's appointed Investment Managers with an investment mandate of "Income and Capital Growth Return, moderate investment risk" and from an ethical perspective there will be no direct investment in tobacco.

Given the importance of the market value of investments on the reserves of the Charity, the Trustees continue to closely monitor the performance of the portfolio.

The Charity has two investment funds. Firstly, the Working Capital Portfolio which has a low-risk investment profile with a short to medium term investment horizon as cash flow forecasts show that the Charity may need to access these funds in this timeframe in order to pursue the Charity's objectives. As at 28 February 2025 the Working Capital Portfolio had a market value of £45,586. The portfolio produced an annual gross income of £2,047, which is equivalent to a gross yield of 4.48%.

Over the period 1 March 2024 to 28 February 2025 the Working Capital Portfolio made a total return of +5.73%. This compares to a total return in the market benchmark (MSCI WMA Conservative Index) of +7.51%.

Secondly there is the General Trust Portfolio which has a medium-risk investment profile with a long-term investment horizon and at 28 February 2025 had a market value of £2,452,039. Whilst the intention of the fund is to hold for the medium to long term, the assets are highly liquid and include an element of cash. The portfolio produced an annual gross income of £66,352 which is equivalent to a gross yield of 2.71%. Over the period 1 March 2024 to 28 February 2025 the General Trust Portfolio made a total return of +7.56%. This compares to a total return in the market benchmark (MSCI WMA Income Index) of +9.74%. Over this period the FTSE ALL Share Index recorded a total return of +13.28% and the FT Government Securities Index made a total return of +1.30%.

FINANCIAL REVIEW (continued)

Investment policy and performance (continued)

Between March 2024 and February 2025, global stock markets experienced a mix of optimism, volatility, and shifting investor sentiment. The period began with a strong rally in spring and summer 2024, driven by enthusiasm around artificial intelligence, robust corporate earnings, and growing expectations of interest rate cuts by the U.S. Federal Reserve. There was a shift, however, at the beginning of 2025 from concerns over rising inflation, geopolitical tensions, and renewed tariff threats weighing on investor confidence. Despite this, we still experienced gains towards the end of the financial year and there was a net investment gain of £121,609 overall for the financial year.

In line with expectations, during the financial year the total investments held reduced as the Charity needed to use investment funds to meeting ongoing expenditure and settle grant liabilities including major research projects.

The remaining current assets of the Charity of £244,635 as at 28 February 2025 were held mainly as bank deposit balances in order to provide sufficient liquidity for the short term settlement of liabilities including grant liabilities.

Reserves policy

In order to ensure continuity of charitable expenditure and to fulfil the objectives of the Charity, a level of reserves must be maintained, especially due to ongoing commitments from which it is not possible to withdraw at short notice as well as being able to withstand potential drops in the market value of investment funds. This is particularly the case in the current environment as the impact of the cost of living crisis is making the fundraising environment very challenging and also putting pressure on the cost base of the Charity from inflation and demand for the Charity's services. Whilst the Charity is trying to move towards a more breakeven position, the strain on income and costs at a time we want to continue with our strategic objectives, and maintain and expand our support to families affected by childhood cancer means we may experience deficits in forthcoming years.

In February 2025 the Trustees reaffirmed the reserves policy based on the level of free reserves. The policy is that free reserves should be no lower than £1.0 million with a target level of between £1.5 million and £2.0 million. This excludes the fixed asset reserve, designated reserves and restricted reserves.

The target level is deemed appropriate given the challenging environment and potential deficits for the next few years. If the environment improves and stabilises, the target level may be reduced in the future.

Free reserves at the end of the financial year are £2,041,295 so slightly above the target range but this is largely due to investment gains towards the end of the financial year. Also certain hospital refurbishment and other project costs were deferred into the 2025/2026 financial year.

Restricted and Unrestricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research. Other restricted funds are detailed in note 23 of the financial statements.

FUTURE PLANS

2025 marks the end of our 2020 to 2025 five year strategy. The Charity is incredibly proud of its achievements and its support to families affected by childhood cancer in the last five years despite so many challenges faced along the way including COVID-19 and a cost-of-living crisis. Some, but by no means all, of these achievements include:

- Continued investment in high quality research including the launch of the Candlelighters Supportive Care Research Centre
- Refurbishment of a number of the paediatric oncology and haematology areas of the hospital
- Constantly adapting our services to reflect a changing environment including challenges from COVID-19 or findings from our comprehensive review where we engaged with families to understand their needs
- The expansion of our Family Support Worker team to allow a six day a week service covering evenings
- Dedicated support to young people through the introduction of the Youth Activity Co-ordinator role
- Sharing of expertise and knowledge regionally and nationally to other charities and organisations
- Protecting and diversifying income through investing in fundraising initiatives thereby reducing the impact of a challenging environment on reserves and leaving us better placed for the future.

Also in the last year alone we have:

- Completed two major technological projects. Our new CRM system and new website will enhance donor and supporter engagement and make the Charity more effective and efficient going forward
- Made Saturday opening at The Square permanent in response to a hugely successful pilot
- Launched Champ's Pantry providing free nutritional food to families during treatment in response to a comprehensive family support review in 2023 about the financial strain of being in hospital and lack of access to healthy food. This has now won a national award.

In 2025 there was also the fantastic news that Stephen Redman, the Chair of Candlelighters when the strategy was set, was awarded a much deserved MBE for his services to the families of children with cancer.

Candlelighters never stands still, however, and we are always looking forward to ensure we can continue maximising our support to families affected by childhood cancer. In early 2025, the Board met for the annual Hearts and Minds Day to bring together previous discussions and finalise our next strategy. There was a clear view from this that we live in a world where the pace of change and uncertainty economically, politically and technologically has rarely been greater. Accordingly the Board felt it was more appropriate to set a three year strategy rather than five. True to one of the Candlelighters values, this allows the Charity to be more nimble and adapt to respond to any changes in the environment.

In the new three year strategy, we will remain laser focused on our area of expertise, supporting children and young people with cancer and their families. We have also responded to the evolution of Candlelighters services and the hospital environment and the range of patients under the care of the Children and Teenage Oncology and Haematology department highlighting challenges to providing consistent and equitable support for families staying on the wards. It is therefore a key aim to remove these inconsistencies and support more patients and families in an equitable way whilst they are inpatients in hospital, regardless of diagnosis, length of stay or number of stays. This will result in support of more patients and provide essential support services to every family whilst they are in hospital.

Key objectives of our three year strategy are:

- Continue to deliver and enhance high quality family support services – this will include:
    - Being laser focused on delivering lifelong support to families who have a child diagnosed with cancer by reinventing The Square and our interventions with families to promote better outcomes
    - Supporting even more in-patients and families by improving the hospital experience
- Continue our investment in research with a priority focus on the Candlelighters Supportive Care Research Centre
- To protect and grow baseline fundraising income - to do this we will continue to diversify income with a particular focus on leveraging and building our network and developing new partnerships across Yorkshire
- To build strong and sustainable foundations that ensure our charity's long-term success, trusted reputation, and appeal as a leading employer. This includes strengthening our governance and operational infrastructure, investing in the right digital tools and systems, and fostering a culture that attracts, supports, and retains exceptional talent.

Candlelighters remains committed and determined to provide the best possible support to families affected by childhood cancer and will continue to respond and adapt accordingly to the challenges that may lie ahead in the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The legal status of The Candlelighters Trust is that of a Company Limited by Guarantee incorporated in 1995. As such its governing instrument is its Memorandum and Articles of Association, as amended over the years to allow for current governance arrangements.

It is registered as a charity with the Charity Commission. Parents whose children are treated at the Children and Teenage Oncology and Haematology department can become members of the company. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Trustees

Details of the Trustees, who are also directors of the company for the purposes of company law, who have served during the year are listed on page 1.

None of the Trustees had any personal beneficial interests requiring disclosure, either in the Charity or in its wholly owned subsidiary company, Candlelighters Trading Limited, other than disclosed in note 21 of the financial statements.

Appointment of Trustees

As set out in the Articles of Association the Board of Trustees must be made up of between nine and fifteen individual Trustees, all of whom shall become Members by virtue of their appointment as Trustees. No less than one third, but no more than half of the Trustees will be clinical (including medical) Trustees.

The Articles of Association require that one third of the Trustees retire by rotation at each Annual General Meeting after which they may put themselves forward for reappointment.

Training of Trustees

Most Trustees are already familiar with the practical work of the Charity through their association with the Children and Teenage Oncology and Haematology department. New Trustees receive a briefing on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the Board of Trustees and the decision-making process; the history; business plan and recent financial performance of the Charity. In addition, Trustees are encouraged to attend appropriate internal and external training events to facilitate the undertaking of their role.

Management

The Trustees meet at least four times a year to decide the broad strategy and areas of activity including grant making, administration, reserves and risk management. The day-to-day administration of grants and the processing and handling of applications prior to consideration by the relevant committee is delegated to the Senior Management Team.

Key Management Personnel and Remuneration Policy

The Board of Trustees together with the Senior Management Team (as listed on page 2) are considered to be the key management personnel of the Charity.

All Trustees give their time freely and no Trustee remuneration was paid during the year.

The Chief Executive salary is determined by benchmarking across the Third Sector on an annual basis.

Voluntary help and employees

The Trustees wish to record their thanks for the hard work of the Charity's employees and the support of the much-valued assistance of volunteers.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Risk management

The Trustees regularly review the risk management strategy in accordance with the requirements of the SORP on Accounting and Reporting by Charities. The Charity has a risk management strategy which comprises a formal review of the risks the Charity may face at least twice a year, however, the risk culture and the processes embedded in the Charity mean there is ongoing identification and monitoring of risks. There are also systems and procedures in place to minimise any potential impact on the Charity should those risks materialise. Internal control risks are minimised by policies and procedures covering a wide range of risks including the authorisation of all grants and financial transactions.

The key risks to the Charity fall into the categories outlined below.

- *Governance risk:* This is the risk that poor governance means the Board fails to deliver an effective strategy in line with the Charity's objectives. This may be due to the Board not having the right skills or commitment, or there is a conflict of interest or dominant influence. This risk is mitigated due to a rigorous Board selection, and ongoing appraisal and skills review programme. There is a conflicts of interest protocol where all potential conflicts are declared and recorded, and appropriate action taken if any perceived conflicts exist. The Charity has a three to five year strategic plan which is reviewed annually, and an annual business plan with quarterly performance reviewed by the Board. The Charity undertakes an external Governance Review on a periodic basis. The last one performed in 2022 showed strong levels of governance with any recommendations tracked and actioned by the Board. In 2024 the Charity was also a runner-up in the national Charity Governance Awards for the People in Governance category.
- *Operational risk:* This category of risk reflects potential issues arising from the day to day operational activities of the Charity. This includes any risks arising from the support the Charity provides to the families affected by childhood cancer, as well as risks to Charity staff and its assets, data and infrastructure. Policies and procedures are in place in order to reduce operational risk. All new staff and volunteers or relevant third parties go through an extensive induction training process including a review of the Charity's policies and procedures. Existing staff receive refresher training and have to review policies and procedures on a periodic basis. All teams meet weekly to discuss any new or ongoing operational risks including specifically safeguarding risks, and any significant risks are escalated to the weekly Senior Management Team meeting. Any significant incidents are recorded on an "Incident Report Form" which requires consideration of any lessons learnt and necessary actions with sign off from the Senior Management Team. Risks also from part of a monthly appraisal process.
- *Financial risk:* The financial performance and position of the Charity is monitored regularly including monthly management information and is reviewed at each Trustee meeting. Liquidity risk is managed by regular monitoring of the cash held at bank and alternative funds available. An annual budget is prepared by the Senior Management Team and approved by the Board and if during the year the performance is expected to be significantly different from that budgeted, a reforecast exercise will be undertaken. Financial policies and procedures, and controls are in place for core financial activities. A key element in the management of financial risk is the setting of a reserves policy and its periodic review by Trustees.
- *Legal and compliance risk:* Guidelines are issued to all staff and volunteers in order to comply with charity and local authority regulations and to minimise risks to health and safety. The Charity seeks external legal advice when required.
- *External risk:* The Charity can be significantly impacted by external factors including political, economic, social, technological and environmental. The Senior Management Team and Board will regularly review external factors and are informed from communications and briefings from a number of sources including industry bodies, supporters and beneficiaries. These factors are taken into account in the annual business plan and strategic plan, as well as the reserves policy. Policies and procedures are also in place to deal with external factors that would impact more immediately such as business continuity and disaster recovery planning.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Grant making policy

Research Grants
The Charity funds research to improve the lives and outcomes for children and adolescents diagnosed with cancer. All grants are reviewed by the Board with Board approval required for any grant in excess of £20,000, or £2,000 if not already included in the budget. Any research grants in excess of £50,000 must be reviewed by external scientific experts before being submitted for approval by the Board of Trustees and periodically thereafter. In 2021 Candlelighters entered into a partnership agreement with an AMRC registered charity, Children's Cancer Leukaemia Group (CCLG), to allow for independent expert support with the initial review and ongoing monitoring of research grants including those below £50,000.

Other Grants
The Charity also provides non-research grants in order to provide support to families affected by childhood cancer, such as funding roles at the hospital or providing medical equipment. All grants over £20,000 (or £2,000 if not already included in the budget) must be approved by the Board and all grants are reviewed by the Board.

Conflict of interest policy
The Charity has adopted a conflict of interest policy applicable to all Trustees, Members of the Sub-Committees and staff. This policy aims to protect both the organisation and the individuals involved from any appearance of impropriety. All Trustees, Members of the Sub-Committees and Staff are asked to declare their interests and any gifts or hospitality received in connection with their role in the Charity. In accordance with the Trust's policy, Trustees and Sub-Committee Members are required to withdraw from decisions where a conflict of interest arises.

Ethical Fundraising policy

At Candlelighters we aim to ensure that our supporters and the wider public are treated fairly and with respect. We continually monitor and review our practices to ensure we are adhering to the latest in fundraising regulations and practices.

Fundraising Standards
Candlelighters voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice which sets out statutory obligations and best practice standards. Specific additional training is provided annually to Fundraising staff on The Code of Fundraising Practice.

Third Party Fundraising
We work with people and organisations raising funds on behalf of Candlelighters in order to ensure best practice and the Fundraising Regulator's Code of Conduct is followed. Where applicable, signed contracts and agreements will be put in place.

Complaints
At Candlelighters we aim to maintain high standards in all areas of our work and complaints are an important way for us to identify and resolve issues quickly and learn how to improve our services and procedures, ensuring we are able to maintain high standards in all areas of our work. In the year to 28 February 2025, Candlelighters received one complaint relating to fundraising which arose from a misunderstanding and was promptly investigated and resolved. In the instance where a complaint is received, Candlelighters has an internal complaints policy which guides staff on how to deal with complaints in an effective manner.

Data
Candlelighters is committed to the responsible use of personal data. We are transparent about what we do with personal data and strive to ensure that our supporters feel confident in how we are using it. Candlelighters is registered with the Information Commissioner's Office ("ICO") and we have a data protection policy in order to ensure we comply with the ICO guidelines.

Protecting vulnerable people
Candlelighters is very conscientious about self-regulation of its fundraising activities and protecting vulnerable people. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice from the Fundraising Regulator which sets out statutory obligations and best practice standards. Guidance is also given to those who fundraise on the Charity's behalf. Candlelighters approach to fundraising is to avoid unreasonable intrusion into an individual's privacy, persistent approaches or undue pressure to donate to the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Auditors

The auditors Thomas Coombs Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small Company Exemptions

The Trustees have taken advantage of the small company exemptions within the Companies Act 2006 in connection with the preparation of the Trustees Report.

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



L Fletcher, Company Secretary

Date: 8th October 2025

THE CANDLELIGHTERS TRUST
Statement of Trustees' responsibilities

The Trustees (who are also directors of The Candlelighters Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Trustees are aware:

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

K Hardcastle
Chair - Trustee

Dr E M Richards
Trustee

Date: 8th October 2025

Opinion

We have audited the financial statements of The Candlelighters Trust for the year ended 28 February 2025 which comprise the Statement of Financial Activities, the Charitable Company Balance Sheet and the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2025, and of the charitable companies incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- The directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the Charity through discussions with management, and from our commercial knowledge and experience of the sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts of the operations of the Charity, including the Charities Act 2011.
- We assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC, relevant regulators including the Charities Commission and the Charity's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jordan Mitchell ACA (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor & Chartered Accountants
3365 Century Way,
Thorpe Park,
Leeds,
West Yorkshire
LS15 8ZB

Date: 3/10/2025

THE CANDLELIGHTERS TRUST (Company number 3020552)
Statement of financial activities for the year ended 28 February 2025 (incorporating statutory income & expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	2025 Total *Funds* £	*2024 Total Funds £*
INCOME AND ENDOWMENTS FROM					
Donations and legacies:					
Donations and grants	3	**1,416,428**	**308,093**	**1,724,521**	*1,581,359*
Branch fundraising events		**1,104**	**27,208**	**28,312**	*3,279*
Legacies	4	**70,796**	**-**	**70,796**	*62,340*
Trading activities – sale of goods		**7,113**	**-**	**7,113**	*8,525*
Investment income	5	**72,633**	**-**	**72,633**	*110,670*
Total Income and Endowments		**1,568,074**	**335,301**	**1,903,375**	*1,766,173*
Expenditure on					
Raising funds	6	**572,275**	**12,975**	**585,250**	*543,036*
Charitable activities	7	**1,367,450**	**139,754**	**1,507,204**	*2,085,927*
Total Expenditure	9	**1,939,725**	**152,729**	**2,092,454**	*2,628,963*
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**(371,651)**	**182,572**	**(189,079)**	*(862,790)*
Transfers	23	**128,509**	**(128,509)**	**-**	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		**(243,142)**	**54,063**	**(189,079)**	*(862,790)*
Net Gains and Losses					
Gains / (losses) on fixed and current asset investments					
Realised		**57,906**	**-**	**57,906**	(7,784)
Unrealised		**63,703**	**-**	**63,703**	*63,002*
NET MOVEMENT IN FUNDS		**(121,533)**	**54,063**	**(67,470)**	(807,572)
Reconciliation of funds					
Balances brought forward at 1 March 2024		**2,642,978**	**35,373**	**2,678,351**	*3,485,923*
BALANCES CARRIED FORWARD AT 28 February 2025	23	**£2,521,445**	**£89,436**	**£2,610,881**	*£2,678,351*

The statement of financial activities includes all gains and losses recognised in the year.
All amounts related to continuing activities within the United Kingdom.

The notes on pages 25 to 43 form part of these financial statements.

THE CANDLELIGHTERS TRUST (Company number 3020552)
Balance sheet at 28 February 2025

	Note	2025 £	*2024 £*
Fixed assets			
Tangible fixed assets	12	**480,150**	*491,942*
Investments	13	**2,478,846**	*2,597,634*
		2,958,996	*3,089,576*
Current assets			
Stock		**13,805**	*13,925*
Debtors	14	**64,180**	*29,539*
Investments	15	**45,586**	*375,369*
Branch funds		**10,390**	*13,846*
Cash at bank and in hand		**156,260**	*190,677*
		290,221	*623,356*
Liabilities: amounts falling due within one year			
Grant awards	16	**(400,935)**	*(667,166)*
Other	16	**(166,311)**	*(92,237)*
Net current assets/(liabilities)		**(277,025)**	*(136,047)*
Total assets less current liabilities		**2,681,971**	*2,953,529*
Liabilities: amounts falling due after more than one year			
Grant awards	17	**(71,090)**	*(275,178)*
Net assets	19	**£2,610,881**	*£2,678,351*
Funds of the Charity			
Unrestricted - free charitable reserve	23	**2,041,295**	*2,078,745*
Unrestricted – fixed assets reserve	23	**480,150**	*491,942*
Unrestricted- designated: digital	23	**-**	*72,291*
Restricted	23	**89,436**	*35,373*
Total funds	23	**£2,610,881**	*£2,678,351*

Approved by the board of Trustees on 8th October 2025 and signed on its behalf by:

K Hardcastle (Chair - Trustee) **Dr E M Richards (Trustee)**

The notes on pages 25 to 43 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement For the year ended 28 February 2025

	Note	2025	*2024*
		£	*£*
Cash flows from operating activities:			
Cash generated from/ (used in) operations	a	**(438,760)**	*(1,379,467)*
Net cash generated from/ (used in) operating activities		**(438,760)**	*(1,379,467)*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(1,285)**	*4,241*
Purchase of investments		**(1,611,193)**	*(767,129)*
Sale of investments		**1,940,702**	*1,942,124*
Investment income		**72,663**	*110,670*
Net cash (used in)/ generated from investing activities		**400,887**	*1,289,906*
Change in cash and cash equivalents in the reporting period		**(37,873)**	*(89,561)*
Cash and cash equivalents at the beginning of the reporting period		**204,523**	*294,084*
Cash and cash equivalents at the end of the reporting period	b	**£166,650**	*£204,523*

The notes on pages 25 to 43 form part of these financial statements.

a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	(67,470)	(807,572)
Adjustments for:		
Depreciation charges	13,077	38,196
Loss on disposal of tangible fixed assets	-	-
Net unrealised (gains)/losses on investments	(57,906)	(63,002)
Net realised (gains)/losses on investments	(63,703)	7,784
(Increase)/ decrease in cash held within investments	240,641	(327,679)
Investment income	(72,633)	(110,670)
(Increase)/decrease in stock	120	4,223
(Increase)/decrease in debtors	(34,641)	13,688
Increase/(decrease) in creditors	(396,245)	(134,435)
Net cash generated from/ (used in) operating activities	£(438,760)	£(1,379,467)

b. COMPOSITION OF CASH AND CASH EQUIVALENTS

	2025	2024
	£	£
Branch funds	10,390	13,846
Cash at bank and in hand	156,260	190,667
Cash and cash equivalents	£166,650	£204,523

1 General information

The Candlelighters Trust is a company limited by guarantee, incorporated in England & Wales. The registered office is 8 Woodhouse Square, Leeds, LS3 1AD. The members of the company are the trustees detailed on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2 Accounting Policies

Basis of Preparation
The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019,'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Candlelighters Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Preparation of consolidated financial statements
The financial statements contain information about The Candlelighters Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity is exempt under Section 402 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as its subsidiary undertaking, Candlelighters Trading Limited, is dormant and is not material to the Charity's financial statements.

Going Concern
The financial statements have been prepared on a going concern basis. The trustees (who are directors of The Candlelighters Trust for the purposes of company law and trustees of The Candlelighters Trust for the purposes of charity law) have reviewed the Charity's financial position, taking into account the satisfactory level of reserves and cash, current year forecasts and its systems of financial and risk management. As a result of their review, the trustees believe that the Charity is well placed to manage operational and financial risks successfully.

Fund Accounting
Monies earmarked by donors or by the terms of an appeal for particular projects are accounted for separately, in Restricted Funds. The notes to the accounts show the movements and balances on any such Restricted Funds. Unrestricted funds may be spent on any legitimate charitable aim as laid down in the Charity's memorandum of association.

Unrestricted funds are held in the general reserve except to the extent that the Trustees consider it appropriate to make transfers to designated funds to meet the expected cost of planned awards for the future. As costs on such awards are incurred, they are charged against the designated fund to the extent that the fund proves sufficient. Any balance of such expenditure is charged against the general fund. If the project costs less than the amount in the designated fund, any surplus is transferred back to the general fund.

The Charity's accounting systems allocate all income, expenditure, assets, liabilities and reserves between these funds. The statement of financial activities shows separately the income, expenditure and any transfers relating to restricted funds, designated funds and general reserves. Assets and liabilities attributed to each fund are disclosed in the notes to the financial statements.

Income
Donations and fundraising event income are included in the Statement of Financial Activities when:

- the Charity is told it is to receive the gift or donation;
- the Trustees are reasonably certain of the amount to be received;
- the Trustees are reasonably certain they will receive the money; and
- any conditions for receipt are met.

2 Accounting Policies (continued)

Income (continued)
Legacies are recognised when it is probable that they will be received. Receipt is normally probable when:

- there has been grant of a probate;
- the executors have established that there are sufficient assets in the estate after settling any liabilities to pay the legacy; and
- any conditions attached to the legacy are either within the control of the Charity or have been met.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Volunteers and Donated Services and Facilities
The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Where services are provided to the Charity as a donation that would normally be purchased from a supplier, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

Expenditure
Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Cost Allocation
The Statement of Recommended Practice requires that costs are allocated where appropriate to charitable expenditure and to costs of generating funds. The Charity's central overheads, including staff costs, have been allocated to charitable activity and costs of generating funds on the basis of the allocated time spent by staff on those functions with the aim of ensuring that those costs remaining with governance costs relate to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of Raising Funds
The costs of raising funds consist of commercial trading costs, investment management fees, branch fundraising events and those other costs incurred in attracting voluntary income.

Charitable Activities
Costs of charitable activities include grants made and an apportionment of overhead and support costs.

Governance Costs
Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

2 Accounting Policies (continued)

Pension Contributions
The Charity pays defined contributions into the pension schemes of several employees. These amounts are charged to the Statement of Financial Activities as they become payable and in accordance with their functional classification.

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

Tangible Fixed Assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

After taking account of any impairment, depreciation is applied to all tangible fixed assets capable of operating as intended, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	20% reducing balance
Fixtures and fittings	10% reducing balance, 20% reducing balance
Pavilion	20% on cost
The Square	10% on cost
Brandon Cottage	1% on cost

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at year end. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Fixed and Current Asset Investments
Quoted investments are stated at mid-market value. All losses and gains are taken direct to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit or loss.

Liabilities and Provisions
Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation, Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2 Accounting Policies (continued)

Financial Instruments
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Stock
Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

Judgements in Applying Accounting Policies and Estimation Uncertainty
Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these key judgements and estimates have been made include the depreciation of fixed assets, the estimate of grant liabilities, the provisions for costs included within accruals and the allocation of donations and costs.

3 Donations and grants

	Unrestricted Funds £	Restricted Funds £	2025 Total £	*2024 Total £*
Community	**672,786**	**15,165**	**687,951**	*645,735*
Individual Giving	**92,943**	**3,000**	**95,943**	*92,432*
Major Donor	**110,500**	**69,025**	**179,525**	*69,305*
Corporate	**491,839**	**48,264**	**540,103**	*626,052*
Trusts and Foundations	**48,360**	**172,639**	**220,999**	*147,835*
Government Grants	-	-	-	-
	£1,416,428	**£308,093**	**£1,724,521**	*£1,581,359*
Total 2024	*£1,449,316*	*£132,043*	*£1,581,359*	

4 Legacies

	Unrestricted Funds £	Restricted Funds £	2025 Total £	*2024 Total £*
Legacies	**70,796**	-	**70,796**	*62,340*
	£70,796	-	**£70,796**	*£62,340*
Total 2024	*£62,340*	-	*£62,340*	

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2025 Total £	*2024 Total £*
Income from portfolio investments	**72,633**	**-**	**72,633**	*110,670*
	£72,633	**-**	**£72,633**	*£110,670*
Total 2024	*£110,670*	*-*	*£110,670*	

6 Costs of Raising Funds

	Unrestricted Funds £	Restricted Funds £	2025 Total £	*2024 Total £*
Postage	**5,127**	**-**	**5,127**	*3,617*
Newsletter	**13,494**	**-**	**13,494**	*9,256*
Fundraising expenses	**70,787**	**835**	**71,622**	*82,102*
Opening stock	**13,925**	**-**	**13,925**	*18,148*
Purchase of merchandise	**5,774**	**-**	**5,774**	*2,463*
Closing stock	**(13,805)**	**-**	**(13,805)**	*(13,925)*
IT costs	**39,075**	**-**	**39,075**	*21,067*
Banking and platform charges	**27,661**	**-**	**27,661**	*22,958*
Website costs	**26,130**	**-**	**26,130**	*2,502*
Branch fundraising costs	**-**	**12,140**	**12,140**	*1,106*
Investment management costs	**17,790**	**-**	**17,790**	*25,076*
Staff training	**227**	**-**	**227**	*906*
Waverley premises costs	**30,239**	**-**	**30,239**	*30,560*
Support costs				
Apportioned staff costs	**335,851**	**-**	**335,851**	*337,200*
	£572,275	**£12,975**	**£585,250**	*£543,036*
Total 2024	*£543,036*	*-*	*£543,036*	

7 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2025 Total £	*2024 Total £*
Research grants				
Total grants awarded (see note 24)	-	-	-	*554,734*
Grants no longer required (see note 24)	-	(1,425)	(1,425)	
Other grants				
Total grants awarded (see note 24)	206,616	-	206,616	*119,766*
Grants no longer required (see note 24)	(76,174)	-	(76,174)	*(50,000)*
Other charitable activities				
Family financial support	81,993	35,107	117,100	*134,400*
Support groups and parent information	29,491	11,567	41,058	*55,134*
Holidays for families	51,849	7,481	59,330	*183,197*
Hospital Equipment and support				
- Oncology cardiac function monitors	22,789	45,211	68,000	-
- Other	25,545	1,474	27,019	*39,593*
Brandon cottage costs	3,935	10,000	13,935	*16,660*
Depreciation of Brandon cottage and fittings	6,910	-	6,910	*8,228*
@The Square				
- Running costs	55,243	5,000	60,243	*54,434*
- Depreciation of The Square	-	-	-	*22,509*
- Wellbeing treatments and support	67,616	15,339	82,955	*103,494*
- Front line staff costs	393,189	10,000	403,189	*397,431*
- Other family support costs	7,679	-	7,679	*12,052*
Support costs				
Depreciation	6,167	-	6,167	*7,459*
IT costs	39,075	-	39,075	*21,067*
Recruitment costs	14,402	-	14,402	*796*
Other support costs	21,434	-	21,434	*16,135*
Auditors' remuneration – payroll services	3,747	-	3,747	*2,846*
Other staff costs- charity management and central support of charitable activities	369,401	-	369,401	*361,837*
Governance costs (see note 8)	36,543	-	36,543	*24,155*
	£1,367,450	**£139,754**	**£1,507,204**	*£2,085,927*
Total 2024	*£1,651,966*	*£433,961*	*£2,085,927*	

8 Governance Costs

	Unrestricted Funds £	Restricted Funds £	2025 Total £	*2024 Total £*
Auditors' remuneration (audit services)	**10,402**	**-**	**10,402**	*9,462*
Legal and professional	**16,906**	**-**	**16,906**	*5,182*
Meetings	**1,535**	**-**	**1,535**	*1,981*
Apportioned staff costs	**7,700**	-	**7,700**	*7,350*
	£36,543	**-**	**£36,543**	*£24,155*
Total 2024	*£24,155*	-	*£24,155*	

9 Expenditure

	Staff Costs £	Depreciation £	Other Costs £	2025 Total £	*2024 Total £*
Costs of raising funds	**335,851**	**-**	**249,399**	**585,250**	*543,036*
Charitable activities (excluding governance)	**772,590**	**13,077**	**684,994**	**1,470,661**	*2,061,772*
Governance costs	**7,700**	**-**	**28,843**	**36,543**	*24,155*
	£1,116,141	**£13,077**	**£963,236**	**£2,092,454**	*£2,628,963*
Total 2024	*£1,103,818*	*£38,196*	*£1,486,949*	*£2,628,963*	

10 Staff Costs

	2025 £	*2024 £*
Wages and salaries	**971,522**	*968,468*
Social security costs	**81,992**	*81,899*
Pension costs	**62,627**	*53,451*
	£1,116,141	*£1,103,818*

10 Staff Costs (continued)

The total employment costs to the Charity of the key management personnel during the year were £365,670 (2024: £340,587). These amounts are total staff costs and therefore include social security costs and employer's contributions to pension schemes.

The average number of key management personnel/ senior management team during the year was 6 (2024: 6).

Reimbursed expenses, which are all subject to the Charity's processes of internal controls, do not form part of remuneration and are not included above.

Expenses reimbursed to trustees in the year totalled £nil (2024: £356).

All Trustees give their time freely and no Trustee remuneration was paid in the year. During the year monetary donations made by Trustees to the Charity totalled £970 (2024: £120).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 Number	*2024 Number*
In the band £70,001 - £80,000	**1**	*1*

Pension contributions of £3,900 (2024: £3,579) were paid by the Charity for the above employee.

The average number of paid employees (including part-time) was:

	2025 Number	*2024 Number*
Administration, management, fundraising and charitable expenditure support	**33**	37

The average full time equivalent of employees during the year was 29 (2024: 34.2). The breakdown of employees per department was as follows:

	2025 Number	*2024 Number*
Fundraising staff	**8.0**	*9.1*
Front line support staff	**12.9**	*14.6*
Charity management and central	**8.1**	*10.5*
	29.0	*34.2*

11 Comparatives for the Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	2024 Total *Funds* £
INCOME AND ENDOWMENTS FROM				
Donations and legacies:				
Donations and grants	3	**1,449,316**	**132,043**	**1,581,359**
Branch fundraising events		**1,574**	**1,705**	**3,279**
Legacies	4	**62,340**	**-**	**62,340**
Trading activities – sale of goods		**8,525**	**-**	**8,525**
Investment income	5	**110,670**	**-**	**110,670**
Total Income and Endowments		**1,632,425**	**133,748**	**1,766,173**
Expenditure on				
Raising funds	6	**543,036**	**-**	**543,036**
Charitable activities	7	**1,651,966**	**433,961**	**2,085,927**
Total Expenditure	9	**2,195,002**	**433,961**	**2,628,963**
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**(562,577)**	**(300,213)**	**(862,790)**
Transfers to restricted research	23	**49,561**	**(49,561)**	**-**
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		**(513,016)**	**(349,774)**	**(862,790)**
Net Gains and Losses				
Gains / (losses) on fixed and current asset investments				
Realised		**(7,784)**	**-**	**(7,784)**
Unrealised		**63,002**	**-**	**63,002**
NET MOVEMENT IN FUNDS		**(457,798)**	**(349,774)**	**(807,572)**
Reconciliation of funds				
Balances brought forward at 1 March 2023		**3,100,776**	**385,147**	**3,485,923**
BALANCES CARRIED FORWARD AT 29 February 2024	23	**£2,642,978**	**£35,373**	**£2,678,351**

12 Tangible Fixed Assets

	Freehold Property	Leasehold improvement		Fixtures & Fittings		
	Brandon Cottage £	The Square £	Pavilion £	Brandon Cottage £	Office equipment £	Total £
Cost						
As at 1 March 2024	635,279	225,303	326,539	114,890	66,072	**1,368,083**
Additions	-	-	-	-	1,285	**1,285**
Disposals	-	-	-	-	-	**-**
As at 28 February 2025	635,279	225,303	326,539	114,890	67,357	**1,369,368**
Accumulated depreciation and impairments						
As at 1 March 2024	222,779	225,303	326,539	65,562	35,958	**876,141**
Charge for the year	-	-	-	6,910	6,167	**13,077**
Disposal	-	-	-	-	-	**-**
As at 28 February 2025	222,779	225,303	326,539	72,472	42,125	**889,218**
Net Book Value At 28 February 2025	**412,500**	**-**	**-**	**42,418**	**25,232**	**480,150**
At 29 February 2024	412,500	-	-	49,328	30,114	491,942

The freehold property represents the asset of Brandon Cottage which provides accommodation for families whilst their child is being treated at the hospital. We continue to monitor closely any developments with the potential new children's hospital and any accommodation that would be provided with that which, in turn, may impact the value in use of the Cottage. At this stage, the Cottage is expected to still be in use for a number of years and the Trustees consider the existing carrying value is appropriate.

The Square costs represent capital improvements and internal fittings and furniture within a leasehold property. The property hosts the family support centre of the Charity.

The Trustees considered costs incurred in the building of the Pavilion are improvements on leasehold land owned by the Leeds General Infirmary.

13 Fixed Asset Investments

	£
Quoted investments	
Market value at 1 March 2024	2,274,678
Additions	959,662
Disposals	(905,780)
Net unrealised gains	65,398
	2,393,958
Cash held in investment portfolio awaiting investment	58,081
Investment portfolio: market value	**2,452,039**
Subsidiary undertaking: cost	26,807
Carrying value at 28 February 2025	**£2,478,846**
Historical cost as at 28 February 2025	£2,274,301

At 28 February 2025 and 29 February 2024, no individual investment represented more than 5% of the total investment portfolio.

A separate investment portfolio with a lower risk categorisation is held for liquidity and working capital purposes and disclosed as a current asset in note 15.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments arises from uncertain investment markets resulting in variable income and capital returns from the portfolio of assets.

Currency translation risks remain for those companies and bonds that are exposed to overseas earnings and assets.

Liquidity risk is anticipated to be low as all assets are traded on recognised exchanges with good liquidity and high trading volumes. The Charity's portfolio has no material investment holdings in markets subject to exchange controls or trading restrictions.

13 Fixed Asset Investments (continued)

The Charity manages investment risk by appointing professional investment managers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term total return. Whilst some level of volatility can reasonably be expected, historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Subsidiary undertaking

The £26,807 investment represents a 100% holding in the issued share capital of Candlelighters Trading Limited, a company registered in England and Wales. The subsidiary was dormant and had net assets of £26,807 (2024: £26,807).

14 Debtors

	2025 £	*2024* *£*
Amounts falling due within one year:		
Accrued legacy income	**27,000**	*5,000*
Prepayments and other accrued income	**37,180**	*24,539*
	£64,180	*£29,539*

15 Current Asset Investments

	2025 £	*2024* *£*
Listed investments	**45,586**	*375,369*
	£45,586	*£375,369*

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

16 Liabilities: Amounts Falling Due Within One Year

	2025	2024
	£	£
Creditors in the ordinary course of activities	**23,467**	27,065
Amount owed to subsidiary	**26,807**	*26,807*
Accruals	**18,126**	*18,624*
Social security	**21,074**	*19,315*
Other creditors	**8,837**	*426*
Hospital equipment	**68,000**	-
	166,311	*92,237*
Grant awards	**400,935**	*667,166*
	£567,246	*£759,403*

17 Liabilities: Amounts Falling Due After More Than One Year

	2025	2024
	£	£
Grant awards	**£71,090**	*£275,178*

18 Reconciliation of Grants Awarded

	2025	2024
	£	£
Opening liability obligation	**942,344**	*1,059,899*
Grants awarded in the year (note 24)	**206,616**	*674,500*
Provisions no longer required (note 24)	**(77,599)**	*(50,000)*
Paid during the year	**(599,336)**	*(742,055)*
Closing liability obligation	**£472,025**	*£942,344*

19 Analysis of Charity Assets between Funds

	Restricted Funds	General Funds	Total Funds
	£	£	£
Tangible fixed assets	-	480,150	480,150
Fixed asset investments	-	2,478,846	2,478,846
Other current assets	89,436	200,785	290,221
Liabilities	-	(638,336)	(638,336)
Net assets at 28 February 2025	£89,436	£2,521,445	£2,610,881

20 Taxation

The Candlelighters Trust is a registered charity and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

21 Trustees Interests and Related Party Disclosures

Trustees are required to declare an interest in contracts with which they are connected. Several Trustees use their expertise in areas affecting The Candlelighters Trust but no Trustee had any significant personal financial interest in contracts with the Charity during the year.

Medical Trustees and members of the Medical Review Panels are not precluded from applying for grant funding for projects. Interests in projects are required to be disclosed and the relevant Trustees and panel members take no part in the decision process. Their projects are assessed using the same criteria as that which applies to all potential grantees.

22 Capital

The Candlelighters Trust is a charitable company, limited by guarantee and has no share capital. The members have agreed to contribute £1 each to the Charity's assets in the event of it winding up, if its assets should prove insufficient to cover its liabilities.

23 Movements in Funds

Movements in funds- current year

Unrestricted funds	At 1 March 2024	Incoming resources	Resources expended	Restriction Fulfilled	Other Transfers	Other gains and losses	At 28 February 25
Free charitable reserve	2,078,745	1,568,074	(1,854,357)	128,509	(1,285)	121,609	2,041,295
Fixed assets reserve	491,942	-	(13,077)	-	1,285	-	480,150
Designated fund - digital	72,291	-	(72,291)	-	-	-	-
Total unrestricted	2,642,978	1,568,074	(1,939,725)	128,509	-	121,609	2,521,445
Restricted funds							
Research fund	-	27,208	(10,715)	-	-	-	16,493
Mr & Mrs Coopland	-	69,025	-	(69,025)	-	-	-
Holmfirth High School	-	14,114	(11,088)	-	-	-	3,026
Cardiac monitors	-	45,211	(45,211)	-	-	-	-
Bramall Foundation	-	10,000	(10,000)	-	-	-	-
James Tudor Foundation	-	10,000	(10,000)	-	-	-	-
Frances & Augustus Newman Foundation	-	82,739	-	(47,490)	-	-	35,249
Susie P Foundation	-	10,000	(10,000)	-	-	-	-
Other	35,373	67,004	(55,715)	(11,994)	-	-	34,668
Total restricted	35,373	335,301	(152,729)	(128,509)	-	-	89,436
Total	£2,678,351	£1,903,375	(£2,092,454)	-	-	£121,609	£2,610,881

23 Movements in Funds (continued)

Movements in Funds- prior year

	At 1 March 2023	Incoming Resources	Resources Expended	Restriction Fulfilled	Other Transfers	Other Gains & Losses	At 29 February 2024
Unrestricted funds							
Free charitable reserve	1,673,099	1,632,425	(1,874,434)	49,561	542,876	55,218	2,078,745
Fixed assets reserve (note 12)	525,897	-	(38,196)	-	4,241	-	491,942
Designated fund - Digital	101,511	-	(29,220)	-	-	-	72,291
Designated fund - Supportive Care	700,269	-	(253,152)	-	(447,117)	-	-
Designated fund - Research Pot	100,000	-	-	-	(100,00)	-	-
Restricted Funds							
Research fund	299,731	1,851	(301,582)	-	-	-	-
Children in Need- Twin Vision	10,589	-	(10,589)	-	-	-	-
Harry and Mary Foundation	10,000	10,000	(10,000)	(6,756)	-	-	3,244
Clay Days	19,976	-	(19,976)	-	-	-	-
Mazars	15,000	-	(14,136)	-	-	-	864
UPS	1,045	-	(1,045)	-	-	-	-
Susie P Foundation	-	10,000	(10,000)	-	-	-	-
Other	29,206	111,897	(67,033)	(42,805)	-	-	31,265
Total	£3,485,923	£1,766,173	(£2,628,963)	-	-	£55,218	£2,678,351

23 Movements in Funds (continued)

Restricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research.

The Mr & Mrs Coopland fund is money received from Mr & Mrs Coopland restricted towards the funding of the outreach play specialists.

Holmfirth High School donated £14,114 in the year half restricted to family holidays and half to new patient grants.

The Cardiac monitors restricted fund reflects income raised by J9 Advisory restricted towards the purchase of cardiac monitor equipment at the hospital.

The Bramall Foundation reflects monies received from the Liz and Terry Bramall Foundation towards new patient grants.

During the year, the James Tudor Foundation donated £10,000 restricted towards the costs of a Family Support Worker.

The Frances & Augustus Newman Foundation donated £82,739 in the year restricted towards the Candlelighters Supportive Care Research Centre research programme.

The Susie P Foundation have funded £10,000 per annum for three years restricted towards the costs of the Candlelighters Cottage.

Any amounts showing as "Restriction Fulfilled" against restricted funds is where we have fulfilled the conditions of the funding typically from the Charity funding a particular project or role where the reserves may have been reduced and expenditure recorded in a different financial period because, under the accounting for grants payable, full expenditure is recorded at commitment date.

Unrestricted Funds

Unrestricted funds are spent or applied at the discretion of the trustees to further any of the Charity's purposes.

General Funds

The Free charitable reserve are funds not set aside or restricted for any other purpose and can also be used to supplement expenditure made from restricted funds, for example, research.

The fixed assets reserve represents funds tied up in tangible fixed assets and so are funds which are excluded from "free" general reserves. The fixed assets can be seen in note 12 and the majority of the asset value and associated reserve relates to the Candlelighters Cottage.

Designated Funds

The Digital designated fund reflects funds designated to making the Charity more digital. The fund was fully utilised in the year due to the two major projects of updating the CRM system and the website.

The Board de-designated the Supportive Care fund, effectively representing years 4 and 5 of the Candlelighters Supportive Care Research Centre, in the prior year because the Charity's Free reserves level fell below the target range in the reserves policy. Accordingly efforts are being made to raise funds against the programme to support future commitment in the Centre.

The general research pot was de-designated in the prior year for the same reason and the research focus being on supportive care.

24 Grants Awarded

Research grants	**2025**	*2024*
	£	*£*
Candlelighters Supportive Care Research Centre (three years)	**-**	*554,734*
	-	*554,734*

General grants		
Eckersley House - 1 year continuation	**10,000**	*10,000*
Dinner Supervisor - 1 year continuation	**26,000**	*27,435*
Outreach Play Specialists - 2 year continuation	**170,616**	-
Playleaders - 1 year extension	-	*63,000*
Paediatric radiographers - 8 month extension	-	*17,769*
Other	-	*1,562*
	206,616	*119,766*
Total	**206,616**	*674,500*

In addition to the grants awarded there was a £77,599 (2024: £50,000) release in the year. £67,000 of this was for the release of the full award for the Youth Activity Co-ordinator role which was awarded in the financial year ended February 2023 but the role was not possible through the NHS so we have now employed that role in-house. The rest of the release for this year and all of the prior year was for historic funding awards not utilised meaning grant provisions were no longer required.

25 Controlling Party

The Trustees of The Candlelighters Trust are considered to be the controlling party of the company.

26 Operating Lease Commitments

At 28 February 2025, the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 Total	*2024 Total*
	£	*£*
Within 1 year	**27,210**	*24,567*
Between 1 and 5 years	**77,921**	*10,425*

27 Contingent assets and liabilities

At the year end, the Charity had contingent liabilities totalling £444,955 (2024: £692,955) relating to conditional grants. These grants are payable following successful progress reviews and the Charity reserves the right to terminate the funding agreement at their discretion based on this review. Accordingly they are not provided for in the financial statements. The Charity intends to fund these grants out of funding received in the future.

THE CANDLELIGHTERS TRUST

England & Wales - Charity number 1045077

Accounts

THE CANDLELIGHTERS TRUST

Charity Registration No. 1045077
Company Registration No. 3020552

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

For the year ended 29 February 2024

Candlelighters
Supporting the families of children with cancer

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Patron
Lady Emma Ingilby

Clinical (including Medical) Trustees
Dr M Elliott
Dr E M Richards
C De Biase
Mr J Goodden
Dr S Wilkins
J White

Lay Trustees
K Hardcastle (Chair)
S Patterson
D Mayman
G Felgate
M Bower (appointed 5th October 2023) (resigned 10th September 2024)
R Randhawa (appointed 5th October 2023)
M Shipley (resigned 5th October 2023)

Finance and Audit Committee
K Hardcastle
Dr E M Richards
D Mayman

Research Committee
Dr M Elliott
C De Biase
Mr J Goodden
K Hardcastle

Nominations and Remuneration Committee
S Patterson
K Hardcastle
Dr E M Richards
C De Biase

Family Support Committee
J White
Dr S Wilkins
G Felgate
S Redman (non-trustee)
N Shaw (non-trustee)
D Lawson (non-trustee)
H Vaughan (non-trustee)
K Baldwin (non-trustee)
E Every (non-trustee) (resigned 5th April 2024)

Key management personnel/Senior Management Team:

E Wragg	**Chief Executive**
L C Fletcher	**Chief Operating Officer and Company Secretary**
N Kisby	**Head of Family Support**
L Pomeroy	**Head of Finance and Operations**
T Robertshaw	**Head of Fundraising**
C Gill	**Head of Engagement**

Head office:
8 Woodhouse Square
Leeds, LS3 1AD

Independent auditors:
Thomas Coombs Limited
Chartered Accountants and Registered Auditors
3365 The Pentagon
Century Way
Thorpe Park
Leeds
LS15 8ZB

Bankers:
Virgin Money
94-96 Briggate
Leeds, LS1 6NP

Solicitors:
Wrigleys
19 Cookridge Street
Leeds, LS2 3AG

Investment Managers:
Brewin Dolphin Limited
10 Wellington Place
Leeds, LS1 4AN

The Trustees present their report and audited accounts for the year ended 29 February 2024. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

Objectives

The Charity's objects are:

1. The alleviation of the suffering, and the promotion of the relief, care, well-being, and rehabilitation, of children and young people afflicted with any form of malignant disease or a non-malignant but life threatening haematological disorder or central nervous system disorder, in particular (but not exclusively) those who are or who have been under the care of, or otherwise supported by, hospitals in Yorkshire;
2. The preservation and protection of the good physical and mental health and well-being of individuals formerly under the care of, or otherwise supported by, hospitals in Yorkshire, particularly those individuals experiencing serious medical problems associated with their original disease or disorder or its treatment;
3. The protection and preservation of good physical and mental health and wellbeing amongst families and carers of, or other people providing support to, individuals falling under objects 1 or 2 and the provision of practical and other support in their role of caring for such individuals; and
4. The provision of support for such activities as may be legally charitable in the work of hospitals in Yorkshire including the provision of financial assistance for the acquisition and maintenance of equipment for use within hospitals in Yorkshire or in connection with the work of hospitals in Yorkshire and the provision of support, in whatever ways the Trustees think fit, for research, education and training within or connected with hospitals in Yorkshire and the dissemination of the results of such research.

In accordance with their duties pursuant to Section 4 of the Charities Act 2011, the Trustees have considered the Charity's objects and activities in light of the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Activities and Performance

Each year over 150 children in Yorkshire are diagnosed with cancer. When a child is diagnosed, lives are turned upside down instantly: not just for the child but the entire family. Getting well again can be a long and challenging journey, emotionally, physically, and financially. Supporting children and families throughout that journey is why our charity, Candlelighters, was formed nearly 50 years ago. Our mission is to bring light to every family affected by childhood cancer across Yorkshire by providing emotional, practical and financial support, as well as bringing hope, by investing in vital research to improve the outcomes and lives of children with cancer.

Candlelighters first priority is always the welfare of the families whose children are being treated at the Leeds Children's and Adolescent Oncology and Haematology department. Whilst the outlook for children with cancer and serious blood disorders continues to improve, the distress caused to families should not be underestimated.

Review with families and key stakeholders

During the financial year the Charity undertook a year-long research project to further understand the challenges faced by families who have a child diagnosed with cancer and how best we can support their needs in the future. Key results of this research project highlighted the following challenges for families:

- *Emotional challenges were the top focus for families and were also identified by staff working alongside them. The mental load, worry of their child's health, loneliness and grief were the main emotional challenges from the interviews.*
- *Practical challenges also add additional stress to families and often there aren't any solutions to reduce these. The parental guilt of not being able to meet the needs of their child with medical needs alongside siblings is a constant worry and again something that is recognised by the staff supporting the families. Hospital appointments impacted parent's life by not allowing them to have regular breaks and unexpected hospital stays prevents parents being able to have a sense of control and planning in their life.*

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Review with families and key stakeholders (continued)

- *Signposting to services that can help a family with emotional or financial needs is important. This can make a family feel they are being supported and enable them to access the support they need within their local community.*
- *Supporting these challenges does not need to be a structured system or with medical professionals. Regular opportunities to talk openly about what is on their mind with someone who understands the childhood cancer journey is often enough.*
- *The financial impact of having a child with cancer is also felt across all families at all stages of the journey and is a result of loss of earnings and the cost of attending hospital appointments. These costs are largely attributed to the cost of food and drink within a hospital and the cost of petrol to attend appointments. Financial challenges are also felt by the young people in the family however the reasons behind them being aware of this are not clear.*

Candlelighters already provides support to alleviate these emotional, practical and financial challenges, however we will be using the outcomes of this research project to see how we can do this even better in the future.

We will also be using the outcomes of this review to help develop the Charity's next five year strategy for 2025 to 2030.

Candlelighters @ The Square

Candlelighters @ The Square is our family support centre that supports any member of a family affected by childhood cancer. The centre is a five-minute walk from the Children's Hospital and can provide daily support for a family whilst on the ward, visiting clinic appointments, and for additional support at the family's convenience. The variety of support has evolved from family feedback over the past nine years.

The type of services offered include:

- Well-being therapies including a variety of massages, reflexology, and energy balancing
- Talking therapy one to one, group support and mindfulness sessions for both children and adults
- A quiet space for relaxation and refreshments
- Grandparents' support groups
- Sibling support groups
- Support groups for parents
- Patient support groups
- Family events

The team of support workers @ The Square provide flexible professional support.

During the financial year the centre opening hours were Monday to Friday from 10.00am to 4.00pm and later on a Thursday evening. In 2024, the Charity is trialling also opening The Square on Saturdays and running activities to provide greater support during the whole week.

Providing care closer to home

Candlelighters in Your Community

The Family Support Team provide a range of support closer to home, whether that be through helping the family to access Candlelighters services or more appropriate services that are available in the area that the family live.

For patients who are palliative the Family Support team also provide and co-ordinate precious wishes and memories for patients and families.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Providing care closer to home (continued)

Regional Outreach Play Specialists
Candlelighters funds two outreach play specialists. The role supports families by providing therapeutic play within the child's own home including support to siblings; addressing anxieties where the child feels safe and putting action plans together. The play specialists liaise with the hospital play team to ensure preparation work at home is continued in hospital and action plans followed to provide continuity of care and increase the child and family's confidence in hospital, providing a less frightening experience for the child and family. The role has continued to develop over the years and now provides a huge support to children and their families who are receiving palliative care and to those who have sadly been bereaved.

Bolus Chemotherapy Specialist
During the financial year a Candlelighters funded 0.5WTE Clinical Nurse Specialist started in post to ensure the continuation of the bolus chemotherapy service which enables chemotherapy to be delivered at home to patients who have been receiving this service as a result of COVID-19 and expand the service to initially over 40 more patients.

Support in hospital

Family Support Workers
Candlelighters have a team of family support workers who are at the hospital six days a week to make this difficult time a little easier for families. They work incredibly hard to make the wards and clinic feel less clinical and more enjoyable, bringing some comfort and fun to the hospital environment. From 7:30am to 7:30pm the team are around to support families on a one-to-one basis, provide fun group activities, sit with children to allow parents a break and to help families access vital support through Candlelighters.

Teenage Cancer Unit Ward L33
Funding is provided for social activities for the Teenage Support Group. Families of teenage patients up to 19 years old are also able to access support grants and use the Candlelighters Holiday provision. In 2022 the Charity approved the application to fund a Youth Activity Co-ordinator who will be based solely on Ward 33 supporting teenage patients. Once in place, the Youth Activity Co-ordinator will plan peer support activities and support patients on a one-to-one basis to promote their continued emotional and psychological development through treatment. In 2024, after the financial year end, the decision was made to bring this role in-house to be a Candlelighters employee to expedite the recruitment process and have more direct control over the role and optimise support going forward.

Hospital equipment and environment
The Charity routinely provides funding for the replacement of play, technical equipment and any key white goods for the wards, outpatient's clinic, paediatric radiotherapy department and bone marrow unit. In 2023, Candlelighters started the process of updating the decor in the outpatient's clinic. This included replacing all of the furniture and starting to update the artwork on the walls. This project will continue into 2024 along with other areas of the hospital. We also provided the Pavilion, our space just outside of the wards with a refresh, including new furniture.

Funding is also provided to provide distraction activities for patients during the long hours spent on the ward and in the day unit.

Dinner Supervisor
Many patients undergoing treatment for cancer and leukaemia experience problems with eating during treatment. The problem is worse when the child has to spend long periods in hospital as hospital food is served at set times and by the time it arrives at ward level is unlikely to tempt a child with a failing appetite. Candlelighters fund one full time Dinner Supervisor who provides nutritious snacks on demand for the patients throughout the day and early evening.

Paediatric Radiographer
During the financial year funding was provided for a specialised paediatric radiographer role based at the radiotherapy unit at St James. This role is the only one in Leeds and supports every family who has a child undergoing intensive treatment, often visiting the hospital daily for many weeks. The relationship between families and this role is crucial to enable the child to undergo daily treatments without the need for a general anaesthetic.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Support in hospital (continued)

Playleaders

Candlelighters provides funding for two playleaders to provide support for the Oncology Play Team at Leeds Children's Hospital. The team continues to provide a high-quality play service and has put in place a number of initiatives over the last few years. The Play Team work across all clinical areas, and with other members of the multidisciplinary team to use play to support children as they undergo a range of treatments and interventions. The Play Team ensure consistency in play and preparation across the wards and the clinic and provide preparation and, when required, daily support to children in radiotherapy. They support children and families at times when they are elsewhere in the hospital, for example before and following surgery, or in intensive care. The additional resource in the team allows for there to be a 7-day-a-week for patients on the wards.

During 2024 Candlelighters was pleased to learn the NHS has now recognised nationally the need for a 7-day-a-week play service for children in hospital. After funding the Play Team for over 25 years on the haematology and oncology wards, the Charity has seen how important this is for children so we are thrilled that children in other wards will also now benefit from better play support. Leeds Children's Hospital has secured funding to enable this level of play provision to be rolled out across all wards. This means towards the end of 2024 after the financial year, our funding is no longer needed to ensure this provision is available in the haematology and oncology department, which will enable us to focus our funding on further enhancing our Family Support provision in the hospital and play support for children at home.

Financial support

Financial difficulties can add to the trauma of diagnosis and treatment. At a time when income is often reduced, families face additional expenses such as the cost of food when living at the hospital for long periods of time, travel and increased burden on the family budget. Candlelighters provide three monthly allowances for families upon diagnosis.

There is potential access to a Family Assistance Grant to help families in times of financial need any time during treatment. In addition, Candlelighters also provides Christmas grants and compassionate grants.

Other support

Candlelighters Cottage (Brandon Cottage)

Our Cottage officially opened in November 2018 to families. We know how important it is for families to be together and our Cottage provides a comfortable and homely place for them to stay to enable them to be near to the wards when their child is an inpatient at Leeds Children's Hospital. The Cottage provides four ensuite bedrooms in addition to Eckersley House which is part funded by Candlelighters as below.

Eckersley House

Eckersley House adjacent to Clarendon Wing, provides accommodation for families from outside the Leeds area whose child is being treated at the Hospital. The house is run by the Sick Children's Trust. In recognition of the heavy use made of the house by paediatric oncology parents, Candlelighters make a substantial contribution each year towards the running costs of the house.

Holiday breaks

Each family is entitled to a holiday provided by Candlelighters at various holiday resort locations in the UK. The holiday provides a crucial break away from the routine of treatment and hospital visits secure in the knowledge that, if necessary, they are within easy travelling distance of the hospital. We also provide financial support to families to be able to pay for travel or other expenses for their holiday.

Candlelighters offer these holidays to patients and families during treatment when life can be unpredictable, and we aim to take the stress away for a short time. The holidays are also offered to those families whose child may have died during the year and would welcome a break to get away.

Support groups

In response to requests from families for emotional support, Candlelighters provide funding for support groups and social activities for patients, siblings, parents and grandparents away from the hospital environment.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Research Grants

The main activity during the year in relation to research grants was as follows:

- The Charity committed to the funding of a new leading research programme in Supportive Care in order to improve quality of life for children affected by childhood cancer. Supportive Care includes preventing side effects of treatment, managing pain and reducing infection. It's the care that gives children as full a life as possible. A major research programme in this area has been a strategic priority for Candlelighters and it was a key moment for the Charity when the "Candlelighters Supportive Care Research Centre" launched in November 2023. It is intended the programme will be funded for five years and total funding to be £1 million. In the financial year, £555,000 was committed which relates to years 1 to 3 of the programme, with future years subject to progress and the financial position of the Charity.
- The long running funding of the Yorkshire Specialist Register of Cancer in Children and Young People continued. The Register is a research database which is used to support research into the effectiveness of cancer treatments and any complications which emerge several years after therapy has been completed.
- Funding continued for the Candlelighters Fellowship programme. The programme was created to utilise the research expertise and facilities of the University of Leeds and Leeds Teaching Hospitals NHS Trust to support the research training of academic paediatric oncologists and haematologists, and in order to ensure doctors with relevant expertise are based in Yorkshire to look after children affected by cancer. Candlelighters has supported nine Fellows to date including the recruitment of an additional two new Fellows which started in Autumn 2020.

FINANCIAL REVIEW

The financial statements are presented in the standard format required by the Charity SORP and cover the activities of the Charity and its dormant subsidiary Candlelighters Trading Limited. The Statement of Financial Activities ("SOFA") shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

Income from the branches is shown gross and the fundraising costs are allocated to the fund for which the money was raised.

Income

The external conditions continued to be challenging for the Charity during the financial year. Despite the easing of COVID-19 restrictions, not all fundraising activities have restarted. Moreover, the ongoing cost of living crisis reduced available funds for supporters to donate to charity. Accordingly, the total income in the year of £1,766,173 (2023: 2,143,542) was lower than the average experienced by the Charity in recent years especially in real terms when inflation is taken into account.

Community income improved in the year to £645,735 (2023: £564,109) due to a full year of a senior fundraiser in post and fewer COVID-19 restrictions than the prior year.

Income received from individual giving experienced a slight increase from prior year to £92,432 (2023: £81,905) due to success from specific initiatives.

Corporate income also improved and was £626,052 (2023: £535,169) due to large donations from a number of fantastic Corporate supporters.

We continued our investment in our Major Donor programme which achieved another strong contribution of £69,305 (2023: £73,677). We will continue to development this income stream into following financial years.

Trust and Foundation income of £147,835 (2023: 301,667) was significantly lower than prior year as last year included one substantial donation of £100,000. Also, more generally, we found the availability of funds was less as many Trusts and Foundations donated any surplus reserves during COVID-19 and the conditions meant there was high demand from other charities for any funding that was available.

Legacy income was £62,340 compared to £400,060 in the prior year. Alongside a number of significant legacies, prior year included a further donation from the exceptional Joyce Mary Mountain Will Trust legacy of £250,000.

In order to try and meet the challenges of an increasing cost base and to achieve a more sustainable in-year position going forward, the Charity continually reviews its fundraising strategy. Developments in the economy and technology, along with other factors, mean Candlelighters needs to constantly adapt to protect, diversify and grow income. Accordingly, in 2024, the Charity has introduced a Business Development role to further grow Corporate income.

The Charity would like to thank all our supporters for their immense effort during difficult times to raise money on the Charity's behalf.

Expenditure

Total expenditure for the year was £2,628,963 (2023: 1,998,949). The £630,014 increase to prior year was primarily due to greater spend on Charitable activities from £1,527,700 to £2,085,927. The key driver behind this increase was net major grant expenditure of £624,500 which was £451,412 higher than prior year. In line with the Charity's strategic objective, during the financial year the Charity made the significant commitment of funding a new leading research programme in Supportive Care, the "Candlelighters Supportive Care Research Centre", in order to improve quality of life for children affected by childhood cancer. The funding is expected to be £1 million over five years but the initial commitment of £554,734 is for years 1 to 3 of the programme, with future years subject to progress and the financial position of the Charity including securing funds for the project.

Other factors behind the increase in Charitable activities spend was a £55,408 increase in front line staff costs which reflects the continued investment in the Family Support team to have greater six days a week presence at the hospital and also running the Square which could be fully open again. Furthermore, there was a £50,808 increase in expenditure on family holidays, as many families were able take their holiday after COVID-19 restrictions and concerns in prior years.

FINANCIAL REVIEW (continued)

Expenditure (continued)

The cost of raising funds of £543,036 was £71,687 higher than prior year. There was a £31,786 increase in staff costs in line with expectations as the prior year had a period of vacancies after a restructure to strengthen and diversify our fundraising to protect the Charity from reducing traditional sources of income. Generally, there was a greater level of fundraising activity and associated cost in the year as restrictions lifted and events resumed.

The Charity is embarking on some major technological projects to enhance its IT infrastructure, systems and website to leave it best placed to use technology to have greater supporter and family engagement as well as become more efficient going forward. During the financial year, we started to experience the associated costs for these projects and a greater amount is budgeted for the financial year ending February 2025. These costs will be a critical investment for the future of the Charity.

More generally, like many organisations, the Charity felt the impact of inflation across the whole cost base. This was compounded by a greater demand on our services as families need us more than ever and have less support available elsewhere. Whilst many non-charitable organisations can increase their prices to combat inflation, inflation is putting pressure on our income from supporters having less funds available for charitable giving. Accordingly, we are continually reviewing our cost base and support we provide to families to ensure every penny of Charity resources is used to support families where they need us most.

Investment policy and performance

The Charity's investments are held in a mixture of equities, bonds, pooled funds and bank deposit balances. RBC Brewin Dolphin are the Charity's appointed Investment Managers with an investment mandate of "Income and Capital Growth Return, moderate investment risk.", and from an ethical perspective there will be no direct investment in tobacco. Given the importance of the market value of investments on the reserves of the Charity, the Trustees continue to closely monitor the performance of the portfolio.

The Charity has two investment funds. Firstly, the Working Capital Portfolio which has a low-risk investment profile with a short to medium term investment horizon as cash flow forecasts show that the Charity may need to access these funds in this timeframe in order to pursue the Charity's objectives. As at 29 February 2024 the Working Capital Portfolio had a market value of £375,369. The portfolio produced an annual estimated gross income of £8,368, which is equivalent to a gross yield of 2.24%.

Over the period 1 March 2023 to 29 February 2024 the Working Capital Portfolio made a total +2.64%. This compares to a total return in the market benchmark (MSCI WMA Conservative Index) of +6.09%.

As at 29 February 2024, the General Trust Portfolio, which has a medium-risk investment profile with a long-term investment horizon, was valued at £2,570,827. The portfolio produced an annual estimated gross income of £60,622 which is equivalent to a gross yield of 2.36%. Over the period 1 March 2023 to 29 February 2024 the General Trust Portfolio made a total return of +5.73%. This compares to a total return in the market benchmark (MSCI WMA Income Index) of +7.29%. Over this period the FTSE ALL Share Index recorded a total return of +0.19% and the FT Government Securities Index made a total return of +1.54%.

Inflationary figures were still the primary force behind market returns in 2023. Inflation remained higher than anticipated for the majority of the year which acted as a headwind for markets. In November, however, following a surprising release of positive data, markets rose on the idea of interest rate cuts. The majority of the portfolio returns came in November and December 2023 and over the financial year, there was a net investment gain of £151,317.

In line with expectations, during the financial year the total investments held reduced as the Charity needed to use investment funds to meeting ongoing expenditure and settle grant liabilities including major research projects.

The remaining current assets of the Charity of £247,987 as at 29 February 2024 were held mainly as bank deposit balances in order to provide sufficient liquidity for the short term settlement of liabilities including grant liabilities.

FINANCIAL REVIEW (continued)

Reserves policy

In order to ensure continuity of charitable expenditure and to fulfil the objectives of the Charity, a level of reserves must be maintained, especially due to ongoing commitments from which it is not possible to withdraw at short notice as well as being able to withstand potential drops in the market value of investment funds. This is particularly the case in the current environment as the impact of the cost of living crisis is making the fundraising environment very challenging and also putting pressure on the cost base of the Charity from inflation and demand for the Charity's services. Whilst the Charity is trying to move towards a more breakeven position, the strain on income and costs at a time we want to maintain and expand our support to families affected by childhood cancer means we may experience a deficit in the next few years and there is a deficit budgeted for financial year ending February 2025.

In February 2024 the Trustees reaffirmed the reserves policy based on the level of free reserves. The policy is that free reserves should be no lower than £1.0 million with a target level of between £1.5 million and £2.0 million. This excludes the fixed asset reserve, designated reserves and restricted reserves. Previously the policy included designated reserves but the progression of strategic projects means the level of designated reserves can change quite significantly in any given period.

The target level is deemed appropriate given the challenging environment and potential deficits for the next few years. If the environment improves and stabilises, the target level may be reduced in the future.

Free reserves at the end of the financial year are £2,078,745 so slightly above the target range but this is largely due to a significant increase in investment valuations towards the end of the financial year. Also certain project costs were deferred into the 2024/2025 financial year. Free reserves are budgeted to reduce in the 2024/2025 financial year and the budgeted deficit will also use up designated reserves.

Restricted and Unrestricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research. Other restricted funds are detailed in note 23 of the financial statements.

FUTURE PLANS

It has been another significant year for Candlelighters and the Charity is proud of its achievements; not least the launch of the Candlelighters Supportive Care Research Centre, the introduction of the new bolus chemotherapy role to provide care closer to home, and the refurbishment of areas of the hospital. Our Family Support review demonstrated how valued the support Candlelighters provides to families is and how we can further tailor and enhance our support in the future.

Throughout 2024/2025, the Charity remains committed to the key aims within its current 2020 to 2025 strategy:

- Maintain high quality family support services
- Expand current family support services across Yorkshire, taking support closer to home for families
- Provide equitable support for families affected by childhood cancer across Yorkshire regardless of their principal treatment centre in Yorkshire
- Invest further in research; to include the funding of a new leading research programme in Supportive Care resulting in improved quality of life for children affected by childhood cancer
- Be more digital in everything we do
- Support the development of the new Children's Hospital for oncology families and be the Centre of Excellence nationally with regards to our model of support for families affected by childhood cancer
- Protect, maintain and increase income in the next 5 years to enable the implementation of our strategic plan.

Building on the successes of the financial year and what we have learned from engaging with families and stakeholders, in 2024/2025 Candlelighters is looking forward to:

- Establishing a Family Support Worker 6 day a week service for families in the hospital
- Assessing the success of our trial of opening the Square (our family support centre) 6 days a week
- Launching "Champ's pantry" to alleviate the financial burden and provide nutrition to families at the hospital
- Further refurbishing areas of the hospital, to ensure the wards and day unit are as welcoming and comfortable as possible for families
- Commencing the refurbishment of The Square, to maximise its use and ensure it offers the best respite opportunity for families
- Continuing to develop the research at the Candlelighters Supportive Care Research Centre
- Implementing new technology, including a new website to better engage with families and supporters
- Continuing to diversify our income streams, building long term, meaningful relationships with our fundraisers and supporters
- Developing its next strategy for beyond 2025.

Candlelighters continues to be conscious and mindful of the challenges which lie ahead; both in terms of the uncertainty in income generation and also in terms of the challenges faced by the NHS and the additional requests to the third sector for funding support.

Towards the end of 2024 we will be having our annual "Hearts and Minds" board strategy day to develop our strategy for the future.

Candlelighters remains committed and determined to provide the best possible support to families affected by childhood cancer and will continue to respond and adapt accordingly to the challenges that may lie ahead in the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The legal status of The Candlelighters Trust is that of a Company Limited by Guarantee incorporated in 1995. As such its governing instrument is its Memorandum and Articles of Association, as amended over the years to allow for current governance arrangements.

It is registered as a charity with the Charity Commission. Parents whose children are treated at the Children's and Adolescent Oncology and Haematology department can become members of the company. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

- **Trustees**

Details of the Trustees, who are also directors of the company for the purposes of company law, who have served during the year are listed on page 1.

None of the Trustees had any personal beneficial interests requiring disclosure, either in the Charity or in its wholly owned subsidiary company, Candlelighters Trading Limited, other than disclosed in note 21 of the financial statements.

- **Appointment of Trustees**

As set out in the Articles of Association the Board of Trustees must be made up of between nine and fifteen individual Trustees, all of whom shall become Members by virtue of their appointment as Trustees. No less than one third, but no more than half of the Trustees will be clinical (including medical) Trustees.

The Articles of Association require that one third of the Trustees retire by rotation at each Annual General Meeting after which they may put themselves forward for reappointment.

- **Training of Trustees**

Most Trustees are already familiar with the practical work of the Charity through their association with the Children's and Adolescent Oncology and Haematology department. New Trustees receive a briefing on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the Board of Trustees and the decision-making process; the history; business plan and recent financial performance of the Charity. In addition, Trustees are encouraged to attend appropriate internal and external training events to facilitate the undertaking of their role.

- **Management**

The Trustees meet at least four times a year to decide the broad strategy and areas of activity including grant making, administration, reserves and risk management. The day-to-day administration of grants and the processing and handling of applications prior to consideration by the relevant committee is delegated to the Senior Management Team.

- **Key Management Personnel and Remuneration Policy**

The board of Trustees together with the Senior Management Team (as listed on page 2) are considered to be the key management personnel of the Charity.

All Trustees give their time freely and no Trustee remuneration was paid during the year. One Trustee received expenses in line with the Charity's volunteer policy for costs directly incurred in relation to a fundraising event the Trustee organised.

The Chief Executive salary is determined by benchmarking across the Third Sector on an annual basis.

- **Voluntary help and employees**

The Trustees wish to record their thanks for the hard work of the Charity's employees and the support of the much-valued assistance of volunteers.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- **Risk management**

The Trustees regularly review the risk management strategy in accordance with the requirements of the SORP on Accounting and Reporting by Charities. The Charity has a risk management strategy which comprises a formal review of the risks the Charity may face at least twice a year, however, the risk culture and the processes embedded in the Charity mean there is ongoing identification and monitoring risks and there are systems and procedures in place to minimise any potential impact on the Charity should those risks materialise. Internal control risks are minimised by policies and procedures covering a wide range of risks including the authorisation of all grants and financial transactions.

The key risks to the Charity fall into the categories below. A description of the risk categories and how these risks are mitigated are as follows:

- *Governance risk:* This is the risk that poor governance means the Board fails to deliver an effective strategy in line with the Charity's objectives. This may be due to the Board not having the right skills or commitment, or there is a conflict of interest or dominant influence. This risk is mitigated due to a rigorous Board selection, and ongoing appraisal and skills review programme. There is a conflicts of interest protocol where all potential conflicts are declared and recorded, and appropriate action taken if any perceived conflicts exist. The Charity has a five year strategic plan which is reviewed annually, and an annual business plan with quarterly performance reviewed by the Board. The Charity undertakes an external Governance Review on a periodic basis. The last one performed in 2022 showed strong levels of governance with any recommendations tracked and actioned by the Board. In 2024 the Charity was also a runner-up in the national Charity Governance Awards for the People in Governance category.
- *Operational risk:* This category of risk reflects potential issues arising from the day to day operational activities of the Charity. This includes any risks arising from the support the Charity provides to the families affected by childhood cancer, as well as risks to Charity staff and its assets, data and infrastructure. Policies and procedures are in place in order to reduce operational risk. All new staff and volunteers or relevant third parties go through an extensive induction training process including a review of the Charity's policies and procedures. Existing staff receive refresher training and have to review policies and procedures on a periodic basis. All teams meet weekly to discuss any new or ongoing operational risks including specifically safeguarding risks, and any significant risks are escalated to the weekly Senior Management Team meeting. Any significant incidents are recorded on an "Incident Report Form" which requires consideration of any lessons learnt and necessary actions with sign off from the Senior Management Team. Risks also from part of a monthly appraisal process.
- *Financial risk:* The financial performance and position of the Charity is monitored regularly including monthly management information and is reviewed at each Trustee meeting. Liquidity risk is managed by regular monitoring of the cash held at bank and alternative funds available. An annual budget is prepared by the Senior Management Team and approved by the Board and if during the year the performance is expected to be significantly different from that budgeted, a reforecast exercise will be undertaken. Financial policies and procedures, and controls are in place for core financial activities. A key element in the management of financial risk is the setting of a reserves policy and its periodic review by Trustees.
- *Legal and compliance risk:* Guidelines are issued to all staff and volunteers in order to comply with charity and local authority regulations and to minimise risks to health and safety. The Charity seeks external legal advice when required.
- *External risk:* The Charity can be significantly impacted by external factors including political, economic, social, technological and environmental. The Senior Management Team and Board will regularly review external factors and are informed from communications and briefings from a number of sources including industry bodies, supporters and beneficiaries. These factors are taken into account in the annual business plan and five year strategic plan, as well as the reserves policy. Policies and procedures are also in place to deal with external factors that would impact more immediately such as business continuity and disaster recovery planning.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- **Grant making policy**

Research Grants
The Charity funds research to improve the lives and outcomes for children and adolescents diagnosed with cancer. All grants are reviewed by the Board with Board approval required for any grant in excess of £20,000, or £2,000 if not already included in the budget. Any research grants in excess of £50,000 must be reviewed by external scientific experts before being submitted for approval by the Board of Trustees and periodically thereafter. In 2021 Candlelighters entered into a partnership agreement with an AMRC registered charity, Children's Cancer Leukaemia Group (CCLG), to allow for independent expert support with the initial review and ongoing monitoring of research grants including those below £50,000.

Other Grants
The Charity also provides non-research grants in order to provide support to families affected by childhood cancer, such as funding roles at the hospital or providing medical equipment. All grants over £20,000 (or £2,000 if not already included in the budget) must be approved by the Board and all grants are reviewed by the Board.

- **Conflict of interest policy**

The Charity has adopted a conflict of interest policy applicable to all Trustees, Members of the Sub-Committees and staff. This policy aims to protect both the organisation and the individuals involved from any appearance of impropriety. All Trustees, Members of the Sub-Committees and Staff are asked to declare their interests and any gifts or hospitality received in connection with their role in the Charity. In accordance with the Trust's policy, Trustees and Sub-Committee Members are required to withdraw from decisions where a conflict of interest arises.

- **Ethical Fundraising policy**

At Candlelighters we aim to ensure that our supporters and the wider public are treated fairly and with respect. We continually monitor and review our practices to ensure we are adhering to the latest in fundraising regulations and practices.

Fundraising Standards
Candlelighters voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice which sets out statutory obligations and best practice standards. Specific additional training is provided annually to Fundraising staff on The Code of Fundraising Practice.

Third Party Fundraising
We work with people and organisations raising funds on behalf of Candlelighters in order to ensure best practice and the Fundraising Regulator's Code of Conduct is followed. Where applicable, signed contracts and agreements will be put in place.

Complaints
At Candlelighters we aim to maintain high standards in all areas of our work and complaints are an important way for us to identify and resolve issues quickly and learn how to improve our services and procedures long term, ensuring we are able to maintain high standards in all areas of our work. In the year to 29th February 2024, Candlelighters received 0 complaints relating to fundraising. In the instance where a complaint is received, Candlelighters has an internal complaints policy which guides staff on how to deal with complaints in an effective manner, as well an external policy which provides transparency to supporters on how their complaints will be managed.

Data
Candlelighters is committed to the responsible use of personal data. We are transparent about what we do with personal data and strive to ensure that our supporters feel confident in how we are using it. Candlelighters is registered with the Information Commissioner's Office ("ICO") and we have a data protection policy in order to ensure we comply with the ICO guidelines.

Protecting vulnerable people
Candlelighters is very conscientious about self-regulation of its fundraising activities and protecting vulnerable people. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice from the Fundraising Regulator which sets out statutory obligations and best practice standards. Guidance is also given to those who fundraise on the Charity's behalf. Candlelighters approach to fundraising is to avoid unreasonable intrusion into an individual's privacy, persistent approaches or undue pressure to donate to the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Auditors
The auditors Thomas Coombs Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small Company Exemptions
The Trustees have taken advantage of the small company exemptions within the Companies Act 2006 in connection with the preparation of the Trustees Report.

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



L Fletcher, Company Secretary

Date: 9th October 2024

The Trustees (who are also directors of The Candlelighters Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

K Hardcastle
Chair - Trustee

Dr E M Richards
Trustee

Date: 9th October 2024

Opinion

We have audited the financial statements of The Candlelighters Trust (the parent charitable company) and its subsidiaries (the group) for the year ended 29 February 2024 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet and the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 29 February 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- The directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the Charity through discussions with management, and from our commercial knowledge and experience of the sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts of the operations of the Charity, including the Charities Act 2011.
- We assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC, relevant regulators including the Charities Commission and the Charity's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

C Darwin

Christopher Darwin FCA (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor & Chartered Accountants
3365 Century Way,
Thorpe Park,
Leeds,
West Yorkshire
LS15 8ZB

Date: 9th October 2024

THE CANDLELIGHTERS TRUST (Company number 3020552)
Consolidated statement of financial activities for the year ended 29 February 2024
(incorporating statutory income & expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	2024 Total *Funds* £	*2023 Total Funds £*
INCOME AND ENDOWMENTS FROM					
Donations and legacies:					
Donations and grants	3	**1,449,316**	**132,043**	**1,581,359**	*1,573,041*
Branch fundraising events		**1,574**	**1,705**	**3,279**	*52,142*
Legacies	4	**62,340**	**-**	**62,340**	*400,060*
Trading activities – sale of goods		**8,525**	**-**	**8,525**	*8,387*
Investment income	5	**110,670**	**-**	**110,670**	*109,912*
Total Income and Endowments		**1,632,425**	**133,748**	**1,766,173**	*2,143,542*
Expenditure on					
Raising funds	6	**543,036**	**-**	**543,036**	*471,349*
Charitable activities	7	**1,651,966**	**433,961**	**2,085,927**	*1,527,600*
Total Expenditure	9	**2,195,002**	**433,961**	**2,628,963**	*1,998,949*
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**(562,577)**	**(300,213)**	**(862,790)**	*144,593*
Transfers between funds	23	**49,561**	**(49,561)**	**-**	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		**(513,016)**	**(349,774)**	**(862,790)**	*144,593*
Net Gains and Losses					
Gains / (losses) on fixed and current asset investments					
Realised		**(7,784)**	**-**	**(7,784)**	5,467
Unrealised		**63,002**	**-**	**63,002**	*(216,782)*
NET MOVEMENT IN FUNDS		**(457,798)**	**(349,774)**	**(807,572)**	(66,722)
Reconciliation of funds					
Balances brought forward at 1 March 2023		**3,100,776**	**385,147**	**3,485,923**	*3,552,645*
BALANCES CARRIED FORWARD At 29 February 2024	23	**£2,642,978**	**£35,373**	**£2,678,351**	*£3,485,923*

The statement of financial activities includes all gains and losses recognised in the year.
All amounts related to continuing activities within the United Kingdom.

The notes on pages 25 to 44 form part of these financial statements.

THE CANDLELIGHTERS TRUST (Company number 3020552)
Balance sheet at 29 February 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Tangible fixed assets	12	**491,942**	525,897	**491,942**	*525,897*
Investments	13	**2,570,827**	3,214,216	**2,597,634**	*3,241,023*
		3,062,769	*3,740,113*	***3,089,576***	*3,766,920*
Current assets					
Stock		**13,925**	*18,148*	**13,925**	*18,148*
Debtors	14	**29,539**	*43,227*	**29,539**	*43,227*
Investments	15	**375,369**	*532,560*	**375,369**	*532,560*
Branch funds		**13,846**	*39,750*	**13,846**	*39,750*
Cash at bank and in hand		**190,677**	*254,334*	**190,677**	*254,334*
		623,356	888,019	**623,356**	*888,019*
Liabilities: amounts falling due within one year					
Grant awards	16	**(667,166)**	*(780,187)*	**(667,166)**	*(780,187)*
Other	16	**(65,430)**	*(82,310)*	**(92,237)**	*(109,117)*
Net current assets/(liabilities)		**(109,240)**	*25,522*	**(136,047)**	*(1,285)*
Total assets less current liabilities		**2,953,529**	3,765,635	**2,953,529**	*3,765,635*
Liabilities: amounts falling due after more than one year					
Grant awards	17	**(275,178)**	*(279,712)*	**(275,178)**	*(279,712)*
Net assets	19	**£2,678,351**	*£3,485,923*	**£2,678,351**	*£3,485,923*
Funds of the Charity					
Unrestricted - free charitable reserve	23	**2,078,745**	*1,673,099*	**2,078,745**	*1,673,099*
Unrestricted – fixed assets reserve	23	**491,942**	*525,897*	**491,942**	*525,897*
Unrestricted- designated: supportive care	23	**-**	*700,269*	**-**	*700,269*
Unrestricted- designated: digital	23	**72,291**	*101,511*	**72,291**	*101,511*
Unrestricted- designated: research pot	23	**-**	*100,000*	**-**	*100,000*
Restricted	23	**35,373**	*385,147*	**35,373**	*385,147*
Total funds	23	**£2,678,351**	*£3,485,923*	**£2,678,351**	*£3,485,923*

Approved by the board of Trustees on 9th October 2024 and signed on its behalf by:

K Hardcastle (Chair - Trustee) **Dr E M Richards (Trustee)**

The notes on pages 25 to 44 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement
For the year ended 29 February 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Cash generated from/ (used in) operations	a	**(1,379,467)**	*(358,865)*
Net cash generated from/ (used in) operating activities		**(1,379,467)**	*(358,865)*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**4,241**	*(10,800)*
Purchase of investments		**(767,129)**	*(328,803)*
Sale of investments		**1,942,124**	*366,692*
Investment income		**110,670**	*109,912*
Net cash (used in)/ generated from investing activities		**1,289,906**	*137,001*
Change in cash and cash equivalents in the reporting period		**(89,561)**	*(221,864)*
Cash and cash equivalents at the beginning of the reporting period		**294,084**	*515,948*
Cash and cash equivalents at the end of the reporting period	b	**£204,523**	*£294,084*

The notes on pages 25 to 44 form part of these financial statements.

a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	(807,572)	(66,722)
Adjustments for:		
Depreciation charges	38,196	40,433
Loss on disposal of tangible fixed assets	-	-
Net unrealised (gains)/losses on investments	(63,002)	216,782
Net realised (gains)/losses on investments	7,784	(5,467)
(Increase)/ decrease in cash held within investments	(327,679)	(33,620)
Investment income	(110,670)	(109,912)
(Increase)/decrease in stock	4,223	(2,515)
(Increase)/decrease in debtors	13,688	7,389
Increase/(decrease) in creditors	(134,435)	(405,233)
Net cash generated from/ (used in) operating activities	£(1,379,467)	£(358,865)

b. COMPOSITION OF CASH AND CASH EQUIVALENTS

	2024	2023
	£	£
Branch funds	13,846	39,750
Cash at bank and in hand	190,677	254,334
Cash and cash equivalents	£204,523	£294,084

The notes on pages 25 to 44 form part of these financial statements.

1 General information

The Candlelighters Trust is a company limited by guarantee, incorporated in England & Wales. The registered office is 8 Woodhouse Square, Leeds, LS3 1AD. The members of the company are the trustees detailed on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2 Accounting Policies

Basis of Preparation
The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019,'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Candlelighters Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Basis of Consolidation
The consolidated accounts incorporate the accounts of the Charity and its wholly owned subsidiary undertaking. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and SORP 2015 and has not presented its own Income and Expenditure account in these financial statements. A separate Statement of Financial Activities for the Charity is not considered necessary because the activities of the Charity and the wholly owned subsidiary undertaking are easily distinguished within the consolidated Statement of Financial Activities. The accounts include the activities of both the head office and those if its various branches.

Going Concern
The financial statements have been prepared on a going concern basis. The trustees (who are directors of The Candlelighters Trust for the purposes of company law and trustees of The Candlelighters Trust for the purposes of charity law) have reviewed the Charity's financial position, taking into account the satisfactory level of reserves and cash, current year forecasts and its systems of financial and risk management. As a result of their review, the trustees believe that the Charity is well placed to manage operational and financial risks successfully.

Fund Accounting
Monies earmarked by donors or by the terms of an appeal for particular projects are accounted for separately, in Restricted Funds. The notes to the accounts show the movements and balances on any such Restricted Funds. Unrestricted funds may be spent on any legitimate charitable aim as laid down in the Charity's memorandum of association.

Unrestricted funds are held in the general reserve except to the extent that the Trustees consider it appropriate to make transfers to designated funds to meet the expected cost of planned awards for the future. As costs on such awards are incurred, they are charged against the designated fund to the extent that the fund proves sufficient. Any balance of such expenditure is charged against the general fund. If the project costs less than the amount in the designated fund, any surplus is transferred back to the general fund.

The group's accounting systems allocate all income, expenditure, assets, liabilities and reserves between these funds. The statement of financial activities shows separately the income, expenditure and any transfers relating to restricted funds, designated funds and general reserves. Assets and liabilities attributed to each fund are disclosed in the notes to the financial statements.

Income
Donations and fundraising event income are included in the Statement of Financial Activities when:

- the Charity is told it is to receive the gift or donation;
- the Trustees are reasonably certain of the amount to be received;
- the Trustees are reasonably certain they will receive the money; and
- any conditions for receipt are met.

2 Accounting Policies (continued)

Income (continued)
Legacies are recognised when it is probable that they will be received. Receipt is normally probable when:

- there has been grant of a probate;
- the executors have established that there are sufficient assets in the estate after settling any liabilities to pay the legacy; and
- any conditions attached to the legacy are either within the control of the Charity or have been met.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Volunteers and Donated Services and Facilities
The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Where services are provided to the Charity as a donation that would normally be purchased from a supplier, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

Expenditure
Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Cost Allocation
The Statement of Recommended Practice requires that costs are allocated where appropriate to charitable expenditure and to costs of generating funds. The Charity's central overheads, including staff costs, have been allocated to charitable activity and costs of generating funds on the basis of the allocated time spent by staff on those functions with the aim of ensuring that those costs remaining with governance costs relate to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of Raising Funds
The costs of raising funds consist of commercial trading costs, investment management fees, branch fundraising events and those other costs incurred in attracting voluntary income.

Charitable Activities
Costs of charitable activities include grants made and an apportionment of overhead and support costs.

Governance Costs
Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Pension Contributions
The Charity pays defined contributions into the pension schemes of several employees. These amounts are charged to the Statement of Financial Activities as they become payable and in accordance with their functional classification.

2 Accounting Policies (continued)

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

Tangible Fixed Assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

With the exception of those tangible fixed assets which are held at an impaired value, depreciation is provided on all tangible fixed assets capable of operating as intended, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	20% reducing balance
Fixtures and fittings	10% reducing balance, 20% reducing balance
Pavilion	20% on cost
The Square	10% on cost
Brandon Cottage	2% on cost

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at year end. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Fixed and Current Asset Investments
Quoted investments are stated at mid-market value. All losses and gains are taken direct to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit or loss.

Liabilities and Provisions
Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation, Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Financial Instruments
The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Accounting Policies (continued)

Stock
Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

Judgements in Applying Accounting Policies and Estimation Uncertainty
Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these key judgements and estimates have been made include the depreciation of fixed assets, the estimate of grant liabilities, the provisions for costs included within accruals and the allocation of donations and costs.

3 Donations and grants

	Unrestricted Funds £	Restricted Funds £	2024 Total £	*2023 Total £*
Community	**640,335**	**5,400**	**645,735**	*564,109*
Individual Giving	**91,824**	**608**	**92,432**	*81,905*
Major Donor	**69,305**	**-**	**69,305**	*73,677*
Corporate	**618,052**	**8,000**	**626,052**	*535,169*
Trusts and Foundations	**29,800**	**118,035**	**147,835**	*301,667*
Government Grants	-	-	-	*16,514*
	£1,449,316	**£132,043**	**£1,581,359**	*£1,573,041*
Total 2023	*£1,236,172*	*£336,869*	*£1,573,041*	

4 Legacies

	Unrestricted Funds £	Restricted Funds £	2024 Total £	*2023 Total £*
Legacies	**62,340**	**-**	**62,340**	*400,060*
	£62,340	**-**	**£62,340**	*£400,060*
Total 2023	*£395,060*	*£5,000*	*£400,060*	

In the prior year legacies included an exceptional legacy of £250,000 from the Joyce Mary Mountain Will Trust. This was in addition to the £650,000 exceptional legacy donation recorded in the year ended 28 February 2021 financial statements. There were no specific restrictions on the use of the funding.

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2024 Total £	*2023 Total £*
Income from portfolio investments	**110,670**	**-**	**110,670**	*109,912*
	£110,670	**-**	**£110,670**	*£109,912*
Total 2023	*£109,912*	-	*£109,912*	

6 Costs of Raising Funds

	Unrestricted Funds £	Restricted Funds £	2024 Total £	*2023 Total £*
Postage	**3,617**	**-**	**3,617**	*2,168*
Newsletter	**9,256**	**-**	**9,256**	*7,794*
Fundraising expenses	**82,102**	**-**	**82,102**	*62,561*
Opening stock	**18,148**	**-**	**18,148**	*15,633*
Purchase of merchandise	**2,463**	**-**	**2,463**	*6,426*
Closing stock	**(13,925)**	**-**	**(13,925)**	*(18,148)*
IT costs	**21,067**	**-**	**21,067**	*7,824*
Banking and platform charges	**22,958**	**-**	**22,958**	*15,115*
Website costs	**2,502**	**-**	**2,502**	*12,432*
Branch fundraising costs	**1,106**	**-**	**1,106**	*216*
Investment management costs	**25,076**	**-**	**25,076**	*24,489*
Staff training	**906**	**-**	**906**	*1,878*
Waverley premises costs	**30,560**	**-**	**30,560**	*27,547*
Support costs				
Apportioned staff costs	**337,200**	**-**	**337,200**	*305,414*
	£543,036	**-**	**£543,036**	*£471,349*
Total 2023	*£471,349*	-	*£471,349*	

7 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2024 Total £	*2023 Total £*
Research grants				
Total grants awarded (see note 24)	**253,152**	**301,582**	**554,734**	*1,261*
Grants no longer required (see note 24)	**-**	**-**	**-**	*(44,003)*
Other grants				
Total grants awarded (see note 24)	**119,766**	**-**	**119,766**	*300,959*
Grants no longer required (see note 24)	**(50,000)**	**-**	**(50,000)**	*(85,129)*
Other charitable activities				
Family financial support	**121,745**	**12,655**	**134,400**	*138,790*
Support groups and parent information	**37,003**	**18,131**	**55,134**	*60,885*
Holidays for families	**162,912**	**20,285**	**183,197**	*132,389*
Recruitment costs	**796**	**-**	**796**	*17,816*
Hospital Equipment and support	**19,063**	**20,530**	**39,593**	*31,889*
Brandon cottage costs	**6,660**	**10,000**	**16,660**	*15,532*
Depreciation of Brandon cottage and fittings	**8,228**	**-**	**8,228**	*9,829*
@The Square				
- Running costs	**40,268**	**14,166**	**54,434**	*58,330*
- Depreciation of The Square	**22,509**	**-**	**22,509**	*22,530*
- Wellbeing treatments and support	**87,458**	**16,036**	**103,494**	*93,574*
- Front line staff costs	**376,855**	**20,576**	**397,431**	*342,023*
- Staff costs covered by government grants	**-**	**-**	**-**	*6,913*
- Other family support costs	**12,052**	**-**	**12,052**	*5,577*
Support costs				
Depreciation	**7,459**	**-**	**7,459**	*8,074*
IT costs	**21,067**	**-**	**21,067**	*26,842*
Other support costs	**16,135**	**-**	**16,135**	*19,863*
Auditors' remuneration – payroll services	**2,846**	**-**	**2,846**	*2,231*
Other staff costs- charity management and central support of charitable activities	**361,837**	**-**	**361,837**	*329,686*
Staff costs covered by government grants	**-**	**-**	**-**	*6,913*
Governance costs (note 8)	**24,155**	**-**	**24,155**	*24,826*
	£1,651,966	**£433,961**	**£2,085,927**	*£1,527,600*
Total 2023	*£1,229,303*	*£298,297*	*£1,527,600*	

8 Governance Costs

	Unrestricted Funds £	Restricted Funds £	2024 Total £	*2023 Total £*
Auditors' remuneration	**9,642**	**-**	**9,642**	*10,445*
Legal and professional	**5,182**	**-**	**5,182**	*5,468*
Apportioned staff costs	**7,350**	**-**	**7,350**	*7,000*
Meetings	**1,981**	-	**1,981**	*1,913*
	£24,155	**-**	**£24,155**	*£24,826*
Total 2023	*£24,826*	-	*£24,826*	

9 Expenditure

	Staff Costs £	Depreciation £	Other Costs £	2024 Total £	*2023 Total £*
Costs of raising funds	**337,200**	**-**	**205,836**	**543,036**	*471,349*
Charitable activities (excluding governance)	**759,268**	**38,196**	**1,264,308**	**2,061,772**	*1,502,774*
Governance costs	**7,350**	**-**	**16,805**	**24,155**	*24,826*
	£1,103,818	**£38,196**	**1,486,949**	**2,628,963**	*£1,998,949*
Total 2023	*£997,949*	*£40,433*	*£960,567*	*£1,998,949*	

10 Staff Costs

	2024 £	*2023 £*
Wages and salaries	**968,468**	*884,237*
Social security costs	**81,899**	*76,221*
Pension costs	**53,451**	*37,491*
	£1,103,818	*£997,949*

10 Staff Costs (continued)

The total employment costs to the Charity of the key management personnel during the year were £340,587 (2023: £315,604). These amounts are total staff costs and therefore include social security costs and employer's contributions to pension schemes.

The average number of key management personnel, senior management team during the year was 6 (2023: 6).

Reimbursed expenses, which are all subject to the Charity's processes of internal controls, do not form part of remuneration and are not included above.

Expenses reimbursed to trustees in the year totalled £356 (2023: £216). This was to one Trustee and was in relation to reimbursement of costs associated incurred with fundraising events.

All Trustees give their time freely and no Trustee remuneration was paid in the year. During the year monetary donations made by Trustees to the Charity totalled £120 (2023: £120). Trustees are also very active in promoting the Charity and organising and/or taking part in fundraising activities.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 Number	*2023 Number*
In the band £70,001 - £80,000	**1**	*1*

Pension contributions of £3,579 (2023: £1,193) were paid by the Charity for the above employee.

The average number of paid employees (including part-time) was:

	2024 Number	*2023 Number*
Administration, management, fundraising and charitable expenditure support	**37**	36

The average full time equivalent of employees during the year was 34.2 (2023: 33.2). The breakdown of employees per department was as follows:

	2024 Number	*2023 Number*
Fundraising staff	**9.1**	*9.7*
Front line support staff	**14.6**	*14.3*
Charity management and central	**10.5**	*9.2*
	34.2	*33.2*

11 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2023 Total £
INCOME AND ENDOWMENTS FROM			
Donations and legacies:			
Donations and grants	1,236,172	336,869	1,573,041
Branch fundraising events	49,139	3,003	52,142
Legacies	395,060	5,000	400,060
Trading activities – sale of goods	8,387	-	8,387
Investment income	109,912	-	109,912
Total Income and Endowments	1,798,670	344,872	2,143,542
Expenditure on			
Raising funds	471,349	-	471,349
Charitable activities	1,229,303	298,297	1,527,600
Total Expenditure	1,700,652	298,297	1,998,949
NET EXPENDITURE FOR THE YEAR BEFORE TRANSFERS	98,018	46,575	144,593
Transfers to restricted research	(10,279)	10,279	-
NET EXPENDITURE FOR THE YEAR AFTER TRANSFERS	87,289	57,304	144,593
Net Gains and Losses			
Gains / (losses) on fixed and current asset investments			
Realised	5,467	-	5,467
Unrealised	(216,782)	-	(216,782)
NET MOVEMENT IN FUNDS	(124,026)	57,304	(66,722)
Reconciliation of funds			
Balances brought forward at 1 March 2022	3,224,802	327,843	3,552,645
BALANCES CARRIED FORWARD At 28 February 2023	£3,100,776	£385,147	£3,485,923

12 Tangible Fixed Assets

Group and Charity:

	Freehold Property	Leasehold Improvements		Fittings & fixtures	Equipment	
	Brandon Cottage £	@The Square £	Pavilion £	Brandon Cottage £	£	Total £
Cost						
As at 1 March 2023	635,279	225,303	326,539	114,890	61,831	1,363,842
Additions	-	-	-	-	4,241	4,241
Disposals	-	-	-	-	-	-
As at 29 February 2024	635,279	225,303	326,539	114,890	66,072	1,368,083
Accumulated depreciation and impairments						
As at 1 March 2023	222,779	202,794	326,539	57,334	28,499	837,945
Charge for the year	-	22,509	-	8,228	7,459	38,196
Eliminated on disposal	-	-	-	-	-	-
As at 29 February 2024	222,779	225,303	326,539	65,562	35,958	876,141
Net book value						
As at 29 February 2024	**£412,500**	**£ -**	**£ -**	**£49,328**	**£30,114**	**£491,942**
As at 28 February 2023	*£412,500*	*£22,509*	*£ -*	£57,556	*£33,332*	*£525,897*

The Trustees considered costs incurred in the building of the Pavilion are improvements on leasehold land owned by the Leeds General Infirmary.

The Square costs represent capital improvements and internal fittings and furniture within a short leasehold property. The property hosts the family support centre of the Charity.

The freehold property represents the asset of Brandon Cottage.

During 2021, the Charity gained more details about the planned new children's hospital including information on timescales, location and the possible accommodation for families. From these details, the most likely expectation is that accommodation will be available to families closer to the new location of the hospital than Brandon Cottage. As such, whilst we intend to keep the Cottage as long as it remains valuable to the families and the Charity which is expected to be for a number of years, the potential period of the value in use is likely to be shorter. Accordingly, having reviewed the expected value in use versus up-to-date market values obtained, the Cottage carrying value was reduced to the market value in 2021. This resulted in an impairment in the financial statements of £194,388 being recognised in the year ended 28th February 2021. Given the latest expected timing of the new children's hospital and current property values, a carrying value representing market value of £412,500 is considered to still be appropriate.

13 Fixed Asset Investments

	Group £	Charity £
Quoted investments		
Market value at 1 March 2023	3,162,965	3,162,965
Additions	515,324	515,324
Disposals	(1,469,130)	(1,469,130)
Net unrealised gains	65,519	65,519
	2,274,678	2,274,678
Cash held in investment portfolio awaiting investment or distribution	296,149	296,149
Subsidiary undertaking: cost	-	26,807
Market value as at 29 February 2024	**£2,570,827**	**£2,597,634**
Historical cost as at 29 February 2024	£2,348,297	£2,375,104

At 29 February 2024 and 28 February 2023, no individual investment represented more than 5% of the total investment portfolio.

A separate investment portfolio with a lower risk categorisation is held for liquidity and working capital purposes and disclosed as a current asset in note 15.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments arises from uncertain investment markets resulting in variable income and capital returns from the portfolio of assets.

Currency translation risks remain for those companies and bonds that are exposed to overseas earnings and assets.

Whilst the investment portfolio has a long-term investment horizon, liquidity risk is anticipated to be low as all assets are traded on recognised exchanges with good liquidity and high trading volumes so assets can be realised quickly. The Charity's portfolio has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages investment risk by appointing professional investment managers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term total return. Whilst some level of volatility can reasonably be expected, historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

13 Fixed Asset Investments (continued)

Subsidiary undertaking

The £26,807 investment represents a 100% holding in the issued share capital of Candlelighters Trading Limited, a company registered in England and Wales. The subsidiary was dormant with net assets of £26,807.

14 Debtors

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Amounts falling due within one year:				
Accrued legacy income	**5,000**	*26,242*	**5,000**	*26,242*
Prepayments and other accrued income	**24,539**	*16,985*	**24,539**	*16,985*
	£29,539	*£43,227*	**£29,539**	*£43,227*

15 Current Asset Investments

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Listed investments and cash	**375,369**	*532,560*	**375,369**	*532,560*
	£375,369	*£532,560*	**£375,369**	*£532,560*

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

16 Liabilities: Amounts Falling Due Within One Year

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Creditors in the ordinary course of activities	**27,065**	*22,335*	**27,065**	*22,335*
Amount owed to subsidiary	**-**	-	**26,807**	*26,807*
Accruals	**18,624**	*21,401*	**18,624**	*21,401*
Social security	**19,315**	*24,498*	**19,315**	*24,498*
Other creditors	**426**	14,076	**426**	14,076
	65,430	*82,310*	**92,237**	*109,117*
Grant awards	**667,166**	*780,187*	**667,166**	*780,187*
	£732,596	£862,497	**£759,403**	*£889,304*

17 Liabilities: Amounts Falling Due After More Than One Year

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Grant awards	**£275,178**	*£279,712*	**£275,178**	*£279,712*

18 Reconciliation of Grants Awarded

Group and Charity

	2024 £	2023 £
Opening liability obligation	**1,059,899**	*1,469,822*
Grants awarded in the year (note 24)	**674,500**	*302,220*
Provisions no longer required (note 24)	**(50,000)**	*(129,132)*
Paid during the year	**(742,055)**	*(583,010)*
Closing liability obligation	**£942,344**	*£1,059,899*

19 Analysis of Group Assets between Funds

	Restricted Funds	General Funds	Total Funds
	£	£	£
Tangible fixed assets	-	491,942	491,942
Fixed asset investments	-	2,570,827	2,570,827
Other current assets	35,373	587,983	623,356
Liabilities	-	(1,007,774)	(1,007,774)
Net assets at 29 February 2024	£35,373	£2,642,978	£2,678,351

20 Taxation

The Candlelighters Trust is a registered charity and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

The subsidiary does not have charitable status and is fully subject to taxation. At present the trading subsidiary is dormant and has not traded within the financial year.

21 Trustees Interests and Related Party Disclosures

Trustees are required to declare an interest in contracts with which they are connected. Several Trustees use their expertise in areas affecting The Candlelighters Trust but no Trustee had any significant personal financial interest in contracts with the Charity during the year.

Medical Trustees and members of the Medical Review Panels are not precluded from applying for grant funding for projects. Interests in projects are required to be disclosed and the relevant Trustees and panel members take no part in the decision process. Their projects are assessed using the same criteria as that which applies to all potential grantees.

22 Capital

The Candlelighters Trust is a charitable company, limited by guarantee and has no share capital. The members have agreed to contribute £1 each to the Charity's assets in the event of it winding up, if its assets should prove insufficient to cover its liabilities.

23 Movements in Funds

Movements in Funds- current year

	At 1 March 2023	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 29 February 2024
Unrestricted funds							
Free Charitable Reserve	1,673,099	1,632,425	(1,874,434)	49,561	542,876	55,218	2,078,745
Fixed assets reserve (note 12)	525,897	-	(38,196)	-	4,241	-	491,942
Designated Funds- Digital	101,511	-	(29,220)	-	-	-	72,291
Designated Funds-Supportive Care	700,269	-	(253,152)	-	(447,117)	-	-
Designated Funds-Research Pot	100,000	-	-	-	(100,000)	-	-
Restricted Funds							
Research Fund	299,731	1,851	(301,582)	-	-	-	-
Children in Need- Twin Vision	10,589	-	(10,589)		-	-	-
Harry and Mary	10,000	10,000	(10,000)	(6,756)	-	-	3,244
Clay Days	19,576		(19,576)	-	-	-	-
Mazars	15,000	-	(14,136)	-	-	-	864
UPS	1,045	-	(1,045)	-	-	-	-
Susie P Foundation	-	10,000	(10,000)	-	-	-	-
Other	29,206	111,897	(67,033)	(42,805)	-	-	31,265
Total	£3,485,923	£1,766,173	(£2,628,963)	-	-	£55,218	£2,678,351

23 Movements in Funds (continued)

Movements in Funds- prior year

	At 1 March 2022	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2023
Unrestricted funds							
Free Charitable Reserve	1,577,306	1,798,670	(1,615,930)	33,275	91,093	(211,315)	1,673,099
Fixed assets reserve (note 12)	555,530	-	(40,433)	-	10,800	-	525,897
Designated Funds- Digital	145,800	-	(44,289)	-	-	-	101,511
Designated Funds-Supportive Care	746,166	-	-	-	(45,897)	-	700,269
Designated Funds-Research Pot	100,000	-	-	-	-	-	100,000
Designated Funds- New Children's Hospital	100,000	-	-	-	(100,000)	-	-
Restricted Funds							
Research Fund	253,834	3,154	(1,261)	-	44,004	-	299,731
Children in Need- Twin Vision	11,693	-	(1,104)	-	-	-	10,589
Movement for Good	7,455	-	(7,455)	-	-	-	-
Harry and Mary	6,808	10,000	(6,808)	-	-	-	10,000
Clay Days	22,653	50,000	(53,077)	-	-	-	19,576
NHS Charities together	-	39,600	(39,600)	-	-	-	-
Ken & Lynne Morrison Trust	-	100,000	(100,000)	-	-	-	-
Mazars	-	15,000	-	-	-	-	15,000
UPS	-	12,329	(11,284)	-	-	-	1,045
Susie P Foundation	-	10,000	(10,000)	-	-	-	-
Bettys	1,712	-	(1,712)	-	-	-	-
Other	23,688	104,789	(65,996)	(33,275)	-	-	29,206
Total	£3,552,645	£2,143,542	£(1,998,949)	-	-	£(211,315)	£3,485,923

23 Movements in Funds (continued)

Restricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research.

The Children in Need – Twin Vision fund is donations from Children in Need restricted solely for the purpose of an animation project supported by Twin Vision or similar activities. This restricted fund was fully utilised in the year.

The Harry and Mary fund reflects funding received from the Harry and Mary Foundation. The £10,000 received in the financial year was restricted to the funding of the Band 4 Outreach Play Specialist. A prior donation of £10,000 was also fully utilised in the year relating to funding restricted to family holidays.

The Clay days fund represents donations received in the prior financial year from the annual Yorkshire Charity Clay Days event in 2022 from which we received £50,000 restricted to the salary costs for two Community Support Workers for one year. The remaining fund was fully utilised in the financial year.

The Mazars fund is restricted towards children's talking therapies.

The UPS fund is restricted to Christmas grants for families, children's talking therapies and family holidays.

The Susie P Foundation have agreed to fund £10,000 per annum for three years restricted towards the costs of the Candlelighters Cottage.

Any amounts showing as "Restriction Fulfilled" against restricted funds is where we have fulfilled the conditions of the funding typically from the duration of the Charity funding a particular project or role where the reserves may have been reduced and expenditure recorded in a different financial period because of the accounting for grants payable being at commitment date.

General Funds

The general Free Charitable Reserve can also fund research.

The fixed assets reserve represents funds tied up in tangible fixed assets and so are funds which are excluded from "free" general reserves. The fixed assets can be seen in note 12 and the majority of the asset value and associated reserve relates to the Candlelighters Cottage.

Designated Funds

The Digital designated fund reflects funds designated to making the Charity more digital. This is deemed a critical strategy in order for the Charity to keep pace with the times and keep relevant.

23 Movements in Funds (continued)

Designated Funds (continued)

The Supportive Care designated fund reflects the Board's strategy to support the development of a new research programme in supportive care which will focus on reducing the side effects of treatment and improving quality of life. The intended investment in the programme is £1.0 million over five years. During the financial year, the Charity committed to years 1 to 3 of the programme totalling £554,734 and the Candlelighters Supportive Care Research Centre launched in November 2023. The £554,734 committed utilised all of the restricted Research fund (£301,582) and £253,152 of the designated fund. The expectation was always that the Charity would attract funding to support the programme to ensure Free reserves were replenished but there was a need to ensure a sufficient level of funds were available beforehand to credibly ensure such a major programme could be initiated and launch. Given the fundraising environment and pressures on the cost base, our Free Reserves fell below our target level during the financial year. Accordingly, to bring Free reserves back in range, the Board de-designated any remaining amount of the designated reserve for Supportive Care totalling £447,117 which effectively represented years 4 and 5 of the programme. Therefore, funding for those years is subject to the financial position of the Charity and any funds received against the programme.

The Research Pot was a designated fund for other research beyond any restricted and designated amounts. The Board de-designated the remaining reserve to the Research Pot in the financial year due to recent research commitments made including that specifically into Supportive Care. As the Charity reviews its future strategy, it will continue to consider funding other research subject to other commitments and Charity reserves.

24 Grants Awarded

	2024 £	2023 £
Research grants		
Sue Burchill travel	-	1,261
Candlelighters Supportive Care Research Centre (support for 3 years)	554,734	-
	£554,734	£1,261
General grants		
Eckersley House – 1 year extension	10,000	10,000
Dinner Supervisor – 1 year extension	27,435	-
Paediatric Radiographer – 8 month/1 year extension	17,769	25,800
Playleaders – 1 year extension	63,000	70,900
Lead Nurse – 2 year period	-	70,097
Youth Activity Co-ordinator – 2 year period	-	67,000
Outreach Chemotherapy worker – 2 year period	-	57,162
Other	1,562	-
	£119,766	£300,959
Total	£674,500	£302,220

In addition to the grants awarded there was a £50,000 (2023: £129,132) release in the year for historic funding awards not utilised meaning grant provisions were no longer required. The main grants this related to were a Playleader grant (£20,964), Dinner Supervisor grant (£12,232) and Paediatric Radiographer grant (£12,020). The full funding awarded was not utlised for these grants mainly due to staff vacancies and absence for roles funded therefore costs were lower than originally applied for in the funded period.

25 Controlling Party

The Trustees of The Candlelighters Trust are considered to be the controlling party of the company.

26 Operating Lease Commitments

At 29 February 2024, the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 Total £	*2023 Total £*
Within 1 year	**24,567**	*30,008*
Between 1 and 5 years	**10,425**	*14,392*

27 Contingent assets and liabilities

At the year end, the Charity had contingent liabilities totalling £692,955 (2023: £248,000) relating to conditional grants. These grants are payable following successful progress reviews and the Charity reserves the right to terminate the funding agreement at their discretion based on this review. Accordingly they are not provided for in the financial statements. The Charity intends to fund these grants out of funding received in the future.

THE CANDLELIGHTERS TRUST

England & Wales - Charity number 1045077

Accounts

THE CANDLELIGHTERS TRUST

Charity Registration No. 1045077
Company Registration No. 3020552

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

For the year ended 28 February 2023

Candlelighters
Supporting the families of children with cancer

THE CANDLELIGHTERS TRUST
Annual report and financial statements for the year ended 28 February 2023

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THE CANDLELIGHTERS TRUST
Legal and administrative information

Patron
Lady Emma Ingilby

Clinical (including Medical) Trustees
M Elliott
E M Richards
C De Biase
J Goodden
S Wilkins
J White (appointed 28/09/2022)

Lay Trustees
K Hardcastle (Chair)
S Redman (resigned 28/09/2022)
S Patterson
D Mayman
G Felgate
M Shipley (appointed 28/09/2022)

Finance and Audit Committee
K Hardcastle
E M Richards
D Mayman
Y Eaton (non-trustee)

Research Committee
M Elliott
C De Biase
J Goodden
K Hardcastle

Nominations and Remuneration Committee
S Patterson
K Hardcastle
E M Richards
C De Biase

Family Support Committee (commenced October 2022)
J White
S Wilkins
G Felgate
S Redman (non-trustee)
N Shaw (non-trustee)
E Every (non-trustee)

Key management personnel/Senior Management Team:

E Wragg	**Chief Executive**
L C Fletcher	**Chief Operating Officer and Company Secretary**
N Kisby	**Head of Family Support**
L Pomeroy	**Head of Finance and Corporate Services**
T Robertshaw	**Head of Fundraising**
C Gill	**Head of Engagement**

Head office:
8 Woodhouse Square
Leeds, LS3 1AD

Independent auditors:
Thomas Coombs Limited
Chartered Accountants and Registered Auditors
3365 The Pentagon
Century Way
Thorpe Park
Leeds
LS15 8ZB

Bankers:
Virgin Money
94-96 Briggate
Leeds, LS1 6NP

Solicitors:
Wrigleys
19 Cookridge Street
Leeds, LS2 3AG

Investment Managers:
Brewin Dolphin Limited
10 Wellington Place
Leeds, LS1 4AN

The Trustees present their report and audited accounts for the year ended 28 February 2023. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

Objectives

1. The alleviation of the suffering, and the promotion of the relief, care, well-being, and rehabilitation, of children and young people afflicted with any form of malignant disease or a non-malignant but life threatening haematological disorder or central nervous system disorder, in particular (but not exclusively) those who are or who have been under the care of, or otherwise supported by, hospitals in Yorkshire;
2. The preservation and protection of the good physical and mental health and well-being of individuals formerly under the care of, or otherwise supported by, hospitals in Yorkshire, particularly those individuals experiencing serious medical problems associated with their original disease or disorder or its treatment;
3. The protection and preservation of good physical and mental health and wellbeing amongst families and carers of, or other people providing support to, individuals falling under objects 1 or 2 and the provision of practical and other support in their role of caring for such individuals; and
4. The provision of support for such activities as may be legally charitable in the work of hospitals in Yorkshire including the provision of financial assistance for the acquisition and maintenance of equipment for use within hospitals in Yorkshire or in connection with the work of hospitals in Yorkshire and the provision of support, in whatever ways the Trustees think fit, for research, education and training within or connected with hospitals in Yorkshire and the dissemination of the results of such research.

In accordance with their duties pursuant to Section 4 of the Charities Act 2011, the Trustees have considered the Charity's objects and activities in light of the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Activities and Performance

Each year over 150 children in Yorkshire are diagnosed with cancer. When a child is diagnosed, lives are turned upside down instantly: not just for the child but the entire family. Getting well again can be a long and challenging journey, emotionally, physically, and financially. Supporting children and families throughout that journey is why our charity, Candlelighters, was formed more than 40 years ago. Our mission is to bring light to every family affected by childhood cancer across Yorkshire by providing emotional, practical and financial support, as well as bringing hope, by investing in vital research to improve the outcomes and lives of children with cancer.

Candlelighters first priority is always the welfare of the families whose children are being treated at the Children's and Adolescent Oncology and Haematology department. Whilst the outlook for children with cancer and serious blood disorders continues to improve, the distress caused to families should not be underestimated. In response to requests from families for emotional support, Candlelighters provide funding for support groups and social activities for patients, siblings, parents and grandparents away from the hospital environment.

Financial difficulties can add to the trauma of diagnosis and treatment. At a time when income is often reduced, families face additional expenses such as the cost of food when living at the hospital for long periods of time, travel and increased burden on the family budget. Candlelighters provide three monthly allowances for families upon diagnosis. There is potential access to a Family Assistance Grant to help families in times of financial need any time during treatment. Funding is also provided to provide distraction activities for patients during the long hours spent on the ward and in the day unit.

Family Support Workers

Candlelighters have a team of five family support workers who are at the hospital six days a week to make this difficult time a little easier for families. They work incredibly hard to make the wards and clinic feel less clinical and more enjoyable, bringing some comfort and fun to the hospital environment. From 7:30am to 7:30pm the team are around to support families on a one-to-one basis, provide fun group activities, sit with children to allow parents a break and to help families access vital support through Candlelighters.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Candlelighters @ The Square
Candlelighters @ The Square is our family support centre that supports any member of a family affected by childhood cancer. The centre is a five-minute walk from the Children's Hospital and can provide daily support for a family whilst on the ward, visiting clinic appointments, and for additional support at the family's convenience. The variety of support has evolved from family feedback over the past seven years.

The centre is open Monday to Friday from 10.00am to 4.00pm and later on a Thursday evening. The type of services offered include:

- Well-being therapies including a variety of massages, reflexology, and energy balancing
- Talking therapy one to one, group support and mindfulness sessions for both children and adults
- A quiet space for relaxation and refreshments
- Grandparents' support groups
- Sibling support groups
- Support groups for parents
- Patient support groups
- Family events
- Hairdressing as well as being offered on the ward.

The team of support workers @ The Square provide flexible professional support.

Providing care closer to home

Candlelighters in Your Community
Candlelighters in Your Community provides locally based support for families to ensure that everyone has access to support closer to home should they need it. We have a team of four support workers who work across communities in Yorkshire. Each community support worker has a case load of families and aims to provide financial, emotional and practical support closer to home, whether that be through helping the family to access Candlelighters services or more appropriate services that are available in the area that the family live. The model has only been established for the last three years and is continuing to evolve ensuring we can best meet the needs of families across Yorkshire.

Regional Outreach Play Specialists
Candlelighters funds two outreach play specialists. The role supports families by providing therapeutic play within the child's own home including support to siblings; addressing anxieties where the child feels safe and putting action plans together. The play specialists liaise with the hospital play team to ensure preparation work at home is continued in hospital and action plans followed to provide continuity of care and increase the child and family's confidence in hospital, providing a less frightening experience for the child and family. The role has continued to develop over the years and now provides a huge support to children and their families who are receiving palliative care and to those who have sadly been bereaved.

Bolus Chemotherapy Specialist
During the financial year Candlelighters approved funding for a Clinical Nurse Specialist to ensure the continuation of the bolus chemotherapy service, which enables chemotherapy to be delivered at home, to patients who have been receiving this service as a result of COVID-19 and also to expand the service to more patients.

Candlelighters Cottage (Brandon Cottage)
Our Cottage officially opened in November 2018 to families. We know how important it is for families to be together and our Cottage provides a comfortable and homely place for them to stay to enable them to be near to the wards when their child is an inpatient at Leeds Children's Hospital. The Cottage provides four ensuite bedrooms in addition to Eckersley House which is part funded by Candlelighters as below.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Eckersley House
Eckersley House adjacent to Clarendon Wing provides accommodation for families from outside the Leeds area whose child is being treated at the Hospital. The house is run by the Sick Children's Trust. In recognition of the heavy use made of the house by paediatric oncology parents, Candlelighters make a substantial contribution each year towards the running costs of the house.

Holiday breaks
Each year approximately 200 families are able to take a holiday provided by Candlelighters at various holiday resort locations in the UK. The holiday provides a crucial break away from the routine of treatment and hospital visits secure in the knowledge that, if necessary, they are within easy travelling distance of the hospital. We also provide financial support to families to be able to pay for travel or other expenses for their holiday.

Candlelighters offer these holidays to patients and families during treatment when life can be unpredictable, and we aim to take the stress away for a short time. The holidays are also offered to those families whose child may have died during the year and would welcome a break to get away.

Teenage Cancer Unit Ward L33
Funding is provided for social activities for the Teenage Support Group. Families of teenage patients up to 19 years old are also able to access support grants and use the Candlelighters Holiday provision. In 2022 the Charity approved the application to fund a Youth Activity Co-ordinator who will be based solely on Ward 33 supporting teenage patients. Once in post the role will plan peer support activities and support patients on a one-to-one basis to promote their continued emotional and psychological development through treatment.

Hospital equipment and environment
The Charity routinely provides funding for the replacement of play, technical equipment and any key white goods for the wards, outpatient's clinic, paediatric radiotherapy department and bone marrow unit. In 2022, Candlelighters also supported the hospital by refurbishing the staff rooms at the paediatric haematology and oncology departments of the hospital.

Paediatric Radiographer
Funding is provided to support a specialised paediatric radiographer role based at the radiotherapy unit at St James. This role is the only one in Leeds and supports every family who has a child undergoing intensive treatment, often visiting the hospital daily for many weeks. The relationship between families and this role is crucial to enable the child to undergo daily treatments without the need for a general anaesthetic.

Playleaders
Candlelighters provides funding for two playleaders to provide support for the Oncology Play Team at Leeds Children's Hospital. The team continues to provide a high-quality play service and has put in place a number of initiatives over the last few years. The Play Team now works across all clinical areas and with other members of the multidisciplinary team to use play to support children as they undergo a range of treatments and interventions. The Play Team ensure consistency in play and preparation across the wards and the clinic and provide preparation and, when required, daily support to children in radiotherapy. They support children and families at times when they are elsewhere in the hospital, for example before and following surgery, or in intensive care. The additional resource in the team allows for there to be a seven day a week play service for patients on the wards.

Speech and Language Therapist ("SLT")
Candlelighters fund 0.1 WTE (Working Time Equivalent) of the Speech and Language Therapist role to allow the therapist more time with the children. The post ensures that children receive the right SLT interventions at the right time in order to maximise/retain communication, eating and drinking function and therefore an enhanced quality of life. The staff member works in partnership with families and carers ensuring they receive the right information and support throughout their journey. Every effort is made to facilitate communication between families and the SLT including a direct phone line and use of virtual calls as appropriate.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Dinner Supervisor
Many patients undergoing treatment for cancer and leukaemia experience problems with eating during treatment. The problem is worse when the child has to spend long periods in hospital as hospital food is served at set times and by the time it arrives at ward level is unlikely to tempt a child with a failing appetite. Candlelighters fund one full time Dinner Supervisor who provides nutritious snacks on demand for the patients throughout the day and early evening.

Social Support Team
Candlelighters have historically supported the Oncology Social Work Team by funding 61.5 hours per week towards three social workers. In the early part of 2021, funding from another party ceased therefore Candlelighters stepped in to provide emergency funding alongside Leeds City Council in addition to the normal level of support. This funded a further 55.5 hours supporting three social workers and a team manager. During this time, we took the opportunity to work alongside other parties to review the service and it was decided that the service would be best provided by one organisation with expertise in social work delivery. Following ongoing discussions with another charity it was decided that Young Lives Vs Cancer would provide social work support for families from October 2022. As a result of these changes, Candlelighters has been able to invest in the development of its community support workers to enhance the wrap around support offered to families in partnership with the social work team and outreach nursing team.

Current Research Grants

The main activity during the year in relation to research grants was as follows:

- We continued our long term funding of the Yorkshire Specialist Register of Cancer in Children and Young People. The Register is a research database which is used to support research into the effectiveness of cancer treatments and any complications which emerge several years after therapy has been completed. An external peer review of the research in 2021 reinforced its value and, on the back of this, last year Candlelighters committed to a number of years future funding which fully funds maintaining the Register as well as dedicated resource for statistical analysis of the Register data. During this financial year, an exercise relating to a historical funding period showed £40,000 would not be utilised due to staff vacancies and less consumables cost than expected, therefore this amount was released from the grant.
- Funding continued for the Candlelighters Fellowship programme. The programme was created to utilise the research expertise and facilities of the University of Leeds and Leeds Teaching Hospitals NHS Trust to support the research training of academic paediatric oncologists and haematologists, and in order to ensure doctors with relevant expertise are based in Yorkshire to look after children affected by cancer. Candlelighters has supported nine Fellows to date including the recruitment of an additional two new Fellows which started in Autumn 2020.
- Candlelighters continued funding to contribute towards making it possible for the University of Leeds and the Leeds NHS Trust to create a joint academic-clinical position in neurosurgery and for this post to have dedicated research time which was the first position of its kind at Leeds.
- Candlelighters funded a pilot study to whether a new blood test could shorten the duration of treatment meaning less time in hospital.

The Charity continued progressing the strategic objective of awarding funding for a new leading research programme in Supportive Care resulting in improved quality of life for children affected by childhood cancer. This is expected to impact the financial statements for next financial year.

FINANCIAL REVIEW

The financial statements are presented in the standard format required by the Charity SORP and cover the activities of the Charity and its dormant subsidiary Candlelighters Trading Limited. The Statement of Financial Activities ("SOFA") shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

Income from the branches is shown gross and the fundraising costs are allocated to the fund for which the money was raised.

- **Income**

The Charity continued to experience very challenging conditions during the financial year. Whilst the impact of COVID-19 had reduced with restrictions on fundraising activity lifted for the majority of the year, the cost of living crisis put a significant squeeze on the finances of supporters. This is demonstrated by Community income of £646,014 in the financial year which was £41,915 lower than the previous year despite the prior year activity significantly impacted by COVID-19.

Corporate income improved slightly and was £535,169 (£45,543 higher than prior year). Approximately £170,000 of this total was from one generous Corporate supporter.

Last year was the first year of our Major Donor fundraising initiative and in the financial year we saw income grow from the programme to £73,677 from £50,000 in the previous financial year.

Trust and foundation income was significantly higher than the challenging previous year and was £301,667 (2022: £105,450) and included one donation of £100,000 to go towards the costs of the holidays we provide families.

Legacy income was £400,060 compared to £3,568 in the prior year. Alongside a number of significant legacies, we received a further donation from the exceptional Joyce Mary Mountain Will Trust legacy of £250,000. This was in addition to the £650,000 received in the year ended 28 February 2021.

The above contributed to overall total income of £2,143,542 (2022: £1,457,364).

The Charity would like to thank all our supporters for their immense effort during difficult times to raise money on the Charity's behalf.

- **Expenditure**

Expenditure for the year decreased by £101,712 from £2,100,661 to £1,998,949.

The cost of raising funds of £471,349 was £44,168 higher than prior year. This increase is largely due to staff costs in line with expectations as we filled vacancies resulting from the restructure during COVID-19. This restructure was in order to strengthen and diversify our fundraising to protect the Charity from reducing traditional sources of income.

Charitable activities expenditure decreased by £145,880 from £1,673,480 to £1,527,600. The main factor behind the reduction is net major grant expenditure decreasing by £447,497 from £620,585 to £173,088. This is due to the prior year including a significant research grant of £371,551. We also experienced some releases from grant commitments due to costs not being as high as originally expected in the funding period mainly due to vacancies and absence in the roles funded.

Offsetting this reduction is a return to a cost base more in line with pre-pandemic levels but also, like many organisations, experiencing immense pressure from inflation. In the prior year, COVID-19 was still heavily affecting our ability to provide family support in the way we would like to. In the year we invested in the Family Support team to have more presence at the hospital and also running the Square which could be fully open again (front line family support staff costs increased by £59,394). Generally we were able to run much more activities and groups (£21,487 increase in support groups and information) and we had a full year of being able to offer family holidays again (£87,310 increase). Like many Charities, we saw a greater demand on our services which was a factor in a £31,350 increase in Family financial support provided as well as a £22,516 increase in expenditure on hospital equipment and support.

As the Charity has rebuilt to levels pre-COVID-19, other support and back office costs have also had to keep pace to ensure robust and effective management and governance of the Charity; this includes an increase in charity management and central staff costs of £57,869. The Charity strives to keep administrative costs to a minimum to ensure efficient use of resources.

FINANCIAL REVIEW (continued)

- **Expenditure (continued)**

Inflationary pressures have significantly impacted the Charity. In particular, energy bills at our premises including the Square and the Candlelighters Cottage but also the vast majority of other areas of our expenditure. Inflation has also meant we have had to increase wage amounts to some degree in order to retain and attract the necessary professionalism and talent for the Charity to best serve the families affected by childhood cancer. We regularly benchmark the salary of all the Charity's roles and this benchmarking is specific to the charitable sector rather than an index that includes other sectors.

Going forward we plan to continue to evolve and develop the services we provide to families. This, coupled with continuing inflation, means we expect expenditure to increase. However, we are currently undertaking a review of all the services we provide to families to ensure that we are meeting the needs of families in the best possible way and at the right time. This also means that due to the challenging fundraising environment, that if our income cannot sustain the cost base, we are well placed to reduce expenditure but ensure we direct the Charity's resources to the most effective areas as possible.

- **Investment policy and performance**

The Charity's investments are held in a mixture of equities, bonds, pooled funds and bank deposit balances. Brewin Dolphin are the Charity's appointed Investment Managers with an investment mandate of "Income and Capital Growth Return, low to moderate investment risk.", and from an ethical perspective there will be no direct investment in tobacco. Given the importance of the market value of investments on the reserves of the Charity, the Trustees continue to closely monitor the performance of the portfolio.

The Charity has two investment funds. Firstly, the Working Capital Portfolio which has a low-risk investment profile with a short to medium term investment horizon as cash flow forecasts show that the Charity may need to access these funds in this timeframe in order to pursue the Charity's objectives. As at 28 February 2023 the Working Capital Portfolio had a market value of £532,560. The portfolio produced an annual estimated gross income of £15,160, which is equivalent to a gross yield of 2.85%.

Over the period 1 March 2022 to 28 February 2023 the Working Capital Portfolio made a total -6.19% (loss). This compares to a total return in the market benchmark (MSCI WMA Conservative Index) of -6.19% (loss).

As at 28 February 2023, the General Trust Portfolio, which has a medium-risk investment profile with a long-term investment horizon, was valued at £3,214,216. The portfolio produced an annual estimated gross income of £90,159 which is equivalent to a gross yield of 2.80%. Over the period 1 March 2022 to 28 February 2023 the General Trust Portfolio made a total return of -2.16% (loss). This compares to a total return in the market benchmark (MSCI WMA Income Index) of -2.28% (loss). Over this period the FTSE ALL Share Index recorded a total return of +7.30% and the FT Government Securities Index made a total return of -20.32% (loss).

It was a difficult financial year for investment performance. The main challenge was the performance of the bonds held within both portfolios. In a highly inflationary environment bonds underperformed significantly with the FT Government Securities Index recording a total return of -20.32% (loss). Equities did provide positive returns over the year, however not to a sufficient extent to offset the weakness seen in bonds. Overall therefore there was a net investment loss of £211,315 in the financial year.

The remaining current assets of the Charity of £355,459 as at 28 February 2023 were held mainly as bank deposit balances in order to provide sufficient liquidity for the short term settlement of liabilities including grant liabilities.

- **Reserves policy**

In order to ensure continuity of charitable expenditure and to fulfil the objectives of the Charity, a level of reserves must be maintained, especially due to ongoing commitments from which it is not possible to withdraw at short notice as well as being able to withstand potential drops in the market value of investment funds. This is particularly the case in the current environment as the impact of the cost of living crisis is making the fundraising environment very challenging and also putting pressure on the cost base of the Charity from inflation and demand for the Charity's services. This strain on income and costs at a time we want to maintain and expand our support to families affected by childhood cancer means we are forecasting annual deficits for the next few years. In particular, we are budgeting a significant deficit for next financial year ending 28 February 2024. This is, in part, due to the expected major funding commitment to the new leading research programme in Supportive Care.

FINANCIAL REVIEW (continued)

- **Reserves policy (continued)**

In February 2023 the Trustees reaffirmed the reserves policy based on the level of free reserves. The policy is that free reserves should be no lower than £1.0 million with a target level of between £1.5 million and £2.0 million. This excludes the fixed asset reserve, designated reserves and restricted reserves. Previously the policy included designated reserves but the progression of strategic projects means the level of designated reserves can change quite significantly in any given period.

The target level is deemed appropriate given the challenging environment and continued forecast deficits for the next few years. If the environment improves and stabilises, the target level may be reduced in the future.

Free reserves at the end of the financial year are £1,673,099 so within the target range. The free reserve is budgeted to reduce in the 2023/2024 financial year but the budgeted deficit will also use up designated and restricted reserves.

- **Restricted and Unrestricted Funds**

Monies donated to the Research Fund are restricted solely for the purpose of funding research. Other restricted funds are detailed in note 23 of the financial statements.

FUTURE PLANS

It is vital that Candlelighters ensures it meets the needs of the children, young people and families in the best way possible and to this end it will be engaging with all of its stakeholders in the financial year ending February 2024 to gather insight and help shape future services and plans.

Candlelighters is also looking forward to:

- Officially launching the brand new Candlelighters Supportive Care Research Centre and commencing an appeal to raise the vital funds to support this £1 million project
- Listening to our families and stakeholders; using their feedback to help develop our support in the future
- Reviewing our eligibility criteria to ensure it is clear, simple and in line with the core purpose of the Charity
- Developing care closer to home, including the introduction of a new bolus chemotherapy role
- Refurbishing the clinic and wards in the paediatric haematology and oncology department within the hospital
- Continuing to transform as a charity, ensuring we have the right technology to improve family, supporter and volunteer journeys
- Commencing our Equality, Diversity & Inclusivity review to better understand and meet the needs of everyone the Charity supports
- Continuing to diversify our income streams, to help support the work of Candlelighters now and in the future.

We are pleased to note that these commitments are in line with our 2020/2025 strategy:

- Maintain high quality family support services
- Expand current family support services across Yorkshire, taking support closer to home for families
- Provide equitable support for families affected by childhood cancer across Yorkshire regardless of their principal treatment centre in Yorkshire
- Invest further in research; to include the funding of a new leading research programme in Supportive Care resulting in improved quality of life for children affected by childhood cancer
- Be more digital in everything we do
- Support the development of the new Children's Hospital for oncology families and be the Centre of Excellence nationally with regards to our model of support for families affected by childhood cancer
- Protect, maintain and increase income in the next 5 years to enable the implementation of our strategic plan.

After pausing larger strategic priorities during COVID-19, Candlelighters is delighted to report key elements of its current 5-year strategy coming to fruition, including the launch of its brand new Candlelighters Supportive Care Research Centre in November 2023; to save lives, reduce suffering and bring hope. Candlelighters recognises that this project is essential, not just to impact care in Yorkshire but also across the world, and despite the economic challenges, we must forge ahead with this research to make a difference to the lives of the children who are so deeply affected by the side effects of cancer treatments. We will therefore be launching a £1 million appeal to fund the costs of this vital programme.

This year, the Family Support Committee will be analysing research undertaken with families and stakeholders to help inform future decisions about how best to support children, young people and their families. As part of this review, we will also be looking at the Charity's eligibility criteria to ensure it is fit for purpose moving forwards.

Candlelighters continues to be conscious and mindful of the challenges which lie ahead; the uncertainty in income generation and the additional demand on our services and increased grant applications submitted to the Charity from the hospital due to increased restraints on NHS budgets. The fundraising environment is very challenging and this, coupled with the huge pressure on our cost base, means a recent reforecast anticipated free reserves to fall well below our target level of £1.5 million to £2.0 million by the end of 2023/2024. To address this shortfall in free reserves, we need to de-designate approximately £445k reserves from the Candlelighters Supportive Care Research Centre. We are continuing to protect and grow existing income streams as well as explore new sources of funding in order to replenish free reserves and get them to a more sustainable level to respond to ongoing commitments and best serve the needs of families.

Candlelighters remains committed and determined to provide the best possible support to families affected by childhood cancer and will continue to respond and adapt accordingly to the challenges that may lie ahead in the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The legal status of The Candlelighters Trust is that of a Company Limited by Guarantee incorporated in 1995. As such its governing instrument is its Memorandum and Articles of Association, as amended over the years to allow for current governance arrangements.

It is registered as a charity with the Charity Commission. Parents whose children are treated at the Children's and Adolescent Oncology and Haematology department can become members of the company. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

- **Trustees**

Details of the Trustees, who are also directors of the company for the purposes of company law, who have served during the year are listed on page 1.

None of the Trustees had any personal beneficial interests requiring disclosure, either in the Charity or in its wholly owned subsidiary company, Candlelighters Trading Limited, other than disclosed in note 21 of the financial statements.

- **Appointment of Trustees**

As set out in the Articles of Association the Board of Trustees must be made up of between nine and fifteen individual Trustees, all of whom shall become Members by virtue of their appointment as Trustees. No less than one third, but no more than half of the Trustees will be clinical (including medical) Trustees. Of the current six clinical Trustees, four are Consultants, one is a Lead Nurse and one is a Specialist Physiotherapist.

The Articles of Association require that one third of the Trustees retire by rotation at each Annual General Meeting after which they may put themselves forward for reappointment.

- **Training of Trustees**

Most Trustees are already familiar with the practical work of the Charity through their association with the Children's and Adolescent Oncology and Haematology department. New Trustees receive a briefing on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the Board of Trustees and the decision-making process; the history; business plan and recent financial performance of the Charity. In addition, Trustees are encouraged to attend appropriate internal and external training events to facilitate the undertaking of their role.

- **Management**

The Trustees meet at least four times a year to decide the broad strategy and areas of activity including grant making, administration, reserves and risk management. The day-to-day administration of grants and the processing and handling of applications prior to consideration by the relevant committee is delegated to the Senior Management Team.

- **Key Management Personnel and Remuneration Policy**

The board of Trustees together with the Senior Management Team (as listed on page 2) are considered to be the key management personnel of the Charity.

All Trustees give their time freely and no Trustee remuneration was paid during the year. One Trustee received expenses in line with the Charity's volunteer policy for costs directly incurred in relation to a fundraising event the Trustee organised.

The Chief Executive salary is determined by benchmarking across the Third Sector on an annual basis.

- **Voluntary help and employees**

The Trustees wish to record their thanks for the hard work of the Charity's employees and the support of the much-valued assistance of volunteers.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- **Risk management**

The Trustees regularly review the risk management strategy in accordance with the requirements of the SORP on Accounting and Reporting by Charities. The Charity has a risk management strategy which comprises a formal review of the risks the Charity may face at least twice a year, however, the risk culture and the processes embedded in the Charity mean there is ongoing identification and monitoring of risks and there are systems and procedures in place to minimise any potential impact on the Charity should those risks materialise. Internal control risks are minimised by policies and procedures covering a wide range of risks including the authorisation of all grants and financial transactions.

The key risks to the Charity fall into the categories below. A description of the risk categories and how these risks are mitigated are as follows:

- *Governance risk:* This is the risk that poor governance means the Board fails to deliver an effective strategy in line with the Charity's objectives. This may be due to the Board not having the right skills or commitment, or there is a conflict of interest or dominant influence. This risk is mitigated due to a rigorous Board selection, and ongoing appraisal and skills review programme. There is a conflicts of interest protocol where all potential conflicts are declared and recorded, and appropriate action taken if any perceived conflicts exist. The Charity has a five year strategic plan which is reviewed annually, and an annual business plan with quarterly performance reviewed by the Board.
- *Operational risk:* This category of risk reflects potential issues arising from the day to day operational activities of the Charity. This includes any risks arising from the support the Charity provides to the families affected by childhood cancer, as well as risks to Charity staff and its assets, data and infrastructure. Policies and procedures are in place in order to reduce operational risk. All new staff and volunteers or relevant third parties go through an extensive induction training process including a review of the Charity's policies and procedures. Existing staff receive refresher training and have to review policies and procedures on a periodic basis. All teams meet weekly to discuss any new or ongoing operational risks including specifically safeguarding risks, and any significant risks are escalated to the weekly Senior Management Team meeting. Any significant incidents are recorded on an "Incident Report Form" which requires consideration of any lessons learnt and necessary actions with sign off from the Senior Management Team. Risks also from part of a monthly appraisal process.
- *Financial risk:* The financial performance and position of the Charity is monitored regularly including monthly management information and is reviewed at each Trustee meeting. Liquidity risk is managed by regular monitoring of the cash held at bank and alternative funds available. An annual budget is prepared by the Senior Management Team and approved by the Board and if during the year the performance is expected to be significantly different from that budgeted, a reforecast exercise will be undertaken. Financial policies and procedures, and controls are in place for core financial activities. A key element in the management of financial risk is the setting of a reserves policy and its periodic review by Trustees.
- *Legal and compliance risk:* Guidelines are issued to all staff and volunteers in order to comply with charity and local authority regulations and to minimise risks to health and safety. The Charity seeks external legal advice when required.
- *External risk:* The Charity can be significantly impacted by external factors including political, economic, social, technological and environmental. The Senior Management Team and Board will regularly review external factors and are informed from communications and briefings from a number of sources including industry bodies, supporters and beneficiaries. These factors are taken into account in the annual business plan and five year strategic plan, as well as the reserves policy. Policies and procedures are also in place to deal with external factors that would impact more immediately such as business continuity and disaster recovery planning.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- **Grant making policy**

Research Grants
The Charity funds research to improve the lives and outcomes for children and adolescents diagnosed with cancer. All grants are reviewed by the Board with Board approval required for any grant in excess of £20,000, or £2,000 if not already included in the budget. Any research grants in excess of £50,000 must be reviewed by external scientific experts before being submitted for approval by the Board of Trustees and periodically thereafter. In 2021 Candlelighters entered into a partnership agreement with an AMRC registered charity, Children's Cancer Leukaemia Group (CCLG), to allow for independent expert support with the initial review and ongoing monitoring of research grants including those below £50,000.

Other Grants
The Charity also provides non-research grants in order to provide support to families affected by childhood cancer, such as funding roles at the hospital or providing medical equipment. All grants over £20,000 (or £2,000 if not already included in the budget) must be approved by the Board and all grants are reviewed by the Board.

- **Conflict of interest policy**

The Charity has adopted a conflict of interest policy applicable to all Trustees, Members of the Sub-Committees and staff. This policy aims to protect both the organisation and the individuals involved from any appearance of impropriety. All Trustees, Members of the Sub-Committees and Staff are asked to declare their interests and any gifts or hospitality received in connection with their role in the Charity. In accordance with the Trust's policy, Trustees and Sub-Committee Members are required to withdraw from decisions where a conflict of interest arises.

- **Ethical Fundraising policy**

At Candlelighters we aim to ensure that our supporters and the wider public are treated fairly and with respect. We continually monitor and review our practices to ensure we are adhering to the latest in fundraising regulations and practices.

Fundraising Standards
Candlelighters voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice which sets out statutory obligations and best practice standards. Specific additional training is provided annually to Fundraising staff on The Code of Fundraising Practice.

Third Party Fundraising
We work with people and organisations raising funds on behalf of Candlelighters in order to ensure best practice and the Fundraising Regulator's Code of Conduct is followed. Where applicable, signed contracts and agreements will be put in place.

Complaints
At Candlelighters we aim to maintain high standards in all areas of our work and complaints are an important way for us to identify and resolve issues quickly and learn how to improve our services and procedures long term, ensuring we are able to maintain high standards in all areas of our work. In the year to 28 February 2023, Candlelighters received three complaints relating to fundraising which were promptly investigated and resolved. In the instance where a complaint is received, Candlelighters has an internal complaints policy which guides staff on how to deal with complaints in an effective manner.

Data
Candlelighters is committed to the responsible use of personal data. We are transparent about what we do with personal data and strive to ensure that our supporters feel confident in how we are using it. Candlelighters is registered with the Information Commissioner's Office ("ICO") and we have a data protection policy in order to ensure we comply with the ICO guidelines.

Protecting vulnerable people
Candlelighters is very conscientious about self-regulation of its fundraising activities and protecting vulnerable people. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice from the Fundraising Regulator which sets out statutory obligations and best practice standards. Guidance is also given to those who fundraise on the Charity's behalf. Candlelighters approach to fundraising is to avoid unreasonable intrusion into an individual's privacy, persistent approaches or undue pressure to donate to the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Auditors

The auditors Thomas Coombs Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small Company Exemptions

The Trustees have taken advantage of the small company exemptions within the Companies Act 2006 in connection with the preparation of the Trustees Report.

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



L Fletcher, Company Secretary

Date: 4th October 2023

THE CANDLELIGHTERS TRUST
Statement of Trustees' responsibilities

The Trustees (who are also directors of The Candlelighters Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Trustees are aware:

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

K Hardcastle
Chair - Trustee

E M Richards
Trustee

Date: 4th October 2023

Opinion

We have audited the financial statements of The Candlelighters Trust (the parent charitable company) and its subsidiaries (the group) for the year ended 28 February 2023 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet and the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 28 February 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- The directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the Charity through discussions with management, and from our commercial knowledge and experience of the sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts of the operations of the Charity, including the Charities Act 2011.
- We assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC, relevant regulators including the Charities Commission and the Charity's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

C. Darwin

Christopher Darwin FCA (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor & Chartered Accountants
3365 Century Way,
Thorpe Park,
Leeds,
West Yorkshire
LS15 8ZB

Date: 20th October 2023

THE CANDLELIGHTERS TRUST (Company number 3020552)
Consolidated statement of financial activities for the year ended 28 February 2023
(incorporating statutory income & expenditure account)

	Notes	Unrestricted funds- core £	Unrestricted funds - Exceptional legacy £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies:						
Donations and grants	3	1,236,172	-	336,869	1,573,041	*1,335,737*
Branch fundraising events		49,139	-	3,003	52,142	*7,496*
Legacies	4	145,060	250,000	5,000	400,060	*3,568*
Trading activities – sale of goods		8,387	-	-	8,387	*11,244*
Investment income	5	109,912	-	-	109,912	*99,319*
Total income and Endowments		1,548,670	250,000	344,872	2,143,542	*1,457,364*
Expenditure on						
Raising funds	6	471,349	-	-	471,349	*427,181*
Charitable activities	7	1,229,303	-	298,297	1,527,600	*1,673,480*
Total expenditure	9	1,700,652	-	298,297	1,998,949	*2,100,661*
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		(151,982)	250,000	46,575	144,593	*(643,297)*
Transfers to restricted reserve	23	(10,729)	-	10,729	-	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		(162,711)	250,000	57,304	144,593	*(643,297)*
Net Gains and Losses						
Gains/(losses) on fixed and current asset investments						
Realised		5,467	-	-	5,467	*50,860*
Unrealised		(216,782)	-	-	(216,782)	*(39,832)*
Net movement in funds		(374,026)	250,000	57,304	(66,722)	*(632,269)*
		(124,026)				
RECONCILIATION OF FUNDS						
Balances brought forward at 1 March 2022		3,224,802	-	327,843	3,552,645	*4,184,914*
TOTAL FUNDS CARRIED FORWARD AT 28 February 2023	23	3,100,776	-	385,147	3,485,923	*3,552,645*

The statement of financial activities includes all gains and losses recognised in the year.
All amounts related to continuing activities within the United Kingdom.

The notes on pages 24 to 43 form part of these financial statements.

THE CANDLELIGHTERS TRUST (Company number 3020552)
Balance sheet at 28 February 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible fixed assets	12	**525,897**	*555,530*	**525,897**	*555,530*
Investments	13	**3,214,216**	*3,397,347*	**3,241,023**	*3,424,154*
		3,740,113	*3,952,877*	**3,766,920**	*3,979,684*
Current assets					
Stock		**18,148**	*15,633*	**18,148**	*15,633*
Debtors	14	**43,227**	*50,616*	**43,227**	*50,616*
Investments	15	**532,560**	*565,013*	**532,560**	565,013
Branch funds		**39,750**	*35,705*	**39,750**	*35,705*
Cash at bank and in hand		**254,334**	*480,243*	**254,334**	*480,243*
		888,019	*1,147,210*	**888,019**	*1,147,210*
Liabilities: amounts falling due within one year					
Grant awards	16	**(780,187)**	*(746,469)*	**(780,187)**	*(746,469)*
Other	16	**(82,310)**	*(77,620)*	**(109,117)**	*(104,427)*
Net current assets/(liabilities)		**25,522**	*323,121*	**(1,285)**	296,314
Total assets less current liabilities		**3,765,635**	*4,275,998*	**3,765,635**	*4,275,998*
Liabilities: amounts falling due after more than one year					
Grant awards	17	**(279,712)**	*(723,353)*	**(279,712)**	*(723,353)*
Net assets	19	**£3,485,923**	*£3,552,645*	**£3,485,923**	*£3,552,645*
Funds of the Charity					
Unrestricted - free charitable reserve	23	**1,673,099**	*1,577,306*	**1,673,099**	*1,577,306*
Unrestricted – fixed assets reserve	23	**525,897**	*555,530*	**525,897**	*555,530*
Unrestricted- designated: Supportive Care	23	**700,269**	*746,166*	**700,269**	*746,166*
Unrestricted- designated: digital	23	**101,511**	*145,800*	**101,511**	*145,800*
Unrestricted- designated: New Children's Hospital	23	**-**	*100,000*	**-**	*100,000*
Unrestricted- designated: Research Pot	23	**100,000**	*100,000*	**100,000**	*100,000*
Restricted	23	**385,147**	*327,843*	**385,147**	*327,843*
Total funds	23	**£3,485,923**	*£3,552,645*	**£3,485,923**	*£3,552,645*

Approved by the board of Trustees on 4th October 2023 and signed on its behalf by:

K Hardcastle (Chair - Trustee) **E M Richards (Trustee)**

The notes on pages 24 to 43 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement
For the year ended 28 February 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Cash generated from/ (used in) operations	a	**(358,865)**	*(396,951)*
Net cash generated from/ (used in) operating activities		**(358,865)**	*(396,951)*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(10,800)**	*(7,207)*
Purchase of investments		**(328,803)**	*(683,831)*
Sale of investments		**366,692**	*708,682*
Investment income		**109,912**	*99,319*
Net cash (used in)/ generated from investing activities		**137,001**	*116,963*
Change in cash and cash equivalents in the reporting period		**(221,864)**	*(279,988)*
Cash and cash equivalents at the beginning of the reporting period		**515,948**	*795,936*
Cash and cash equivalents at the end of the reporting period	b	**£294,084**	*£515,948*

The notes on pages 24 to 43 form part of these financial statements.

a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	(66,722)	(632,269)
Adjustments for:		
Depreciation charges	40,433	43,003
Loss on disposal of tangible fixed assets	-	6,053
Net unrealised (gains)/losses on investments	216,782	39,832
Net realised (gains)/losses on investments	(5,467)	(50,860)
(Increase)/ decrease in cash held within investments	(33,620)	10,100
Investment income	(109,912)	(99,319)
(Increase)/decrease in stock	(2,515)	(606)
(Increase)/decrease in debtors	7,389	19,201
Increase/(decrease) in creditors	(405,233)	267,914
Net cash generated from/ (used in) operating activities	£(358,865)	£(396,951)

b. COMPOSITION OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Branch funds	39,750	35,705
Cash at bank and in hand	254,334	480,243
Cash and cash equivalents	£294,084	£515,948

The notes on pages 24 to 43 form part of these financial statements.

1 General information

The Candlelighters Trust is a company limited by guarantee, incorporated in England & Wales. The registered office is 8 Woodhouse Square, Leeds, LS3 1AD. The members of the company are the trustees detailed on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2 Accounting Policies

Basis of Preparation
The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019,'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Candlelighters Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Basis of Consolidation
The consolidated accounts incorporate the accounts of the Charity and its wholly owned subsidiary undertaking. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and SORP 2015 and has not presented its own Income and Expenditure account in these financial statements. A separate Statement of Financial Activities for the Charity is not considered necessary because the activities of the Charity and the wholly owned subsidiary undertaking are easily distinguished within the consolidated Statement of Financial Activities. The accounts include the activities of both the head office and those if its various branches.

Going Concern
The financial statements have been prepared on a going concern basis. The trustees (who are directors of The Candlelighters Trust for the purposes of company law and trustees of The Candlelighters Trust for the purposes of charity law) have reviewed the Charity's financial position, taking into account the satisfactory level of reserves and cash, current year forecasts and its systems of financial and risk management. As a result of their review, the trustees believe that the Charity is well placed to manage operational and financial risks successfully.

Fund Accounting
Monies earmarked by donors or by the terms of an appeal for particular projects are accounted for separately, in Restricted Funds. The notes to the accounts show the movements and balances on any such Restricted Funds. Unrestricted funds may be spent on any legitimate charitable aim as laid down in the Charity's memorandum of association.

Unrestricted funds are held in the general reserve except to the extent that the Trustees consider it appropriate to make transfers to designated funds to meet the expected cost of planned awards for the future. As costs on such awards are incurred, they are charged against the designated fund to the extent that the fund proves sufficient. Any balance of such expenditure is charged against the general fund. If the project costs less than the amount in the designated fund, any surplus is transferred back to the general fund.

The group's accounting systems allocate all income, expenditure, assets, liabilities and reserves between these funds. The statement of financial activities shows separately the income, expenditure and any transfers relating to restricted funds, designated funds and general reserves. Assets and liabilities attributed to each fund are disclosed in the notes to the financial statements.

Income
Donations and fundraising event income are included in the Statement of Financial Activities when:

- the Charity is told it is to receive the gift or donation;
- the Trustees are reasonably certain of the amount to be received;
- the Trustees are reasonably certain they will receive the money; and
- any conditions for receipt are met.

2 Accounting Policies (continued)

Income (continued)
Legacies are recognised when it is probable that they will be received. Receipt is normally probable when:

- there has been grant of a probate;
- the executors have established that there are sufficient assets in the estate after settling any liabilities to pay the legacy; and
- any conditions attached to the legacy are either within the control of the Charity or have been met.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Volunteers and Donated Services and Facilities
The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Where services are provided to the Charity as a donation that would normally be purchased from a supplier, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

Expenditure
Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Cost Allocation
The Statement of Recommended Practice requires that costs are allocated where appropriate to charitable expenditure and to costs of generating funds. The Charity's central overheads, including staff costs, have been allocated to charitable activity and costs of generating funds on the basis of the allocated time spent by staff on those functions with the aim of ensuring that those costs remaining with governance costs relate to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of Raising Funds
The costs of raising funds consist of commercial trading costs, investment management fees, branch fundraising events and those other costs incurred in attracting voluntary income.

Charitable Activities
Costs of charitable activities include grants made and an apportionment of overhead and support costs.

Governance Costs
Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Pension Contributions
The Charity pays defined contributions into the pension schemes of several employees. These amounts are charged to the Statement of Financial Activities as they become payable and in accordance with their functional classification.

2 Accounting Policies (continued)

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

Tangible Fixed Assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

With the exception of those tangible fixed assets which are held at an impaired value, depreciation is provided on all tangible fixed assets capable of operating as intended, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	20% reducing balance
Fixtures and fittings	10% reducing balance, 20% reducing balance
Pavilion	20% on cost
The Square	10% on cost
Brandon Cottage	2% on cost

No depreciation is charged on tangible fixed assets until they are capable of operating as intended.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at year end. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Fixed and Current Asset Investments
Quoted investments are stated at mid-market value. All losses and gains are taken direct to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit or loss.

Liabilities and Provisions
Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation, Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Financial Instruments
The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Accounting Policies (continued)

Stock
Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

Judgements in Applying Accounting Policies and Estimation Uncertainty
Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these key judgements and estimates have been made include the depreciation of fixed assets, the estimate of grant liabilities, the provisions for costs included within accruals and the allocation of donations and costs.

3 Donations and grants

	Unrestricted Funds £	Restricted Funds £	2023 Total £	*2022 Total £*
Community	586,221	59,793	646,014	*687,929*
Major Donor	73,677	-	73,677	*50,000*
Corporate	534,309	860	535,169	*489,626*
Trusts and Foundations	41,965	259,702	301,667	*105,450*
Government Grants	-	16,514	16,514	*2,732*
	£1,236,172	£336,869	£1,573,041	*£1,335,737*
Total 2022	*£1,186,674*	*£149,063*	*£1,335,737*	

Of the £16,514 Government grants, £13,825 (2022: £1,500) is from the government "kickstart" job opportunity initiative and £nil (2022: £1,232) is from the Job Retention Scheme received for members of staff on furlough.

4 Legacies

	Unrestricted Funds - Core £	Unrestricted Funds – Exceptional legacy £	Restricted Funds £	2023 Total £	*2022 Total £*
Legacies	145,060	250,000	5,000	400,060	*3,568*
	£145,060	£250,000	£5,000	£400,060	*£3,568*
Total 2022	*£3,568*	-	-	*£3,568*	

The £250,000 exceptional legacy relates to a second legacy donation from the Joyce Mary Mountain Will Trust. This is in addition to the £650,000 exceptional legacy donation recorded in the year ended 28 February 2021 financial statements. There are no specific restrictions on the use of the funding.

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2023 Total £	*2022 Total £*
Income from listed investments	109,912	-	109,912	*99,319*
Bank and other interest	-	-	-	*-*
	£109,912	-	£109,912	*£99,319*
Total 2022	*£99,319*	*-*	*£99,319*	

6 Costs of Raising Funds

	Unrestricted Funds £	Restricted Funds £	2023 Total £	*2022 Total £*
Postage	2,168	-	2,168	*2,459*
Newsletter	7,794	-	7,794	*18,809*
Fundraising expenses	62,561	-	62,561	*58,049*
Opening stock	15,633	-	15,633	*15,027*
Cost of merchandise sold	6,426	-	6,426	*5,517*
Closing stock	(18,148)	-	(18,148)	*(15,633)*
IT costs	7,824	-	7,824	*10,209*
Banking and platform charges	15,115	-	15,115	*15,797*
Website costs	12,432	-	12,432	*12,000*
Branch fundraising costs	216	-	216	*44*
Investment management costs	24,489	-	24,489	*26,493*
Staff training	1,878	-	1,878	*4,998*
Waverley premises costs	27,547	-	27,547	*24,382*
Support costs				
Apportioned staff costs	305,414	-	305,414	*249,030*
	£471,349	-	£471,349	*£427,181*
Total 2022	*£413,176*	*£14,005*	*£427,181*	

7 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2023 Total £	*2022 Total £*
Research grants				
Total grants awarded (see note 24)	-	1,261	1,261	*371,551*
Grants no longer required (see note 24)	(44,003)	-	(44,003)	-
Other grants				
Total grants awarded (see note 24)	300,959	-	300,959	*259,821*
Grants no longer required (see note 24)	(85,129)	-	(85,129)	*(10,787)*
Other charitable activities				
Family financial support	127,175	11,615	138,790	*107,260*
Support groups and parent information	35,796	25,089	60,885	*39,398*
Holidays for families	18,507	113,882	132,389	*45,079*
Recruitment costs	17,816	-	17,816	*36,972*
Hospital Equipment and support	22,020	9,869	31,889	*9,373*
Brandon cottage costs	5,532	10,000	15,532	*9,709*
Depreciation of Brandon cottage and fittings	9,829	-	9,829	*11,780*
@The Square				
- Running costs	53,808	4,522	58,330	*49,943*
- Depreciation of The Square	22,530	-	22,530	*22,530*
- Wellbeing treatments and support	78,018	15,556	93,574	*85,865*
- Front line staff costs	249,346	92,677	342,023	*288,508*
- Staff costs covered by government grants	-	6,913	6,913	*1,034*
- Other family support costs	5,577	-	5,577	-
Support costs				
Depreciation	8,074	-	8,074	*8,693*
Loss on disposal of fixed assets	-	-	-	*6,053*
IT costs	26,842	-	26,842	*10,208*
Other support costs	19,863	-	19,863	*16,752*
Auditors' remuneration – payroll services	2,231	-	2,231	*1,588*
Other staff costs- charity management and central support of charitable activities	329,686	-	329,686	*278,532*
Staff costs covered by government grants	-	6,913	6,913	*198*
Governance costs (note 8)	24,826	-	24,826	*23,420*
	£1,229,303	£298,297	£1,527,600	*£1,673,480*
Total 2022	*£1,133,151*	*£540,329*	*£1,673,480*	

8 Governance Costs

	Unrestricted Funds £	Restricted Funds £	2023 Total £	*2022 Total £*
Auditors' remuneration	10,445	-	10,445	*8,465*
Legal and professional	5,468	-	5,468	*7,061*
Apportioned staff costs	7,000	-	7,000	*7,000*
Meetings	1,913	-	1,913	*894*
	£24,826	-	£24,826	*£23,420*
Total 2022	*£21,802*	*£1,618*	*£23,420*	

9 Expenditure

	Staff Costs £	Depreciation £	Other Costs £	2023 Total £	*2022 Total £*
Costs of raising funds	305,414	-	165,935	471,349	*427,181*
Charitable activities (excluding governance)	685,535	40,433	776,806	1,502,774	*1,650,060*
Governance costs	7,000	-	17,826	24,826	*23,420*
	£997,949	£40,433	£960,567	£1,998,949	*£2,100,661*
Total 2022	*£824,302*	*£43,003*	*£1,233,356*	*£2,100,661*	

10 Staff Costs

	2023 £	*2022 £*
Wages and salaries	884,237	*735,482*
Social security costs	76,221	*60,153*
Pension costs	37,491	*28,667*
	£997,949	*£824,302*

10 Staff Costs (continued)

The total employment costs to the Charity of the key management personnel during the year were £315,604 (2022: £297,546). These amounts are total staff costs and therefore include social security costs and employer's contributions to pension schemes.

The average number of key management personnel, senior management team during the year was 6 (2022: 6).

Reimbursed expenses, which are all subject to the Charity's processes of internal controls, do not form part of remuneration and are not included above.

Expenses reimbursed to trustees in the year totalled £216 (2022: £nil). These expenses were reimbursed to 1 of the trustees for expenses incurred when undertaking a fundraising event.

All Trustees give their time freely and no Trustee remuneration was paid in the year. During the year monetary donations made by Trustees to the Charity totalled £120 (2022: £677).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 Number	*2022 Number*
In the band £60,001 - £70,000	-	*1*
In the band £70,001 - £80,000	1	-

Pension contributions of £1,193 (2022: £nil) were paid by the Charity for the above employee.

The average number of paid employees (including part-time) was:

	2023 Number	*2022 Number*
Administration, management, fundraising and charitable expenditure support	36	28

The average full time equivalent of employees during the year was 33.2 (2022: 26.0). The breakdown of employees per department was as follows:

	2023 Number	*2022 Number*
Fundraising staff	9.7	*8.4*
Front line support staff	14.3	*10.1*
Charity management and central	9.2	*7.5*
	33.2	*26.0*

11 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2022 Total £
INCOME AND ENDOWMENTS FROM			
Donations and legacies:			
Donations and grants	1,186,674	149,063	1,335,737
Branch fundraising events	5,876	1,620	7,496
Legacies	3,568	-	3,568
Trading activities – sale of goods	11,244	-	11,244
Investment income	99,319	-	99,319
Total Income and Endowments	1,306,681	150,683	1,457,364
Expenditure on			
Raising funds	413,176	14,005	427,181
Charitable activities	1,133,151	540,329	1,673,480
Total Expenditure	1,546,327	554,334	2,100,661
NET EXPENDITURE FOR THE YEAR BEFORE TRANSFERS	(239,646)	(403,651)	(643,297)
Transfers to restricted research	14,109	(14,109)	-
NET EXPENDITURE FOR THE YEAR AFTER TRANSFERS	(225,537)	(417,760)	(643,297)
Net Gains and Losses			
Gains / (losses) on fixed and current asset investments			
Realised	50,860	-	50,860
Unrealised	(39,832)	-	(39,832)
NET MOVEMENT IN FUNDS	(214,509)	(417,760)	(632,269)
Reconciliation of funds			
Balances brought forward at 1 March 2021	3,439,311	745,603	4,184,914
BALANCES CARRIED FORWARD AT 28 February 2022	£3,224,802	£327,843	£3,552,645

12 Tangible Fixed Assets

Group and Charity:

	Freehold Property	Leasehold Improvements		Fittings & fixtures	Equipment	
	Brandon Cottage	@The Square	Pavilion	Brandon Cottage		Total
	£	£	£	£	£	£
Cost						
As at 1 March 2022	635,279	225,303	326,539	114,890	51,031	1,353,042
Additions	-	-	-	-	10,800	10,800
Disposals	-	-	-	-	-	-
As at 28 February 2023	635,279	225,303	326,539	114,890	61,831	1,363,842
Accumulated depreciation and impairments						
As at 1 March 2022	222,779	180,264	326,539	47,505	20,425	797,512
Charge for the year	-	22,530	-	9,829	8,074	40,433
Eliminated on disposal	-	-	-	-	-	-
As at 28 February 2023	222,779	202,794	326,539	57,334	28,499	837,945
Net book value						
At 28 February 2023	**£412,500**	**£22,509**	**£ -**	**£57,556**	**£33,332**	**£525,897**
At 28 February 2022	*£412,500*	*£45,039*	*£ -*	£67,385	*£30,606*	*£555,530*

The Trustees considered costs incurred in the building of the Pavilion are improvements on leasehold land owned by the Leeds General Infirmary.

The Square costs represent capital improvements and internal fittings and furniture within a short leasehold property. The property hosts the family support centre of the Charity.

The freehold property represents the asset of Brandon Cottage.

During 2021, the Charity gained more details about the planned new children's hospital including information on timescales, location and the possible accommodation for families. From these details, the most likely expectation is that accommodation will be available to families closer to the new location of the hospital than Brandon Cottage. As such, whilst we intend to keep the Cottage as long as it remains valuable to the families and the Charity which is expected to be for a number of years, the potential period of the value in use is likely to be shorter. Accordingly, having reviewed the expected value in use versus up-to-date market values obtained, the Cottage carrying value was reduced to the market value in 2021. This resulted in an impairment in the financial statements of £194,388. Given the latest expected timing of the new children's hospital and current property values, a carrying value representing market value of £412,500 is deemed most appropriate.

13 Fixed Asset Investments

	Group £	Charity £
Quoted investments		
Market value at 1 March 2022	3,379,345	3,379,345
Additions	287,249	287,249
Disposals	(326,995)	(326,995)
Net unrealised gains	(176,634)	(176,634)
	3,162,965	3,162,965
Cash at bank awaiting re-investment	51,251	51,251
Subsidiary undertaking: cost	-	26,807
Market value at 28 February 2023	**£3,214,216**	**£3,241,023**
Historical cost as at 28 February 2023	£3,056,461	£3,083,268

At 28 February 2023 and 28 February 2022, no individual investment represented more than 5% of the total investment portfolio.

A separate investment portfolio with a lower risk categorisation is held for liquidity and working capital purposes and disclosed as a current asset in note 15.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments arises from uncertain investment markets resulting in variable income and capital returns from the portfolio of assets.

Currency translation risks remain for those companies and bonds that are exposed to overseas earnings and assets.

Liquidity risk is anticipated to be low as all assets are traded on recognised exchanges with good liquidity and high trading volumes. The Charity's portfolio has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages investment risk by appointing professional investment managers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term total return. Whilst some level of volatility can reasonably be expected, historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

13 Fixed Asset Investments (continued)

Subsidiary undertaking
The £26,807 investment represents a 100% holding in the issued share capital of Candlelighters Trading Limited, a company registered in England and Wales. The subsidiary was dormant with net assets of £26,807.

14 Debtors

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Amounts falling due within one year:				
Accrued legacy income	**26,242**	*5,000*	**26,242**	*5,000*
Prepayments and other accrued income	**16,985**	*45,616*	**16,985**	*45,616*
	£43,227	*£50,616*	**£43,227**	*£50,616*

15 Current Asset Investments

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Listed investments	**532,560**	*565,013*	**532,560**	*565,013*
	£532,560	*£565,013*	**£532,560**	*£565,013*

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

16 Liabilities: Amounts Falling Due Within One Year

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Creditors in the ordinary course of activities	**22,335**	*31,058*	**22,335**	*31,058*
Amount owed to subsidiary	-	-	**26,807**	*26,807*
Accruals	**21,401**	*14,344*	**21,401**	*14,344*
Social security	**24,498**	*19,124*	**24,498**	*19,124*
Other creditors	**14,076**	13,094	**14,076**	13,094
	82,310	*77,620*	**109,117**	*104,427*
Grant awards	**780,187**	*746,469*	**780,187**	*746,469*
	£862,497	£824,089	**£889,304**	*£850,896*

17 Liabilities: Amounts Falling Due After More Than One Year

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Grant awards	**£279,712**	*£723,353*	**£279,712**	*£723,353*

18 Reconciliation of Grants Awarded

Group and Charity

	2023 £	2022 £
Opening liability obligation	**1,469,822**	*1,227,320*
Grants awarded in the year (note 24)	**302,220**	*631,372*
Provisions no longer required (note 24)	**(129,132)**	*(10,787)*
Paid during the year	**(583,010)**	*(378,083)*
Closing liability obligation	**£1,059,900**	*£1,469,822*

19 Analysis of Group Assets between Funds

	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	525,897	525,897
Fixed asset investments	-	3,214,216	3,214,216
Other current assets	385,146	502,873	888,019
Liabilities	-	(1,142,209)	(1,142,209)
Net assets at 28 February 2023	£385,146	£3,100,777	£3,485,923

20 Taxation

The Candlelighters Trust is a registered charity and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

The subsidiary does not have charitable status and is fully subject to taxation. At present the trading subsidiary is dormant and has not traded within the financial year.

21 Trustees Interests and Related Party Disclosures

Trustees are required to declare an interest in contracts with which they are connected. Several Trustees use their expertise in areas affecting The Candlelighters Trust but no Trustee had any significant personal financial interest in contracts with the Charity during the year.

Medical Trustees and members of the Medical Review Panels are not precluded from applying for grant funding for projects. Interests in projects are required to be disclosed and the relevant Trustees and panel members take no part in the decision process. Their projects are assessed using the same criteria as that which applies to all potential grantees.

22 Capital

The Candlelighters Trust is a charitable company, limited by guarantee and has no share capital. The members have agreed to contribute £1 each to the Charity's assets in the event of it winding up, if its assets should prove insufficient to cover its liabilities.

23 Movements in Funds

Movements in Funds- current year

	At 1 March 2022	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2023
Unrestricted funds							
Free Charitable Reserve	1,577,306	1,798,670	(1,615,930)	33,275	91,093	(211,315)	1,673,099
Fixed assets reserve (note 12)	555,530	-	(40,433)	-	10,800	-	525,897
Designated Funds- Digital	145,800	-	(44,289)	-	-	-	101,511
Designated Funds-Supportive Care	746,166	-	-	-	(45,897)	-	700,269
Designated Funds-Research Pot	100,000	-	-	-	-	-	100,000
Designated Funds- New Children's Hospital	100,000	-	-	-	(100,000)	-	-
Restricted Funds							
Research Fund	253,834	3,154	(1,261)	-	44,004	-	299,731
Children in Need- Twin Vision	11,693	-	(1,104)	-	-	-	10,589
Movement for Good	7,455	-	(7,455)	-	-	-	-
Harry and Mary	6,808	10,000	(6,808)	-	-	-	10,000
Clay Days	22,653	50,000	(53,077)	-	-	-	19,576
NHS Charities together	-	39,600	(39,600)	-	-	-	-
Ken & Lynne Morrison Trust	-	100,000	(100,000)	-	-	-	-
Mazars	-	15,000	-	-	-	-	15,000
UPS	-	12,329	(11,284)	-	-	-	1,045
Susie P Foundation	-	10,000	(10,000)	-	-	-	-
Bettys	1,712	-	(1,712)	-	-	-	-
Other	23,688	104,789	(65,996)	(33,275)	-	-	29,206
Total	£3,552,645	£2,143,542	£(1,998,949)	£ -	£ -	£(211,315)	£3,485,923

23 Movements in Funds (continued)

Movements in Funds- prior year

	At 1 March 2021	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2022
Unrestricted funds							
Free Charitable Reserve	1,940,391	1,306,681	(1,491,409)	14,109	(203,494)	11,028	1,577,306
Fixed assets reserve	597,379	-	(49,056)	-	7,207	-	555,530
Designated Funds- Digital	150,000	-	(4,200)	-	-	-	145,800
Designated Funds-Supportive Care	376,541	-	-	-	369,625	-	746,166
Designated Funds-Sheffield	65,000	-	-	-	(65,000)	-	-
Designated Funds-Cottage	10,000	-	(1,662)	-	(8,338)	-	-
Designated Funds-Research Pot	300,000	-	-	-	(200,000)	-	100,000
Designated Funds- New Children's Hospital	-	-	-	-	100,000	-	100,000
Restricted Funds							
Research Fund	623,459	1,970	(371,595)	-	-	-	253,834
Children in Need- Twin Vision	11,693	-	-	-	-	-	11,693
Movement for Good	42,873	-	(35,418)	-	-	-	7,455
Harry and Mary	-	26,000	(19,192)	-	-	-	6,808
Clay Days	-	60,000	(37,347)	-	-	-	22,653
NHS Charities together	-	13,200	(13,200)	-	-	-	-
The Julia and Hans Rausing Trust	35,721	-	(35,721)	-	-	-	-
Leeds City Council	10,000	-	(10,000)	-	-	-	-
Bettys	10,000	-	(8,288)	-	-	-	1,712
Other	11,857	49,513	(23,573)	(14,109)	-	-	23,688
Total	£4,184,914	£1,457,364	£(2,100,661)	£ -	£ -	£11,028	£3,552,645

23 Movements in Funds (continued)

Restricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research.

The Children in Need – Twin Vision fund is donations from Children in Need restricted solely for the purpose of an animation project supported by Twin Vision.

The Movement for Good fund reflects amounts donated from the organisation Ecclesiastical under their Movement for Good programme which are restricted to funding the Charity's work in the community including Community Support Workers and certain support groups.

The Harry and Mary fund reflects funding received from the Harry and Mary Foundation. £10,000 is restricted towards Christmas grants provided to families and £16,000 restricted towards Candlelighters in Your Community.

The Clay days fund represents an amount from the annual Yorkshire Charity Clay Days event in 2021 where we received £60,000 in the year ended 28 February 2022 restricted to the salary costs of three Family Support Workers for a year. In addition, during the year ended 28 February 2023, we received £50,000 from the 2022 event restricted to the salary costs for two Community Support Workers for one year.

The NHS Charities Together fund reflects funding from the NHS Charities Together grants programme restricted towards community support workers which was received from Leeds Hospitals Charity.

The Julia and Hans Rausing Trust amount relates to funding received in the 2022 financial year to support core costs during COVID-19.

During the financial year the Ken and Lynne Morrison Charitable Trust donated £100,000 which is restricted to funding family holidays.

The £15,000 received from Mazars in the year is restricted towards children's talking therapies.

The UPS fund reflects a donation received in the year restricted to Christmas grants for families, children's talking therapies and family holidays.

The Susie P Foundation have agreed to fund £10,000 per annum for three years restricted towards the costs of the Candlelighters Cottage.

The Bettys fund reflects a donation from Bettys restricted towards wishes and memories for patients and families.

General Funds

The general Free Charitable Reserve can also fund research.

The fixed assets reserve represents funds tied up in tangible fixed assets and so are funds which are excluded from "free" general reserves. The fixed assets can be seen in note 12 and the majority of the asset value and associated reserve relates to the Candlelighters Cottage.

Designated Funds

The Digital designated fund reflects funds designated to making the Charity more digital. This is deemed a critical strategy in order for the Charity to keep pace with the times and keep relevant.

23 Movements in Funds (continued)

Designated Funds (continued)

The Supportive Care designated fund reflects the Board's strategy to support the development of a new research programme in supportive care which will focus on reducing the side effects of treatment and improving quality of life. The intended total investment in the programme is £1.0 million over 5 years. Whilst the expectation was always that we would attract funding to support the programme to ensure free reserves were necessarily replenished, when the initial designation was made, £1.0 million of reserves was allocated taking into account the restricted research reserve. Given the subsequent further investment in the Yorkshire Register research programme of which there is also a £248,000 Contingent liability (see note 27), the deterioration in economic conditions and increased demand on our services, if we do not receive funding for the Supportive Care programme, we are forecast to have to reduce the planned investment. In fact, subsequent to the year end, the Board have de-designated a significant amount of the Supportive Care reserve in order to bring back free reserves in line with the reserves policy.

The Research Pot designated fund is the amount of reserves designated for other research beyond restricted and designated amounts. The Board reduced the amount of designated reserve to the Research Pot in the prior year due to recent research commitments made and the level of designated reserve for research specifically into Supportive Care.

During the prior financial year the Board designated £100,000 of funds in order to start building the reserves to go towards the support and spend associated with the new Leeds Children's Hospital which, at the time, had an expected completion date of 2026. Subsequently there was some doubt about when and if the project would be going ahead so, given this uncertainty, in February 2023 the Board de-designated the initial reserves the Charity had started to set aside. In May 2023 the Secretary of State announced that the new children's hospital in Leeds would go ahead, however, the expected completion is now by 2030. Whilst therefore the new children's hospital is very much a factor in the Charity's strategic thinking and use of reserves, it is considered too early to designate funds at this stage. Furthermore, given the period between now and 2030, the Charity will also consider potential expenditure required to continue to support and enhance families experience of the current children's hospital and Candlelighters premises.

24 Grants Awarded	2023	2022
	£	£
Research grants		
Sue Burchill research event travel	1,261	
Yorkshire Register – 5 year period	-	371,551
	£1,261	£371,551
General grants		
Outreach Play Specialists - 3 year period	-	66,292
Eckersley House	10,000	15,000
Social Workers - 6 month extension	-	154,610
Paediatric Radiographer – 1 year period	25,800	23,919
Playleaders – 1 year extension	70,900	-
Lead Nurse – 2 year period	70,097	-
Youth Activity Co-ordinator – 3 year period	67,000	-
Outreach Chemotherapy worker – 2 year period	57,162	-
	£300,959	£259,821
Total	£302,220	£631,372

In addition to the grants awarded there was a £129,132 (2022: £10,787) release in the year for historic funding awards not utilised meaning grant provisions were no longer required. The main grants this related to were the Playleader funding (£75,838 release) and the Yorkshire Register (£40,000 release). The full funding award was not utilised for these grants mainly due to staff vacancies and absence for roles funded therefore costs were lower than originally applied for.

25 Controlling Party

The Trustees of The Candlelighters Trust are considered to be the controlling party of the company.

26 Operating Lease Commitments

At 28 February 2023, the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 Total £	*2022 Total £*
Within 1 year	**30,008**	*29,630*
Between 1 and 5 years	**14,392**	*40,216*

27 Contingent assets and liabilities

At the year end the Charity had been notified of one residual legacy (2022: None) which could not be measured reliably; however, is expected to be a few thousand pounds based on information to date. This has not been included in the financial statements.

At the year end, the Charity had contingent liabilities totalling £248,000 (2022: £248,000) relating to conditional grants. These grants are payable following successful progress reviews and the Charity reserves the right to terminate the funding agreement at their discretion based on this review.

THE CANDLELIGHTERS TRUST

England & Wales - Charity number 1045077

Accounts

CHARITY
COMMISSION

THE CANDLELIGHTERS TRUST

Charity Registration No. 1045077
Company Registration No. 3020552

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

For the year ended 28 February 2022

Candlelighters
Supporting the families of children with cancer

THE CANDLELIGHTERS TRUST
Annual report and financial statements for the year ended 28 February 2022

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THE CANDLELIGHTERS TRUST
Legal and administrative information

Patron
Lady Emma Ingilby

Clinical (including Medical) Trustees
Dr M Elliott
Dr E M Richards
C De Biase
J Goodden
Dr S Wilkins (appointed 29/9/2021)

Lay Trustees
K Hardcastle (Chair)
S Redman
S Patterson
P Thompson (resigned 30/9/2021)
D Mayman
G Felgate

Finance and Audit Committee
Dr E M Richards
D Mayman
Y Eaton (non-trustee)

Research Committee
M Elliott
C De Biase
J Goodden
K Hardcastle

Nominations and Remuneration Committee
S Patterson
K Hardcastle
Dr E M Richards
C De Biase

Key management personnel/Senior Management Team:

E Wragg	**Chief Executive**
L C Fletcher	**Deputy Chief Executive and Company Secretary**
N Kisby	**Head of Family Support**
L Pomeroy	**Head of Finance and Corporate Services**
T Robertshaw	**Head of Fundraising**
C Gill	**Head of Engagement (appointed March 2021)**

Head office:
8 Woodhouse Square
Leeds, LS3 1AD

Independent auditors:
Thomas Coombs Limited
Chartered Accountants and Registered Auditors
3365 The Pentagon
Century Way
Thorpe Park
Leeds
LS15 8ZB

Bankers:
Yorkshire Bank
(Trading name of Clydesdale Bank plc)
94-96 Briggate
Leeds, LS1 6NP

Solicitors:
Wrigleys
19 Cookridge Street
Leeds, LS2 3AG

Investment Managers:
Brewin Dolphin Limited
10 Wellington Place
Leeds, LS1 4AN

The Trustees present their report and audited accounts for the year ended 28 February 2022. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

Objectives

1. The alleviation of the suffering, and the promotion of the relief, care, well-being, and rehabilitation, of children and young people afflicted with any form of malignant disease or a non-malignant but life threatening haematological disorder or central nervous system disorder, in particular (but not exclusively) those who are or who have been under the care of, or otherwise supported by, hospitals in Yorkshire;
2. The preservation and protection of the good physical and mental health and well-being of individuals formerly under the care of, or otherwise supported by, hospitals in Yorkshire, particularly those individuals experiencing serious medical problems associated with their original disease or disorder or its treatment;
3. The protection and preservation of good physical and mental health and wellbeing amongst families and carers of, or other people providing support to, individuals falling under objects 1 or 2 and the provision of practical and other support in their role of caring for such individuals; and
4. The provision of support for such activities as may be legally charitable in the work of hospitals in Yorkshire including the provision of financial assistance for the acquisition and maintenance of equipment for use within hospitals in Yorkshire or in connection with the work of hospitals in Yorkshire and the provision of support, in whatever ways the Trustees think fit, for research, education and training within or connected with hospitals in Yorkshire and the dissemination of the results of such research.

In accordance with their duties pursuant to Section 4 of the Charities Act 2011, the Trustees have considered the Charity's objects and activities in light of the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Activities and Performance

Candlelighters' first priority is always the welfare of the families whose children are being treated at the Children's and Adolescent Oncology and Haematology department. Whilst the outlook for children with cancer and serious blood disorders continues to improve, the distress caused to families should not be underestimated. In response to requests from families for emotional support, Candlelighters provide funding for support groups and social activities for patients, siblings, parents and grandparents away from the hospital environment.

Financial difficulties can add to the trauma of diagnosis and treatment. At a time when income is often reduced, families face additional expenses such as the cost of food when living at the hospital for long periods of time, travel and increased burden on the family budget. Candlelighters provide three monthly allowances for families upon diagnosis. There is potential access to a Family Assistance Grant to help families in times of financial need any time during treatment. Funding is also provided to provide distraction activities for patients during the long hours spent on the ward and in the day unit. The Charity also provides additional equipment on the wards and day unit in order to support families during their time spent.

COVID-19 has continued to impact the level of services which we have been able to be deliver during the financial year. Accordingly, Candlelighters has adapted support services in order to support families in the best way possible during this difficult time. This includes the continuation of some digital online support services as well as practical solutions to support families on the ward such as laundry and shopping for essential items.

Candlelighters @ The Square

Candlelighters @ The Square supports any member of a family affected by childhood cancer. The centre is a five minute walk from the Children's Hospital and can provide daily support for a family whilst on the ward, visiting clinic appointments and for additional support at the family's convenience.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

The variety of support has evolved from family feedback over the past seven years.
The centre is open daily from 10.00am to 4.00pm and later on a Thursday evening. The type of services offered include:

- Well-being therapies including a variety of massages, reflexology, and energy balancing
- Talking therapy one to one, group support and mindfulness sessions for both children and adults
- A quiet space for relaxation and refreshments
- Grandparents tea parties
- Sibling support groups
- Support groups for parents
- Patient support groups
- Family events
- Hairdressing as well as being offered on the ward.

The team of support workers @ The Square provide flexible professional support. They support families directly on the wards, in the day unit and at the family support centre. The team keep families updated throughout the year via a variety of methods. Each year in Yorkshire we see on average 125 plus families diagnosed with a cancer all who will be able to access this level of support.

Unfortunately, COVID-19 meant that The Square was unable to operate in its usual way during a period; however, Candlelighters adapted its services during this time to ensure that families had access to a wide variety of online support sessions. When restrictions allowed, The Square was able to gradually bring back support groups and other face to face services.

Candlelighters in Your Community
Candlelighters in Your Community was originally developed from the Candlelighters Bus. The bus enabled us to talk with families in the community to establish how we might be able to provide more locally based support. From delivering support on the bus we have identified key areas within Yorkshire where we are able to meet families in community based settings to provide a friendly face to face service and offer any support they require. We now have a team of four Community Support Workers who work across different locations of Yorkshire where they have a caseload of families and run specific events and community days in order to bring support closer to families' homes. Delivering support in this way has allowed us to reach a different demographic of families in comparison to The Square. We aim to continue developing this form of support; researching how we can offer more support to families locally.

Candlelighters Cottage (Brandon Cottage)
Our Cottage officially opened in November 2018 to families. We know how important it is for families to be together and our Cottage provides a comfortable and homely place for them to stay to enable them to be near to the wards when their child is an inpatient at Leeds Children's Hospital. The Cottage provides an additional four ensuite bedrooms to help alleviate the pressure on Eckersley House. Although we had to half the number of families that were able to use the Candlelighters Cottage for the most part of 2021, due to COVID-19 restrictions, the demand for use during this period was lower due to restrictions remaining at the hospital around visiting. We are now delighted to be able to allow the full number of families at the Cottage again.

Holiday breaks
Candlelighters provides funding for two holidays for families during treatment to spend time at various holiday resort locations in the UK. The Charity can now provide a holiday throughout the whole year for varying length of times.

Each year approximately 200 families are able to take a break away from the routine of treatment and hospital visits secure in the knowledge that if necessary, they are within easy travelling distance of the hospital. We provide financial support to families to be able to pay for travel or other expenses for their holiday. Candlelighters offer these holidays to patients and families during treatment when life can be unpredictable, and we aim to take the stress away for a short time. The holidays are also offered to those families whose child may have died during the year and would welcome a break to get away.

Unfortunately, for a large part of the financial year our holidays had to be put on hold due to the COVID-19 environment, however, we were very pleased to be able to start booking holidays again towards the end of 2021.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Eckersley House
Eckersley House adjacent to Clarendon Wing, provides accommodation for families from outside the Leeds area whose child is being treated at the Hospital. The house is run by the Sick Children's Trust. In recognition of the heavy use made of the house by paediatric oncology parents, Candlelighters make a substantial contribution each year towards the running costs of the house.

Teenage Cancer Unit Ward L33
Funding is provided for social activities for the Teenage Support Group. Families of teenage patients up to 19 years old are also able to access support grants and use the Candlelighters Holiday provision.

Equipment
The Charity routinely provides funding for the replacement of play, technical equipment and any key white goods for the wards, outpatient's clinic, paediatric radiotherapy department and bone marrow unit.

Paediatric Radiographer
Funding is provided to support the role of specialised paediatric radiographer based at the radiotherapy unit at St James. This role is the only one in Leeds and supports every family who has a child undergoing intensive treatment, often visiting the hospital daily for many weeks. The relationship between families and this role is crucial to enable the child to undergo daily treatments without the need for a general anaesthetic.

Playleaders Ward L31, L33 and Bone Marrow Transplant Unit
Candlelighters fund 2.5 WTE play leaders to provide support for the Play Team on Ward L31, the Bone Marrow Unit and Radiotherapy. The team continues to provide a high quality play service and has put in place a number of initiatives over the last few years. The play team now works across all clinical areas, and with other members of the multidisciplinary team to use play to support children as they undergo a range of treatments and interventions. The Band 5 Play Specialists in the team ensure consistency in play and preparation across the wards and the clinic, and the team provides preparation and, when required, daily support to children in radiotherapy. They support children and families at times when they are elsewhere in the hospital, for example before and following surgery, or in intensive care. The additional resource in the team (when available) gives increased flexibility to cover whichever part of the service has children with greatest need, and respond to short notice requirements, such as preparation for urgent scans. Following feedback from children and their parents and the increased numbers of children requiring Bone Marrow Transplantation, we have identified a key play leader to develop and have a specialist interest in supporting children and their families undergoing this treatment.

Regional Outreach Play Leaders
Candlelighters is in its seventh year of funding the outreach play leader. The role supports families by providing therapeutic play within the child's own home including support to siblings. Addressing anxieties where the child feels safe and putting action plans together. The play leader liaises with the hospital play team to ensure preparation work at home is continued in hospital and action plans followed to provide continuity of care and increase the child and family's confidence in hospital, providing a less frightening experience for the child and family. The role has continued to develop over the years and now provides a huge support to children and their families who are receiving palliative care and to those who have sadly been bereaved.

Such is the success of the role, we have provided funding for a second outreach play leader who is now in place working alongside the current role which will increase the support we are able to provide across Yorkshire.

Speech and Language Therapist ("SLT")
Candlelighters fund 0.1 FTE of the Speech and Language Therapist role to allow the therapist more time with the children. The post ensures that children receive the right SLT interventions at the right time in order to maximise/retain communication, eating and drinking function and therefore an enhanced quality of life. The staff member works in partnership with families and carers ensuring they receive the right information and support throughout their journey. Every effort is made to facilitate communication between families and SLT including a direct phone line and use of SKYPE or Facetime as appropriate.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT (continued)

Dinner Lady

Many patients undergoing treatment for cancer and leukaemia experience problems with eating during treatment. The problem is worse when the child has to spend long periods in hospital as hospital food is served at set times and by the time it arrives at ward level is unlikely to tempt a child with a failing appetite. Candlelighters fund one full time Dinner Lady who provides nutritious snacks on demand for the patients throughout the day and early evening.

Social Support Team

Candlelighters have historically supported the Oncology Social Work Team by funding 61.5 hours per week towards three social workers. In the early part of 2021, funding from another party ceased therefore Candlelighters stepped in to provide emergency funding alongside Leeds City Council in addition to the normal level of support. This funded a further 55.5 hours supporting three social workers and a team manager, all of whom are now supported by a Candlelighters Family Support Administrator. The team play an important role within the multi-disciplinary paediatric oncology team. The impact that the diagnosis of childhood cancer has on family life cannot be overstated. The social support team works closely with the families to provide both emotional and practical help during their child's treatment.

Current Research Grants

The main activity during the year in relation to research grants was as follows:

- During the financial year, Candlelighters awarded a further £371,551 to continue its commitment to fund the Yorkshire Specialist Register of Cancer in Children and Young People. The Register is a research database which is used to support research into the effectiveness of cancer treatments and any complications which emerge several years after therapy has been completed. An external peer review of the research in the year reinforced its value and the funding allows the Register to continue for a number of years including dedicated statistical analysis on the Register data.
- Candlelighters continued funding the Candlelighters Fellowship programme. The programme was created to utilise the research expertise and facilities of the University of Leeds and Leeds Teaching Hospitals NHS Trust to support the research training of academic paediatric oncologists and haematologists, and in order to ensure doctors with relevant expertise are based in Yorkshire to look after children affected by cancer. Candlelighters has supported nine Fellows to date including the recruitment of an additional two new Fellows which started in Autumn 2020.
- Candlelighters continued funding to contribute towards making it possible for the University of Leeds and the Leeds NHS Trust to create a joint academic-clinical position in neurosurgery and for this post to have dedicated research time. This is the first position of its kind at Leeds.
- Candlelighters continued funding a pilot study to whether a new blood test could shorten the duration of treatment meaning less time in hospital and requiring antibiotics.

FINANCIAL REVIEW

The financial statements are presented in the standard format required by the Charity SORP and cover the activities of the Charity and its dormant subsidiary Candlelighters Trading Limited. The Statement of Financial Activities ("SOFA") shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

Income from the branches is shown gross and the fundraising costs are allocated to the fund for which the money was raised.

- **Income**

During the financial year, COVID-19 continued to have a significant impact on the Charity's income. Furthermore there was reduced availability of COVID related emergency funding and we did not experience the exceptional legacy of the previous year. Accordingly, total income of £1,457,364 in the year was £747,993 (34%) lower than previous year as well as being significantly behind pre-COVID 19 income.

FINANCIAL REVIEW (continued)

- **Income (continued)**

Offsetting the reduced year on year income from Trusts and Foundations (£222,197 reduction), and legacies (£770,648 reduction) was the higher income from our fantastic Community and Corporate supporter base. A slight easing of restrictions compared to the previous year meant more Community fundraising activity was possible and Community income (including Major Donor) of £737,929 was £226,310 higher than financial year 2020/21. Corporate income of £489,626 was £191,608 higher than the previous year reflecting our continued loyal Corporate supporters plus a new Corporate donating £170,000 income.

COVID-19 and, more recently, the Ukraine situation, now compounded by the cost of living crisis, means the fundraising environment is very challenging and we are forecasting subdued income compared to pre-COVID-19 levels for some time.

The Charity would like to thank all our supporters for their immense effort during difficult times to raise money on the Charity's behalf.

- **Expenditure**

Expenditure for the year increased by £496,713 from £1,603,948 to £2,100,661.

The cost of raising funds of £427,181 was £80,423 lower than prior year. Fundraising staff costs were £133,221 (35%) lower reflecting the restructure in the previous year in response to the challenging COVID-19 environment. Partially offsetting this was an increase in general fundraising costs as certain fundraising activities had become more possible again during the year such as challenge events.

Charitable activities expenditure increased by £577,136 from £1,096,344 to £1,673,480. In the prior year, all but essential spend was cut and restrictions meant a natural limit on the Charity's expenditure. Therefore, a major factor in the higher costs is a gradual easing of COVID-19 restrictions meaning it became increasingly possible to support families affected by childhood cancer in the way we wanted to and would normally do. For example, we were able to start to send families on holidays again (£46,288 increase to prior year), providing greater wellbeing treatments and therapies in person (£29,679 increase to prior year) as well as support groups and activities more generally. We were also able to increasingly have staff based at the hospital and open up The Square again so front line staff costs increased by £51,695. As part of rebuilding the staff of the Charity we incurred £36,972 recruitment fees compared to nil in the previous year.

The biggest driver in the increase in Charitable activities costs was net grant expenditure which was £527,205 higher. COVID-19 has had and continues to have a significant impact on the Charity; however, after weathering the initial storm, our reserves and exceptional income in the prior year allowed the Board to have the confidence to progress and commit to major strategic projects which were paused due to COVID-19. This included a £371,551 multiyear award to continue our support of the Yorkshire Specialist Register of Cancer in Children and Young People.

Going forward our cost base is expected to be more in line with pre-pandemic levels and beyond as we want to continue to expand our support to families, keep progressing strategic objectives and inflationary pressures take effect. However, the challenging fundraising environment means our forecast income is not expected to match the higher and growing expenditure, therefore the Charity is expected to experience significant deficits and use up reserves in the short to medium term.

The Charity strives to keep administrative costs to a minimum to ensure efficient use of resources.

- **Investment policy and performance**

The Charity's investments are held in a mixture of equities, bonds, pooled funds and bank deposit balances. Brewin Dolphin are the Charity's appointed Investment Managers with an investment mandate of "Income and Capital Growth Return, low to moderate investment risk.", and from an ethical perspective there will be no direct investment in tobacco.

Given the importance of the market value of investments on the reserves of the Charity, the Trustees continue to closely monitor the performance of the portfolio.

The Charity has two investment funds.

FINANCIAL REVIEW (continued)

- **Investment policy and performance (continued)**

Firstly the Working Capital Portfolio which has a low-risk investment profile with a short to medium term investment horizon as cash flow forecasts show that the Charity may need to access these funds in this timeframe in order to pursue the Charity's objectives. As at 28 February 2022 the Working Capital Portfolio had a market value of £565,013. The portfolio produced an annual estimated gross income of £13,263, which is equivalent to a gross yield of 2.3%.

Over the period 1 March 2021 to 28 February 2022 the Working Capital Portfolio made a total return of +5.57% This compares to a total return in the market benchmark (MSCI WMA Conservative Index) of +4.41%.

As at 28 February 2022, the General Trust Portfolio, which has a medium-risk investment profile with a long-term investment horizon, was valued at £3,397,347. The portfolio produced an annual estimated gross income of £86,320, which is equivalent to a gross yield of 2.5%. Over the period 1 March 2021 to 28 February 2022 the General Trust Portfolio made a total return of +2.51%. This compares to a total return in the market benchmark (MSCI WMA Income Index) of +7.15%. Over this period the FTSE ALL Share Index recorded a total return of +16.03% and the FT Government Securities Index made a total return of-3.02%.

During the year, the markets continued to recover from the COVID-19 driven decline, however, towards the very end of the year any gains accumulated in the year to date largely reversed due to the Ukraine situation. Accordingly, the overall net realised/unrealised investment gain in the year was £11,028.

The remaining current assets of the Charity of £582,197 as at 28 February 2022 were held mainly as bank deposit balances in order to provide sufficient liquidity for the short term settlement of liabilities including grant liabilities.

- **Reserves policy**

In order to ensure continuity of charitable expenditure and to fulfil the aims and objectives of the Charity, a level of reserves must be maintained, especially due to ongoing commitments from which it is not possible to withdraw at short notice as well as being able to withstand potential drops in the market value of investment funds. This is particularly the case in the current environment as the continued impact of COVID-19 and, more recently, the Ukraine situation and the cost of living crisis is making the fundraising environment very challenging with the latter also putting pressure on the cost base of the Charity. This strain on income and costs at a time we want to maintain and expand our support to families affected by childhood cancer means we are forecasting annual deficits for the next few years.

In February 2022 the Trustees formally agreed to set a new reserves policy based on the level of free reserves. The policy is that free reserves should be no lower than £1.0 million with a target level of between £1.5 million and £2.0 million. This excludes the fixed asset reserve, designated reserves and restricted reserves. Previously the policy included designated reserves but the progression of strategic projects means the level of designated reserves can change quite significantly in any given period.

The target level is deemed appropriate given the challenging environment and continued forecast deficits for the next few years. If the environment improves and stabilises, the target level may be reduced in the future.

If free reserves are exceeding the target level we will look to further designate reserves to long term strategic projects including research but also the planned new Children's hospital. The new Children's hospital will have a major impact on the Charity and will require significant reserves to help support the development and the new location may mean Candlelighters needs to secure different or additional premises to ensure we are in the right place to support patients and families. Our investment will align to the new Children's hospital timetable, however, these reserves may be required well before the scheduled opening and given the potential reserves required, we need to start building the designated reserves now.

Free reserves at the end of the financial year are £1,577,306 so towards the lower end of the target range. The free reserve is budgeted to reduce this financial year but the budgeted deficit will also use up designated and restricted reserves.

- **Restricted and Unrestricted Funds**

Monies donated to the Research Fund are restricted solely for the purpose of funding research. Other restricted funds are detailed in note 23 of the financial statements.

FUTURE PLANS

Candlelighters, like many other charities, continued to be impacted by COVID-19 during this year both in terms of income generation and its service delivery. In addition to this Candlelighters also saw the impact of the cost of living crisis and the war in Ukraine beginning to emerge and further affect income generation.

As Candlelighters looks ahead its key areas of focus over the coming year are:

- To further diversify income streams to protect and grow income
- To be more effective in everything it does, largely through the development of digital solutions, enhancing the family journey and supporter journey
- To develop its plans to provide more individualised support to families
- To launch the new research programme focusing on reducing the side effects of treatment and improving quality of life
- To engage with families and key stakeholders to ensure our services are up to date and fit for purpose. Their feedback and involvement will help to plan and shape the future of family support delivery for the next 5 years

The Charity remains committed to the key aims within its 2020/2025 strategy, its key aims are to:

- Maintain high quality family support services
- Expand current family support services across Yorkshire, taking support closer to home for families
- Provide equitable support for families affected by childhood cancer across Yorkshire regardless of their principal treatment centre in Yorkshire
- Invest further in research; to include the funding of a new leading research programme in Supportive Care resulting in improved quality of life for children affected by childhood cancer
- Be more digital in everything we do
- Support the development of the new Children's Hospital for oncology families and be the Centre of Excellence nationally with regards to our model of support for families affected by childhood cancer
- Protect, maintain and increase income in the next 5 years to enable the implementation of our strategic plan

Candlelighters is extremely excited about the year ahead where it will see a return of some of the biggest face to face family events and mass participation events in fundraising since pre Covid-19. These are huge milestones and ones which the Charity is really looking forward to being able to deliver and be involved in.

This year we will also see the return of a Family Support Sub Committee of the Board to drive forward the development of key initiatives such as the 'Candlelighters in Your Community' model, which the Charity will be enhancing to support families on a more individualised basis.

Candlelighters hopes that this year will also see the appointment of the researcher who will be developing a 5-year research programme focusing on improving the quality of life of children with cancer in particular looking at if and how we can reduce the severity of the side effects from treatment.

As the Charity looks ahead with renewed optimism, it must also be conscious and mindful of the challenges which lie ahead; both in terms of the uncertainty in income generation and also in terms of the challenges its colleagues face within the NHS who are still very much managing the impact of 'Covid-19'.

Candlelighters remains committed and determined to provide the best possible support to families affected by childhood cancer and will continue to respond and adapt accordingly to the challenges that may lie ahead in the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The legal status of The Candlelighters Trust is that of a Company Limited by Guarantee incorporated in 1995. As such its governing instrument is its Memorandum and Articles of Association, as amended over the years to allow for current governance arrangements.

It is registered as a charity with the Charity Commission. Parents whose children are treated at the Children's and Adolescent Oncology and Haematology department can become members of the company. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

- **Trustees**

Details of the Trustees, who are also directors of the company for the purposes of company law, who have served during the year are listed on page 1.

None of the Trustees had any personal beneficial interests requiring disclosure, either in the Charity or in its wholly owned subsidiary company, Candlelighters Trading Limited, other than disclosed in note 21 of the financial statements.

- **Appointment of Trustees**

As set out in the Articles of Association the Board of Trustees must be made up of between nine and fifteen individual Trustees, all of whom shall become Members by virtue of their appointment as Trustees. No less than one third, but no more than half of the Trustees will be clinical (including medical) Trustees.

The Articles of Association require that one third of the Trustees retire by rotation at each Annual General Meeting after which they may put themselves forward for reappointment.

- **Training of Trustees**

Most Trustees are already familiar with the practical work of the Charity through their association with the Children's and Adolescent Oncology and Haematology department. New Trustees receive a briefing on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the Board of Trustees and the decision-making process; the history; business plan and recent financial performance of the Charity. In addition, Trustees are encouraged to attend appropriate internal and external training events to facilitate the undertaking of their role.

- **Management**

The Trustees meet at least four times a year to review and decide the broad strategy and areas of activity of the Charity including grant making, administration, reserves and risk management. In addition, once a year, there is a Hearts and Minds day where the Trustees review in depth the future direction and strategy of the Charity.

The day-to-day administration of grants and the processing and handling of applications prior to consideration by the relevant committee is delegated to the Senior Management Team.

- **Key Management Personnel and Remuneration Policy**

The board of Trustees together with the Senior Management Team (as listed on page 2) are considered to be the key management personnel of the Charity.

All Trustees give their time freely and no Trustee remuneration or expenses were paid during the year.

The Chief Executive salary is determined by benchmarking across the Third Sector on an annual basis.

- **Voluntary help and employees**

The Trustees wish to record their thanks for the hard work of the Charity's employees and the support of the much-valued assistance of volunteers.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- **Risk management**

The Trustees regularly review the risk management strategy in accordance with the requirements of the SORP on Accounting and Reporting by Charities. The Charity has a risk management strategy which comprises a formal review of the risks the Charity may face at least twice a year, and the systems and procedures to minimise any potential impact on the Charity should those risks materialise. Internal control risks are minimised by policies and procedures covering a wide range of risks including the authorisation of all grants and financial transactions.

The key risks to the Charity fall into the categories below. A description of the risk categories and how these risks are mitigated are as follows:

- *Governance risk:* This is the risk that poor governance means the Board fails to deliver an effective strategy in line with the Charity's objectives. This may be due to the Board not having the right skills or commitment, or there is a conflict of interest or dominant influence. This risk is mitigated due to a rigorous Board selection, and ongoing appraisal and skills review programme. There is a conflicts of interest protocol where all potential conflicts are declared and recorded, and appropriate action taken if any perceived conflicts exist. The Charity has a five year strategic plan which is reviewed annually, and an annual business plan with quarterly performance reviewed by the Board.
- *Operational risk:* This category of risk reflects potential issues arising from the day to day operational activities of the Charity. This includes any risks arising from the support the Charity provides to the families affected by childhood cancer, as well as risks to Charity staff and its assets, data and infrastructure. Policies and procedures are in place in order to reduce operational risk. All new staff and volunteers or relevant third parties go through an extensive induction training process including a review of the Charity's policies and procedures. Existing staff receive refresher training and have to review policies and procedures on a periodic basis. All teams meet weekly to discuss any new or ongoing operational risks including specifically safeguarding risks, and any significant risks are escalated to the weekly Senior Management Team meeting. Any significant incidents are recorded on an "Incident Report Form" which requires consideration of any lessons learnt and necessary actions with sign off from the Senior Management Team. Risks also from part of a monthly appraisal process.
- *Financial risk:* The financial performance and position of the Charity is monitored regularly including monthly management information and is reviewed at each Trustee meeting. Liquidity risk is managed by regular monitoring of the cash held at bank and alternative funds available. An annual budget is prepared by the Senior Management Team and approved by the Board and if during the year the performance is expected to be significantly different from that budgeted, a reforecast exercise will be undertaken. Financial policies and procedures, and controls are in place for core financial activities. A key element in the management of financial risk is the setting of a reserves policy and its periodic review by Trustees.
- *Legal and compliance risk:* Guidelines are issued to all staff and volunteers in order to comply with charity and local authority regulations and to minimise risks to health and safety. The Charity seeks external legal advice when required.
- *External risk:* The Charity can be significantly impacted by external factors including political, economic, social, technological and environmental. The Senior Management Team and Board will regularly review external factors and are informed from communications and briefings from a number of sources including industry bodies, supporters and beneficiaries. These factors are taken into account in the annual business plan and five year strategic plan, as well as the reserves policy. Policies and procedures are also in place to deal with external factors that would impact more immediately such as business continuity and disaster recovery planning.

- **Grant making policy**

Research Grants

The Charity funds research into adolescent and childhood cancer and leukaemia. All grants are reviewed by the Board with Board approval required for any grant in excess of £20,000 or £2,000 if not already included in the budget. Any research grants in excess of £50,000 have to be reviewed by external scientific experts before being submitted for approval by the Board of Trustees and periodically thereafter. In 2021 Candlelighters entered into a partnership agreement with an AMRC registered charity, Children's Cancer Leukaemia Group (CCLG), to allow for independent expert support with the initial review and ongoing monitoring of research grants including those below £50,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Other Grants

The Charity also provides non-research grants in order to provide support to families affected by childhood cancer such as funding roles at the hospital or providing medical equipment. All grants over £20,000 (or £2,000 if not already included in the budget) have to be approved by the Board and all grants are reviewed by the Board.

- **Conflict of interest policy**

The Charity has adopted a conflict of interest policy applicable to all Trustees, Members of the Sub-Committees and staff. This policy aims to protect both the organisation and the individuals involved from any appearance of impropriety. All Trustees, Members of the Sub-Committees and Staff are asked to declare their interests and any gifts or hospitality received in connection with their role in the Charity. In accordance with the Trust's policy, Trustees and Sub-Committee Members are required to withdraw from decisions where a conflict of interest arises.

- **Ethical Fundraising policy**

At Candlelighters we aim to ensure that our supporters and the wider public are treated fairly and with respect. We continually monitor and review our practices to ensure we are adhering to the latest in fundraising regulations and practices.

Fundraising Standards

Candlelighters voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice which sets out statutory obligations and best practice standards.

Third Party Fundraising

We work with people and organisations raising funds on behalf of Candlelighters in order to ensure best practice and the Fundraising Regulator's Code of Conduct is followed. Where applicable, signed contracts and agreements will be put in place.

Complaints

At Candlelighters we aim to maintain high standards in all areas of our work and complaints are an important way for us to identify and resolve issues quickly and learn how to improve our services and procedures long term, ensuring we are able to maintain high standards in all areas of our work. In the year to 28 February 2022, Candlelighters received two complaints relating to fundraising which have now been resolved. In the instance where a complaint is received, Candlelighters has an internal complaints policy which guides staff on how to deal with complaints in an effective manner.

Data

Candlelighters is committed to the responsible use of personal data. We are transparent about what we do with personal data and strive to ensure that our supporters feel confident in how we are using it. Candlelighters is registered with the Information Commissioner's Office ("ICO") and we have a data protection policy in order to ensure we comply with the ICO guidelines.

Protecting vulnerable people

Candlelighters is very conscientious about self-regulation of its fundraising activities and protecting vulnerable people. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice from the Fundraising Regulator which sets out statutory obligations and best practice standards. Guidance is also given to those who fundraise on the Charity's behalf. Candlelighters approach to fundraising is to avoid unreasonable intrusion into an individual's privacy, persistent approaches or undue pressure to donate to the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Auditors

The auditors Thomas Coombs Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small Company Exemptions

The Trustees have taken advantage of the small company exemptions within the Companies Act 2006 in connection with the preparation of the Trustees Report.

Approved by the Board of Trustees on 28th September 2022 and signed on its behalf by:

Lucy Fletcher

L Fletcher, Company Secretary

The Trustees (who are also directors of The Candlelighters Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Trustees are aware:

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



K Hardcastle
Chair - Trustee

Dr E M Richards
Trustee

Date: 28th September 2022

Opinion

We have audited the financial statements of The Candlelighters Trust (the parent charitable company) and its subsidiaries (the group) for the year ended 28 February 2022 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet and the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 28 February 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- The directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the Charity through discussions with management, and from our commercial knowledge and experience of the sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts of the operations of the Charity, including the Charities Act 2011.
- We assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC, relevant regulators including the Charities Commission and the Charity's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

C. Darwin

Christopher Darwin FCA (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor & Chartered Accountants
3365 Century Way,
Thorpe Park,
Leeds,
West Yorkshire
LS15 8ZB

Date: 28th September 2022

THE CANDLELIGHTERS TRUST (Company number 3020552)
Consolidated statement of financial activities for the year ended 28 February 2022
(incorporating statutory income & expenditure account)

	Note	Unrestricted Funds £	Restricted Fund £	2022 Total *Funds* £	*2021 Total Funds £*
INCOME AND ENDOWMENTS FROM					
Donations and legacies:					
Donations and grants	3	**1,186,674**	**149,063**	**1,335,737**	*1,291,149*
Branch fundraising events		**5,876**	**1,620**	**7,496**	*27,766*
Legacies	4	**3,568**	**-**	**3,568**	*774,216*
Trading activities – sale of goods		**11,244**	**-**	**11,244**	*4,043*
Investment income	5	**99,319**	**-**	**99,319**	*108,183*
Total Income and Endowments		**1,306,681**	**150,683**	**1,457,364**	*2,205,357*
Expenditure on					
Raising funds	6	**413,176**	**14,005**	**427,181**	*507,604*
Charitable activities	7	**1,133,151**	**540,329**	**1,673,480**	*1,096,344*
Total Expenditure	9	**1,546,327**	**554,334**	**2,100,661**	*1,603,948*
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**(239,646)**	**(403,651)**	**(643,297)**	*601,409*
Transfers to restricted research	23	**14,109**	**(14,109)**	**-**	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		**(225,537)**	**(417,760)**	**(643,297)**	*601,409*
Net Gains and Losses					
Gains / (losses) on investments					
Realised		**50,860**	**-**	**50,860**	(43,512)
Unrealised		**(39,832)**	**-**	**(39,832)**	*246,204*
NET MOVEMENT IN FUNDS		**(214,509)**	**(417,760)**	**(632,269)**	804,101
Reconciliation of funds					
Balances brought forward at 1 March 2021		**3,439,311**	**745,603**	**4,184,914**	*3,380,813*
BALANCES CARRIED FORWARD AT 28 February 2022	23	**3,224,802**	**327,843**	**3,552,645**	*4,184,914*

The statement of financial activities includes all gains and losses recognised in the year.
All amounts related to continuing activities within the United Kingdom.

The notes on pages 23 to 41 form part of these financial statements.

THE CANDLELIGHTERS TRUST (Company number 3020552)
Balance sheet at 28 February 2022

	Note	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Tangible fixed assets	12	**555,530**	*597,379*	**555,530**	*597,379*
Investments	13	**3,397,347**	*3,426,263*	**3,424,154**	*3,453,070*
		3,952,877	*4,023,642*	**3,979,684**	*4,050,449*
Current assets					
Stock		**15,633**	*15,027*	**15,633**	*15,027*
Debtors	14	**50,616**	*69,817*	**50,616**	*69,817*
Investments	15	**565,013**	*560,020*	**565,013**	560,020
Branch funds		**35,705**	*32,146*	**35,705**	*32,146*
Cash at bank and in hand		**480,243**	*763,790*	**480,243**	*763,790*
		1,147,210	*1,440,800*	**1,147,210**	*1,440,800*
Liabilities: amounts falling due within one year					
Grant awards	16	**(746,469)**	*(626,446)*	**(746,469)**	*(626,446)*
Other	16	**(77,620)**	*(52,208)*	**(104,427)**	*(79,015)*
Net current assets		**323,121**	*762,146*	**296,314**	735,339
Total assets less current liabilities		**4,275,998**	*4,785,788*	**4,275,998**	*4,785,788*
Liabilities: amounts falling due after more than one year					
Grant awards	17	**(723,353)**	*(600,874)*	**(723,353)**	*(600,874)*
Net assets	19	**£3,552,645**	*£4,184,914*	**£3,552,645**	*£4,184,914*
Funds of the Charity					
Unrestricted - free charitable reserve	23	**1,577,306**	*1,940,391*	**1,577,306**	*1,940,391*
Unrestricted – fixed assets reserve	23	**555,530**	*597,379*	**555,530**	*597,379*
Unrestricted- designated: supportive care	23	**746,166**	*376,541*	**746,166**	*376,541*
Unrestricted- designated: digital	23	**145,800**	*150,000*	**145,800**	*150,000*
Unrestricted- designated: Sheffield	23	**-**	*65,000*	**-**	*65,000*
Unrestricted- designated: Cottage	23	**-**	*10,000*	**-**	*10,000*
Unrestricted- designated: New Children's Hospital	23	**100,000**	-	**100,000**	-
Unrestricted- designated: research pot	23	**100,000**	*300,000*	**100,000**	*300,000*
Restricted	23	**327,843**	*745,603*	**327,843**	*745,603*
Total funds	23	**£3,552,645**	*£4,184,914*	**£3,552,645**	*£4,184,914*

Approved by the board of Trustees on 28th September 2022 and signed on its behalf by:

K Hardcastle (Chair - Trustee) **Dr E M Richards (Trustee)**

The notes on pages 23 to 41 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement
For the year ended 28 February 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from/ (used in) operations	a	**(297,632)**	*736,698*
Net cash generated from/ (used in) operating activities		**(297,632)**	*736,698*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(7,207)**	*(4,146)*
Purchase of investments		**(683,831)**	*(1,203,875)*
Sale of investments		**708,682**	*856,235*
Net cash (used in)/ generated from investing activities		**17,644**	*(351,786)*
Change in cash and cash equivalents in the reporting period		**(279,988)**	*384,912*
Cash and cash equivalents at the beginning of the reporting period		**795,936**	*411,024*
Cash and cash equivalents at the end of the reporting period	b	**£515,948**	*£795,936*

The notes on pages 23 to 41 form part of these financial statements.

a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	(632,269)	804,101
Adjustments for:		
Depreciation charges	43,003	58,761
Loss on disposal of tangible fixed assets	6,053	-
Fixed asset impairment	-	194,388
Net unrealised (gains)/losses on investments	39,832	(246,204)
Net realised (gains)/losses on investments	(50,860)	43,512
(Increase)/ decrease in cash held within investments	10,100	92,869
(Increase)/decrease in stock	(606)	2,630
(Increase)/decrease in debtors	19,201	135,487
Increase/(decrease) in creditors	267,914	(348,846)
Net cash generated from/ (used in) operating activities	£(297,632)	£736,698

b. COMPOSITION OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Branch funds	35,705	32,146
Cash at bank and in hand	480,243	763,790
Cash and cash equivalents	£515,948	£795,936

The notes on pages 23 to 41 form part of these financial statements.

1 General information

The Candlelighters Trust is a company limited by guarantee, incorporated in England & Wales. The registered office is 8 Woodhouse Square, Leeds, LS3 1AD. The members of the company are the trustees detailed on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2 Accounting Policies

Basis of Preparation

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019,'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Candlelighters Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Basis of Consolidation

The consolidated accounts incorporate the accounts of the Charity and its wholly-owned subsidiary undertaking. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and SORP 2015 and has not presented its own Income and Expenditure account in these financial statements. A separate Statement of Financial Activities for the Charity is not considered necessary because the activities of the Charity and the wholly owned subsidiary undertaking are easily distinguished within the consolidated Statement of Financial Activities. The accounts include the activities of both the head office and those if its various branches.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees (who are directors of The Candlelighters Trust for the purposes of company law and trustees of The Candlelighters Trust for the purposes of charity law) have reviewed the Charity's financial position, taking into account the satisfactory level of reserves and cash, current year forecasts and its systems of financial and risk management. As a result of their review, the trustees believe that the Charity is well placed to manage operational and financial risks successfully.

Fund Accounting

Monies earmarked by donors or by the terms of an appeal for particular projects are accounted for separately, in Restricted Funds. The notes to the accounts show the movements and balances on any such Restricted Funds. Unrestricted funds may be spent on any legitimate charitable aim as laid down in the Charity's memorandum of association.

Unrestricted funds are held in the general reserve except to the extent that the Trustees consider it appropriate to make transfers to designated funds to meet the expected cost of planned awards for the future. As costs on such awards are incurred, they are charged against the designated fund to the extent that the fund proves sufficient. Any balance of such expenditure is charged against the general fund. If the project costs less than the amount in the designated fund, any surplus is transferred back to the general fund.

The group's accounting systems allocate all income, expenditure, assets, liabilities and reserves between these funds. The statement of financial activities shows separately the income, expenditure and any transfers relating to restricted funds, designated funds and general reserves. Assets and liabilities attributed to each fund are disclosed in the notes to the financial statements.

Income

Donations and fundraising event income are included in the Statement of Financial Activities when:

- the Charity is told it is to receive the gift or donation;
- the Trustees are reasonably certain of the amount to be received;
- the Trustees are reasonably certain they will receive the money; and
- any conditions for receipt are met.

2 Accounting Policies (continued)

Income (continued)
Legacies are recognised when it is probable that they will be received. Receipt is normally probable when:

- there has been grant of a probate;
- the executors have established that there are sufficient assets in the estate after settling any liabilities to pay the legacy; and
- any conditions attached to the legacy are either within the control of the Charity or have been met.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accruals model.

Volunteers and Donated Services and Facilities
The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Where services are provided to the Charity as a donation that would normally be purchased from a supplier, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

Expenditure
Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Cost Allocation
The Statement of Recommended Practice requires that costs are allocated where appropriate to charitable expenditure and to costs of generating funds. The Charity's central overheads, including staff costs, have been allocated to charitable activity and costs of generating funds on the basis of the allocated time spent by staff on those functions with the aim of ensuring that those costs remaining with governance costs relate to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of Raising Funds
The costs of raising funds consist of commercial trading costs, investment management fees, branch fundraising events and those other costs incurred in attracting voluntary income.

Charitable Activities
Costs of charitable activities include grants made and an apportionment of overhead and support costs.

Governance Costs
Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Pension Contributions
The Charity pays defined contributions into the pension schemes of several employees. These amounts are charged to the Statement of Financial Activities as they become payable and in accordance with their functional classification.

2 Accounting Policies (continued)

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

Tangible Fixed Assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets capable of operating as intended, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	20% reducing balance
Fixtures and fittings	10% reducing balance, 20% reducing balance
Pavilion	20% on cost
The Square	10% on cost
Brandon Cottage	2% on cost

No depreciation is charged on tangible fixed assets until they are capable of operating as intended.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at year end. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Fixed and Current Asset Investments
Quoted investments are stated at mid-market value. All losses and gains are taken direct to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit or loss.

Liabilities and Provisions
Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation, Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Financial Instruments
The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Accounting Policies (continued)

Stock
Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

Judgements in Applying Accounting Policies and Estimation Uncertainty
Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these key judgements and estimates have been made include the depreciation of fixed assets, the estimate of grant liabilities, the provisions for costs included within accruals and the allocation of donations and costs.

3 Donations and grants

	Unrestricted Funds £	Restricted Funds £	2022 Total £	*2021 Total £*
Community	**621,911**	**66,018**	**687,929**	*511,619*
Major Donor	**50,000**	**-**	**50,000**	*-*
Corporate	**488,781**	**845**	**489,626**	*298,018*
Trusts and Foundations	**23,250**	**82,200**	**105,450**	*327,647*
Government Grants	**2,732**	**-**	**2,732**	*153,865*
	£1,186,674	**£149,063**	**£1,335,737**	*£1,291,149*
Total 2021	*£955,638*	*£335,511*	*£1,291,149*	

Of the £2,732 Government grants, £1,232 (2021: £143,865) related to the Job Retention Scheme received for members of staff on furlough.

4 Legacies

	Unrestricted Funds - Core £	Unrestricted Funds – Exceptional legacy £	Restricted Funds £	2022 Total £	*2021 Total £*
Legacies	**3,568**	**-**	**-**	**3,568**	*774,216*
	£3,568	**-**	**-**	**£3,568**	*£774,216*
Total 2021	*£124,216*	*650,000*	*-*	*£774,216*	

The exceptional income received in 2021 related to an extraordinary large single legacy for which there were no specific restrictions attached to the donation.

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2022 Total £	*2021 Total £*
Income from listed investments	**99,319**	**-**	**99,319**	*108,128*
Bank and other interest	**-**	**-**	**-**	*55*
	£99,319	**-**	**£99,319**	*£108,183*
Total 2021	*£108,181*	*£2*	*£108,183*	

6 Costs of Raising Funds

	Unrestricted Funds £	Restricted Funds £	2022 Total £	*2021 Total £*
Postage	**2,459**	**-**	**2,459**	*1,592*
Newsletter	**18,809**	**-**	**18,809**	*5,237*
Fundraising expenses	**58,049**	**-**	**58,049**	*25,750*
Opening stock	**15,027**	**-**	**15,027**	*17,657*
Cost of merchandise sold	**5,517**	**-**	**5,517**	*729*
Closing stock	**(15,633)**	**-**	**(15,633)**	*(15,027)*
IT costs	**9,559**	**650**	**10,209**	*8,908*
Banking and platform charges	**15,797**	**-**	**15,797**	*11,785*
Website costs	**12,000**	**-**	**12,000**	*12,000*
Branch fundraising costs	**-**	**44**	**44**	*8,270*
Investment management costs	**26,493**	**-**	**26,493**	*22,223*
Staff training	**4,998**	**-**	**4,998**	*289*
Waverley premises costs	**19,926**	**4,456**	**24,382**	*25,940*
Support costs				
Apportioned staff costs	**240,175**	**8,855**	**249,030**	*324,360*
Staff costs covered by government grants	**-**	**-**	**-**	*57,891*
	£413,176	**£14,005**	**£427,181**	*£507,604*
Total 2021	*£455,168*	*£52,436*	*£507,604*	

7 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2022 Total £	*2021 Total £*
Research grants				
Total grants awarded (see note 24)	-	371,551	371,551	-
Grants no longer required	-	-	-	-
Other grants				
Total grants awarded (see note 24)	259,821	-	259,821	*117,870*
Grants no longer required	(10,787)	-	(10,787)	*(24,490)*
Other charitable activities				
Family financial support	93,260	14,000	107,260	*94,661*
Support groups and parent information	10,362	29,036	39,398	*13,476*
Holidays for families	45,079	-	45,079	*(1,209)*
Recruitment costs	36,972	-	36,972	-
Hospital Equipment and support	7,065	2,308	9,373	*7,112*
Brandon cottage costs	9,709	-	9,709	*8,002*
Brandon cottage impairment	-	-	-	*194,388*
Depreciation of Brandon cottage and fittings	11,780	-	11,780	*26,864*
Global Make Some Noise- Twin Vision Animation	-	-	-	*2,625*
@The Square				
- Running costs	44,399	5,544	49,943	*22,998*
- Depreciation of The Square	22,530	-	22,530	*22,530*
- Wellbeing treatments and support	75,775	10,090	85,865	*56,186*
- Front line staff costs	205,513	82,995	288,508	*201,017*
- Staff costs covered by government grants	1,034	-	1,034	*36,830*
Support costs				
Depreciation	8,693	-	8,693	*9,367*
Loss on disposal of fixed assets	6,053	-	6,053	-
Candlelighters car	-	-	-	*126*
IT costs	9,558	650	10,208	*8,908*
Other support costs	16,752	-	16,752	*10,074*
Auditors' remuneration – payroll services	1,588	-	1,588	*1,809*
Other staff costs- charity management and central support of charitable activities	255,995	22,537	278,532	*216,350*
Staff costs covered by government grants	198	-	198	*49,144*
Governance costs (note 8)	21,802	1,618	23,420	*21,706*
	£1,133,151	£540,329	£1,673,480	*£1,096,344*
Total 2021	*£894,066*	*£202,278*	*£1,096,344*	

8 Governance Costs

	Unrestricted Funds £	Restricted Funds £	2022 Total £	*2021 Total £*
Auditors' remuneration	**7,811**	**654**	**8,465**	*8,100*
Legal and professional	**7,061**	**-**	**7,061**	*6,333*
Apportioned staff costs	**6,036**	**964**	**7,000**	*6,860*
Meetings	**894**	-	**894**	*413*
	£21,802	**£1,618**	**£23,420**	*£21,706*
Total 2021	*£16,813*	*£4,893*	*£21,706*	

9 Total Resources Expended

	Staff Costs £	Depreciation £	Other Costs £	2022 Total £	*2021 Total £*
Costs of raising funds	**249,030**	**-**	**178,151**	**427,181**	*507,604*
Charitable activities (excluding governance)	**568,272**	**43,003**	**1,038,785**	**1,650,060**	*1,074,638*
Governance costs	**7,000**	**-**	**16,420**	**23,420**	*21,706*
	£824,302	**£43,003**	**£1,233,356**	**£2,100,661**	*£1,603,948*
Total 2021	*£892,452*	*£58,761*	*£652,735*	*£1,603,948*	

10 Total Resources Expended (continued)

Staff Costs	2022 £	*2021* *£*
Wages and salaries	**735,482**	*788,361*
Social security costs	**60,153**	*67,618*
Pension costs	**28,667**	*36,473*
	£824,302	*£892,452*

The total employment costs to the Charity of the key management personnel during the year was £297,546 (2021: £249,076).

The average number of key management personnel during the year was 6 (2021: 5).

Reimbursed expenses, which are all subject to the Charity's processes of internal controls, do not form part of remuneration and are not included above.

The Trustees received no remuneration and were not reimbursed for any expenses during the year (or previous year).

All Trustees give their time freely and no Trustee remuneration was paid in the year. During the year monetary donations made by Trustees to the Charity totalled £677 (2021: £60).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 Number	*2021* *Number*
In the band £60,001 - £70,000	**1**	*1*

Pension contributions of £nil (2021: £nil) were paid by the Charity for the above employee.

The average number of paid employees (including part-time) was:

	2022 Number	*2021* *Number*
Administration, management, fundraising and charitable expenditure support	**28**	*31*

11 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2021 Total £
INCOME AND ENDOWMENTS FROM			
Donations and legacies:			
Donations and grants	955,638	335,511	1,291,149
Branch fundraising events	20,436	7,330	27,766
Legacies	774,216	-	774,216
Trading activities – sale of goods	4,043	-	4,043
Investment income	108,181	2	108,183
Total Income and Endowments	1,862,514	342,843	2,205,357
Expenditure on			
Raising funds	455,168	52,436	507,604
Charitable activities	894,066	202,278	1,096,344
Total Expenditure	1,349,234	254,714	1,603,948
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS	513,280	88,129	601,409
Transfers to restricted research	13,453	(13,453)	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS	526,733	74,676	601,409
Net Gains and Losses			
Gains / (losses) on fixed asset investments			
Realised	(43,512)	-	(43,512)
Unrealised	246,204	-	246,204
NET MOVEMENT IN FUNDS	729,425	74,676	804,101
Reconciliation of funds			
Balances brought forward at 1 March 2020	2,709,886	670,927	3,380,813
BALANCES CARRIED FORWARD AT 28 February 2021	£3,439,311	£745,603	£4,184,914

12 Tangible Fixed Assets

Group and Charity:

	Freehold Property	Leasehold Improvements		Fittings & fixtures	Equipment	
	Brandon Cottage	@The Square	Pavilion	Brandon Cottage		Total
	£	£	£	£	£	£
Cost						
As at 1 March 2021	635,279	225,303	326,539	114,890	70,736	1,372,747
Additions	-	-	-	-	7,207	7,207
Disposals	-	-	-	-	(26,912)	(26,912)
As at 28 February 2022	635,279	225,303	326,539	114,890	51,031	1,353,042
Accumulated depreciation and impairments						
As at 1 March 2021	222,779	157,734	326,539	35,725	32,591	775,368
Charge for the year	-	22,530	-	11,780	8,693	43,003
Eliminated on disposal	-	-	-	-	(20,859)	(20,859)
As at 28 February 2022	222,779	180,264	326,539	47,505	20,425	797,512
Net book value						
At 28 February 2022	**£412,500**	**£45,039**	**£ -**	**£67,385**	**£30,606**	**£555,530**
At 28 February 2021	*£412,500*	*£67,569*	*£ -*	£79,165	*£38,145*	*£597,379*

The Trustees considered costs incurred in the building of the Pavilion are improvements on leasehold land owned by the Leeds General Infirmary.

The Square costs represent capital improvements and internal fittings and furniture within a short leasehold property. The property hosts the family support centre of the Charity.

The freehold property represents the asset of Brandon Cottage.

During 2021, the Charity gained more details about the planned new children's hospital including information on timescales, location and the possible accommodation for families. From these details, the most likely expectation is that accommodation will be available to families closer to the new location of the hospital than Brandon Cottage. As such, whilst we intend to keep the Cottage as long as it remains valuable to the families and the Charity which is expected to be for a number of years, the potential period of the value in use is likely to be shorter. Accordingly, having reviewed the expected value in use versus up to date market values obtained, the Cottage carrying value was reduced to the market value in 2021. This resulted in an impairment in the financial statements of £194,388. The carrying value continues to be reviewed in light of any developments and updated information regarding the new children's hospital.

13 Fixed Asset Investments

	Group £	Charity £
Quoted investments		
Market value at 1 March 2021	3,384,288	3,384,288
Additions	601,339	601,339
Disposals	(565,768)	(565,768)
Net unrealised gains	(40,514)	(40,514)
	3,379,345	3,379,345
Cash at bank awaiting re-investment	18,002	18,002
Subsidiary undertaking: cost	-	26,807
Market value at 28 February 2022	**£3,397,347**	**£3,424,154**
Historical cost as at 28 February 2022	£2,970,796	£2,997,603

At 28 February 2022, no individual investment represented more than 5% of the total investment portfolio. At 28 February 2021, investments in Baillie Gifford American W1 Distribution fund represented 6.9% of the total investment portfolio with Artemis Fund Managers representing 5.7%. No other individual investment represented more than 5% of the investment portfolio.

A separate investment portfolio with a lower risk categorisation is held for liquidity and working capital purposes and disclosed as a current asset in note 15.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments arises from uncertain investment markets resulting in variable income and capital returns from the portfolio of assets.

Currency translation risks remain for those companies and bonds that are exposed to overseas earnings and assets.

Liquidity risk is anticipated to be low as all assets are traded on recognised exchanges with good liquidity and high trading volumes. The Charity's portfolio has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages investment risk by appointing professional investment managers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

13 Fixed Asset Investments (continued)

The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term total return. Whilst some level of volatility can reasonably be expected, historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Subsidiary undertaking
The £26,807 investment represents a 100% holding in the issued share capital of Candlelighters Trading Limited, a company registered in England and Wales. The subsidiary was dormant with net assets of £26,807.

14 Debtors

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Amounts falling due within one year:				
Accrued legacy income	**5,000**	*50,000*	**5,000**	*50,000*
Prepayments and other accrued income	**45,616**	*19,817*	**45,616**	*19,817*
	£50,616	*£69,817*	**£50,616**	*£69,817*

15 Current Asset Investments

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Listed investments	**565,013**	*560,020*	**565,013**	*560,020*
	£565,013	*£560,020*	**£565,013**	*£560,020*

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

16 Liabilities: Amounts Falling Due Within One Year

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Creditors in the ordinary course of activities	**31,058**	*16,912*	**31,058**	*16,912*
Amount owed to subsidiary	**-**	-	**26,807**	*26,807*
Accruals	**14,344**	*15,460*	**14,344**	*15,460*
Social security	**19,124**	*15,389*	**19,124**	*15,389*
Other creditors	**13,094**	4,447	**13,094**	4,447
	77,620	*52,208*	**104,427**	*79,015*
Grant awards	**746,469**	*626,446*	**746,469**	*626,446*
	£824,089	£678,654	**£850,896**	*£705,461*

17 Liabilities: Amounts Falling Due After More Than One Year

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Grant awards	**£723,353**	*£600,874*	**£723,353**	*£600,874*

18 Reconciliation of Grants Awarded

Group and Charity

	2022 £	2021 £
Opening liability obligation	**1,227,320**	*1,551,534*
Grants awarded in the year (note 24)	**631,372**	*117,870*
Provisions no longer required	**(10,787)**	*(24,490)*
Paid during the year	**(378,083)**	*(417,594)*
Closing liability obligation	**£1,469,822**	*£1,227,320*

19 Analysis of Group Assets between Funds

	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	555,530	555,530
Fixed asset investments	-	3,397,347	3,397,347
Other current assets	327,843	819,367	1,147,210
Liabilities	-	(1,547,442)	(1,547,442)
Net assets at 28 February 2022	£327,843	£3,224,802	£3,552,645

20 Taxation

The Candlelighters Trust is a registered charity and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

The subsidiary does not have charitable status and is fully subject to taxation. At present the trading subsidiary is dormant and has not traded within the financial year.

21 Trustees Interests and Related Party Disclosures

Trustees are required to declare an interest in contracts with which they are connected. Several Trustees use their expertise in areas affecting The Candlelighters Trust but no Trustee had any significant personal financial interest in contracts with the Charity during the year.

Medical Trustees and members of the Medical Review Panels are not precluded from applying for grant funding for projects. Interests in projects are required to be disclosed and the relevant Trustees and panel members take no part in the decision process. Their projects are assessed using the same criteria as that which applies to all potential grantees.

22 Capital

The Candlelighters Trust is a charitable company, limited by guarantee and has no share capital. The members have agreed to contribute £1 each to the Charity's assets in the event of it winding up, if its assets should prove insufficient to cover its liabilities.

23 Movements in Funds

Movements in Funds- current year

	At 1 March 2021	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2022
Unrestricted funds							
Free Charitable Reserve	1,940,391	1,306,681	(1,491,409)	14,109	(203,494)	11,028	1,577,306
Fixed assets reserve (note 12)	597,379	-	(49,056)	-	7,207	-	555,530
Designated Funds- Digital	150,000	-	(4,200)	-	-	-	145,800
Designated Funds-Supportive Care	376,541	-	-	-	369,625	-	746,166
Designated Funds-Sheffield	65,000	-	-	-	(65,000)	-	-
Designated Funds-Cottage	10,000	-	(1,662)	-	(8,338)	-	-
Designated Funds-Research Pot	300,000	-	-	-	(200,000)	-	100,000
Designated Funds- New Children's Hospital	-	-	-	-	100,000	-	100,000
Restricted Funds							
Research Fund	623,459	1,970	(371,595)	-	-	-	253,834
Children in Need- Twin Vision	11,693	-	-	-	-	-	11,693
Movement for Good	42,873	-	(35,418)	-	-	-	7,455
Harry and Mary	-	26,000	(19,192)	-	-	-	6,808
Clay Days 2021	-	60,000	(37,347)	-	-	-	22,653
NHS Charities together	-	13,200	(13,200)	-	-	-	-
The Julia and Hans Rausing Trust	35,721	-	(35,721)	-	-	-	-
Leeds City Council	10,000	-	(10,000)	-	-	-	-
Bettys	10,000	-	(8,288)	-	-	-	1,712
Other	11,857	49,513	(23,573)	(14,109)	-	-	23,688
Total	£4,184,914	£1,457,364	£(2,100,661)	£ -	£ -	£11,028	£3,552,645

23 Movements in Funds (continued)

Movements in Funds- prior year

	At 1 March 2020	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2021
Unrestricted funds							
Free Charitable Reserve	**1,090,671**	**1,862,514**	**(1,092,725)**	**12,289**	**(135,050)**	**202,692**	**1,940,391**
Fixed assets reserve	**846,382**	-	**(253,149)**	**1,164**	**2,982**	-	**597,379**
Designated Funds- Digital	-	-	-	-	**150,000**	-	**150,000**
Designated Funds-Supportive Care	**377,833**	-	-	-	**(1,292)**	-	**376,541**
Designated Funds-Sheffield	**65,000**	-	-	-	-	-	**65,000**
Designated Funds-Cottage	**30,000**	-	**(3,360)**	-	**(16,640)**	-	**10,000**
Designated Funds-Research Pot	**300,000**	-	-	-	-	-	**300,000**
Restricted Funds							
Research Fund	**622,167**	**7,534**	**(6,242)**	-	-	-	**623,459**
Children in Need- Wishes and Memories	-	**3,612**	**(3,591)**	-	-	-	**21**
Children in Need- Twin Vision	**4,318**	**10,000**	**(2,625)**	-	-	-	**11,693**
Movement for Good	**44,442**	-	**(1,569)**	-	-	-	**42,873**
Global Make Some Noise	-	**14,000**	**(11,705)**	-	-	-	**2,295**
The Kentown Wizard Foundation	-	**16,000**	**(16,000)**	-	-	-	-
The Julia and Hans Rausing Trust	-	**159,480**	**(123,759)**	-	-	-	**35,721**
The Susie P Foundation	-	**11,400**	**(11,400)**	-	-	-	-
National Lottery Community Fund	-	**37,840**	**(37,043)**	-	-	-	**797**
Other	-	**82.977**	**(40,780)**	**(13,453)**	-	-	**28,744**
Total	**£3,380,813**	**£2,205,357**	**£(1,603,948)**	**£ -**	**£ -**	**£202,692**	**£4,184,914**

23 Movements in Funds (continued)

Restricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research.

The Children in Need – Twin Vision fund is donations from Children in Need restricted solely for the purpose of an animation project supported by Twin Vision.

The Movement for Good fund reflects amounts donated from the organisation Ecclesiastical under their Movement for Good programme which are restricted to funding the Charity's work in the community including Community Support Workers and certain support groups.

The Harry and Mary fund reflects funding received from the Harry and Mary Foundation. £10,000 is restricted towards Christmas grants provided to families and £16,000 restricted towards Candlelighters in Your Community.

The Clay days 2021 fund reflects amounts raised at the annual Yorkshire Charity Clay Days event in 2021 restricted to the salary of three Family Support Workers for a year.

The NHS Charities Together fund reflects funding from the NHS Charities Together grants programme restricted towards community support workers which was received from Leeds Hospitals Charity.

The Julia and Hans Rausing Trust amount relates to funding received in the year to support core costs during COVID-19.

The Bettys fund reflects a donation from Bettys restricted towards providing wishes and memories for patients and families.

General Funds

The general Free Charitable Reserve can also fund research.

The fixed assets reserve represents funds tied up in tangible fixed assets and so are funds which are excluded from "free" general reserves. The fixed assets can be seen in note 12 and the majority of the asset value and associated reserve relates to the Candlelighters Cottage.

Designated Funds

The Supportive Care designated fund reflects the Board's strategy to support the development of a new research programme in supportive care which will focus on reducing the side effects of treatment and improving quality of life. The amount designated is the estimated reserves that will be required taking into account reserves restricted to research.

There is no longer a designated level of reserve to further enhance our support to Sheffield as whilst supporting Sheffield remains a clear strategic objective, the timing and amount of financial commitment is difficult to estimate at this stage.

The Cottage designated fund reflects an estimation for any significant known upcoming capital expenditure required at the Cottage.

The Research Pot designated fund is the amount of reserves designated for other research beyond other restricted and designated amounts. The Board has reduced the amount of designated reserve to the Research Pot during the year due to recent research commitments made and the level of designated reserve for research specifically into Supportive Care. Furthermore, the future new Children's Hospital creates a strategic priority which needs reserves allocating to.

23 Movements in Funds (continued)

Designated Funds (continued)

The Digital designated fund reflects funds designated to making the Charity more digital. This is deemed a critical strategy in order for the Charity to keep pace with the times and keep relevant.

During the financial year the Board designated £100,000 of funds in order to start building the reserves set aside to go towards the support and spend associated with the new Leeds Children's Hospital. This level of designated reserves relating to the new Children's Hospital is expected to increase as more funds become available in line with the Board's strategic objectives.

24 Grants Awarded

	2022 £	*2021* *£*
Research grants		
Yorkshire register	**371,551**	-
	£371,551	**£-**
General grants		
Outreach play specialists -3 year period	**66,292**	-
Eckersley House	**15,000**	*15,000*
Social Workers - 6 month extension	**154,610**	78,236
Paediatric Radiographer – 1 year period	**23,919**	*23,628*
Other	**-**	*1,006*
	£259,821	**£***117,870*
Total	**£631,372**	*£117,870*

25 Controlling Party

The Trustees of The Candlelighters Trust are considered to be the controlling party of the company.

26 Operating Lease Commitments

At 28 February 2022, the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 Total £	*2021 Total £*
Within 1 year	**29,630**	*10,007*
Between 1 and 5 years	**40,216**	*88,510*

27 Contingent assets and liabilities

At the year end the Charity had been notified of 1 residual legacy (2021: None) which could not be measured reliably. This has not been included in the financial statements.

At the year end, the Charity had contingent liabilities totalling £248,000 (2021: £Nil) relating to conditional grants. These grants are payable following successful progress reviews and the Charity reserves the right to terminate the funding agreement at their discretion based on this review.

THE CANDLELIGHTERS TRUST

England & Wales - Charity number 1045077

Accounts

THE CANDLELIGHTERS TRUST

Charity Registration No. 1045077
Company Registration No. 3020552

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

For the year ended 28 February 2021

Candlelighters

Supporting the families of children with cancer

THE CANDLELIGHTERS TRUST
Annual report and financial statements for the year ended 28 February 2021

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THE CANDLELIGHTERS TRUST
Legal and administrative information

Patron
Lady Emma Ingilby

Medical (including Clinical) Trustees
Dr M Elliott
Dr E M Richards
C De Biase
J Goodden

Lay Trustees
K Hardcastle (Chair from 10/06/2020)
S Redman (Chair until 10/06/2020)
R Stocker (resigned 20/03/2020)
S Patterson
P Thompson
D Mayman
G Felgate (appointed 23/09/2020)

Finance and Audit Committee
Dr E M Richards
D Mayman
Y Eaton (non-trustee)

Research Committee
M Elliott
C DeBiase
J Goodden
K Hardcastle

Key management personnel/Senior Management Team:

E Wragg	**Chief Executive**
L C Fletcher	**Company Secretary**
N Kisby	**Head of Family Support**
L Windell	**Head of Fundraising and Marketing (left December 2020)**
L Pomeroy	**Head of Finance and Corporate Services**
T Robertshaw	**Head of Fundraising (appointed February 2021)**
C Gill	**Head of Engagement (appointed March 2021)**

Head office:
8 Woodhouse Square
Leeds, LS3 1AD

Independent auditors:
Thomas Coombs Limited
Chartered Accountants and Registered Auditors
3365 The Pentagon
Century Way
Thorpe Park
Leeds
LS15 8ZB

Bankers:
Yorkshire Bank
(Trading name of Clydesdale Bank plc)
94-96 Briggate
Leeds, LS1 6NP

Solicitors:
Wrigleys
19 Cookridge Street
Leeds, LS2 3AG

Investment Managers:
Brewin Dolphin Limited
10 Wellington Place
Leeds, LS1 4AN

The Trustees present their report and audited accounts for the year ended 28 February 2021. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Structure, Governance and Management

The legal status of The Candlelighters Trust is that of a Company Limited by Guarantee incorporated in 1995. As such its governing instrument is its Memorandum and Articles of Association, as amended over the years to allow for current governance arrangements.

It is registered as a charity with the Charity Commission. Parents whose children are treated at the Children's and Adolescent Oncology and Haematology department can become members of the company. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

- **Trustees**

Details of the Trustees, who are also directors of the company for the purposes of company law, who have served during the year are listed on page 1.

None of the Trustees had any personal beneficial interests requiring disclosure, either in the Charity or in its wholly owned subsidiary company, Candlelighters Trading Limited, other than disclosed in note 19 of the financial statements.

- **Appointment of Trustees**

With effect from January 2014 the structure of the board no longer consists of the automatic appointment of medical Trustees and matching parent/patient Trustees.

As set out in the Articles of Association the Board of Trustees must be made up of between nine and fifteen individual Trustees, all of whom shall become Members by virtue of their appointment as Trustees. No less than one third, but no more than half of the Trustees will be medical (including clinical) Trustees.

The Articles of Association require that one third of the Trustees retire by rotation at each Annual General Meeting after which they may put themselves forward for reappointment.

- **Training of Trustees**

Most Trustees are already familiar with the practical work of the Charity through their association with the Children's and Adolescent Oncology and Haematology department. New Trustees receive a briefing on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the Board of Trustees and the decision making process; the history; business plan and recent financial performance of the Charity. In addition, Trustees are encouraged to attend appropriate internal and external training events to facilitate the undertaking of their role.

- **Management**

The Trustees meet at least four times a year to decide the broad strategy and areas of activity including grant making, administration, reserves and risk management. The day to day administration of grants and the processing and handling of applications prior to consideration by the relevant committee is delegated to the Senior Management Team.

- **Key Management Personnel and Remuneration Policy**

The board of Trustees together with the Senior Management Team (as listed on page 2) are considered to be the key management personnel of the Charity.

All Trustees give their time freely and no Trustee remuneration or expenses were paid during the year.

The Chief Executive salary is determined by benchmarking across the Third Sector on an annual basis.

Structure, Governance and Management (continued)

- **Voluntary help and employees**

The Trustees wish to record their thanks for the hard work of the Charity's employees and the support of the much-valued assistance of volunteers.

- **Risk management**

The Trustees regularly review the risk management strategy in accordance with the requirements of the SORP on Accounting and Reporting by Charities. The Charity has a risk management strategy which comprises a bi-annual review of the risks the Charity may face and the systems and procedures to minimise any potential impact on the Charity should those risks materialise. Internal control risks are minimised by policies and procedures covering a wide range of risks including the authorisation of all grants and financial transactions.

The key risks to the Charity fall into the categories below. A description of the risk categories and how these risks are mitigated are as follows:

- *Governance risk:* This is the risk that poor governance means the Board fails to deliver an effective strategy in line with the Charity's objectives. This may be due to the Board not having the right skills or commitment, or there is a conflict of interest or dominant influence. This risk is mitigated due to a rigorous Board selection, and ongoing appraisal and skills review programme. There is a conflicts of interest protocol where all potential conflicts are declared and recorded, and appropriate action taken if any perceived conflicts exist. The Charity has a five year strategic plan which is reviewed annually, and an annual business plan with quarterly performance reviewed by the Board.
- *Operational risk:* This category of risk reflects potential issues arising from the day to day operational activities of the Charity. This includes any risks arising from the support the Charity provides to the families affected by childhood cancer, as well as risks to Charity staff and its assets, data and infrastructure. Policies and procedures are in place in order to reduce operational risk. All new staff and volunteers or relevant third parties go through an extensive induction training process including a review of the Charity's policies and procedures. Existing staff receive refresher training and have to review policies and procedures on a periodic basis. All teams meet weekly to discuss any new or ongoing operational risks including specifically safeguarding risks, and any significant risks are escalated to the weekly Senior Management Team meeting. Any significant incidents are recorded an "Incident Report Form" which requires action from any lessons learnt and sign off from the Senior Management Team. Risks also from part of a monthly appraisal process.
- *Financial risk:* The financial performance and position of the Charity is monitored regularly including monthly management information and is reviewed at each Trustee meeting. Liquidity risk is managed by regular monitoring of the cash held at bank and alternative funds available. An annual budget is prepared by the Senior Management Team and approved by the Board and if during the year the performance is expected to be significantly different from that budgeted, a reforecast exercise will be undertaken. Financial policies and procedures, and controls are in place for core financial activities. A key element in the management of financial risk is the setting of a reserves policy and its periodic review by Trustees.
- *Legal and compliance risk:* Guidelines are issued to all staff and volunteers in order to comply with charity and local authority regulations and to minimise risks to health and safety. The Charity seeks external legal advice when required.
- *External risk:* The Charity can be significantly impacted by external factors including political, economic, social, technological and environmental. The Senior Management Team and Board will regularly review external factors and be informed from communications and briefings from a number of sources including industry bodies, supporters and beneficiaries. These factors are taken into account in the annual business plan and five year strategic plan, as well as the reserves policy. Policies and procedures are also in place to deal with external factors that would impact more immediately such as business continuity and disaster recovery planning.

Structure, Governance and Management (continued)

- **Grant making policy**

Research Grants
The Charity funds research into adolescent and childhood cancer and leukaemia. All grants are reviewed by the Board and any in excess of £50,000 are reviewed by external scientific experts before being submitted for approval by the Board of Trustees and periodically thereafter. This year Candlelighters has undertaken exploratory work to understand the benefits of partnering with an AMRC registered charity to administer its research grants in the future and will be looking to develop this relationship next year.

Other Grants
The Charity also provides non-research grants in order to provide support to families affected by childhood cancer such as funding roles at the hospital or providing medical equipment. All grants over £2,000 have to be approved by the Board and all grants are reviewed by the Board.

- **Conflict of interest policy**

The Charity has adopted a conflict of interest policy applicable to all Trustees, Members of the Sub-Committees and staff. This policy aims to protect both the organisation and the individuals involved from any appearance of impropriety. All Trustees, Members of the Sub-Committees and Staff are asked to declare their interests and any gifts or hospitality received in connection with their role in the Charity. In accordance with the Trust's policy, Trustees and Sub-Committee Members are required to withdraw from decisions where a conflict of interest arises.

- **Ethical Fundraising policy**

At Candlelighters we aim to ensure that our supporters and the wider public are treated fairly and with respect. We continually monitor and review our practices to ensure we are adhering to the latest in fundraising regulations and practices.

Fundraising Standards
Candlelighters voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice which sets out statutory obligations and best practice standards.

Third Party Fundraising
We work with people and organisations raising funds on behalf of Candlelighters in order to ensure best practice and the Fundraising Regulator's Code of Conduct is followed. Where applicable, signed contracts and agreements will be put in place.

Complaints
At Candlelighters we aim to maintain high standards in all areas of our work and complaints are an important way for us to identify and resolve issues quickly and learn how to improve our services and procedures long term, ensuring we are able to maintain high standards in all areas of our work. In the year to 28 February 2021, Candlelighters received 0 complaints relating to fundraising. In the instance where a complaint is received, Candlelighters has an internal complaints policy which guides staff on how to deal with complaints in an effective manner and all staff received mandatory complaints handling training during the 2020-21 financial year.

Data
Candlelighters is committed to the responsible use of personal data. We are transparent about what we do with personal data and strive to ensure that our supporters feel confident in how we are using it. Candlelighters is registered with the Information Commissioner's Office ("ICO") and we have a data protection policy in order to ensure we comply with the ICO guidelines.

Protecting vulnerable people
Candlelighters is very conscientious about self-regulation of its fundraising activities and protecting vulnerable people. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice from the Fundraising Regulator which sets out statutory obligations and best practice standards. Guidance is also given to those who fundraise on the Charity's behalf. Candlelighters approach to fundraising is to avoid unreasonable intrusion into an individual's privacy, persistent approaches or undue pressure to donate to the Charity.

Structure, Governance and Management (continued)

- **Objectives and activities for the public benefit**

In accordance with their duties pursuant to Section 4 of the Charities Act 2011, the Trustees have considered the Charity's objects and activities in light of the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Financial Review

The financial statements are presented in the standard format required by the Charity SORP and cover the activities of the Charity and its dormant subsidiary Candlelighters Trading Limited. The Statement of Financial Activities ("SOFA") shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

Income from the branches is shown gross and the fundraising costs are allocated to the fund for which the money was raised.

- **Income**

During the financial year, COVID-19 had a significant impact on the Charity's traditional sources of core income and continues to do so. Whilst the total income for the year was £2,205,357, which was £429,005 higher than the previous year, it was significantly behind the budget which was set prior to COVID-19 and took into account the investment in the growth of the fundraising team. The increase to prior year was driven by an exceptional legacy of £650,000, COVID-19 related government support of £153,865 predominantly in the form of the Job Retention Scheme for staff on furlough, and a high level of Trust and Foundation income (£327,647) again driven by COVID-19. None of these will be repeated in the following financial year. Whilst we are hugely grateful to our loyal Community and Corporate supporter base, our income in this area was most affected and £507,917 behind prior year. Much of this income, including branch income, relies on fundraising events including challenge events which were not possible to be held in the year.

The Charity would like to thank the loyal band of regular Community and Corporate fundraisers and local branches for their immense effort during difficult times to raise money on the Charity's behalf.

- **Expenditure**

Expenditure for the year decreased to £1,603,948 from £2,071,782 (a decrease of £467,834). Soon after the start of the financial year, as the severity of COVID-19 started to become clear, the Charity froze all recruitment and sought to furlough staff where appropriate. There was a stop to all non-essential spend and the Board deferred all major strategic projects until there was sufficient confidence that COVID-19 would not threaten the sustainability of the Charity.

The cost of raising funds of £507,604 was £59,359 lower than prior year. There was an increase in fundraising staff costs because prior to COVID-19 the Charity had built the team in line with the strategic plan with a view to growing future income including a Head of Fundraising who was not in place for the majority of the previous financial year. The amount also includes the cost of a restructure towards the end of the financial year to make the Charity better positioned for the future and is gross of any furlough associated income of £57,891. Where fundraising staff were not placed on furlough, this was to try and maximise fundraising income through possible existing channels and exploring alternative sources such as digital events. Otherwise there was a general reduction in the cost of raising funds as there was limited fundraising events.

Charitable activities expenditure reduced from £1,504,819 to £1,096,344. A key driver in this is the reduction in net grant expenditure (after releases of grant amounts no longer required) of £203,630. The budgeted grant expenditure was significantly higher but the Board paused major strategic projects. This is only a deferral of spend as the Charity is now progressing these projects largely as planned as we are confident we have sufficient reserves to pursue despite the existing and ongoing impact of COVID-19. Another major factor was COVID-19 restrictions meant it was just not possible to support families affected by childhood cancer in the way we would normally do such as being able to send families on holidays (£102,236 less than prior year), providing wellbeing treatments and therapies in person (£101,429 reduction to prior year), and support groups and activities more generally. We worked hard and had regular dialogue with the Children's Hospital to adapt our services to reflect what was possible and the different needs driven by COVID-19, for example, providing virtual sessions for families. Given the access restrictions to and from the hospital for families, we provided food and laundry during the year. We were also able to adapt roles, for example, changing staff normally on front of house at the Square to being based at the hospital when permitted to do so.

Financial Review (continued)

More generally, other costs and support costs were lower due to cost control measures, less use of the premises and supplier concessions such as the Square rent, for which we are very grateful.

The Charity strives to keep administration costs to a minimum to ensure efficient use of resources.

- **Investment policy and performance**

The Charity's investments are held in a mixture of equities, bonds, pooled funds and bank deposit balances. Brewin Dolphin are the Charity's appointed Investment Managers with an investment mandate of "Income and Capital Growth Return, low to moderate investment risk.", and from an ethical perspective there will be no direct investment in tobacco.

Given the importance of the market value of investments on the reserves of the Charity, the Trustees continue to closely monitor the performance of the portfolio.

The Charity has two investment funds.

Firstly the Working Capital Portfolio which has a low-risk investment profile with a short to medium term investment horizon as cash flow forecasts show that the Charity may need to access these funds in this timeframe in order to pursue the Charity's objectives. As at 28 February 2021 the Working Capital Portfolio had a market value of £560,020.

Over the period 29 February 2020 to 28 February 2021 the Working Capital Portfolio made a total return of +5.27%. This compares to a total return in the market benchmark (MSCI WMA Conservative Index) of +3.89%. Over this period the FTSE ALL Share Index recorded a total return of +3.50% and the FT Government Securities Index made a total return of -4.22%.

Secondly there is the General Trust Portfolio which has a medium-risk investment profile with a long-term investment horizon as it is not expected that the Charity needs to access these funds in anything less than the long-term. As at 28 February 2021 the General Trust Portfolio had a market value of £3,426,263.

Over the period 29 February 2020 to 28 February 2021 the General Trust Portfolio made a total return of +9.14%. This compares to a total return in the market benchmark (MSCI WMA Income Index) of +4.51%. Over this period the FTSE ALL Share Index recorded a total return of +3.50% and the FT Government Securities Index made a total return of -4.22%.

During the year, the markets recovered from the COVID-19 driven decline which was partly experienced in the previous financial year. Accordingly, the net realised/unrealised investment gain in the year was £202,692.

The remaining current assets of the Charity of £880,780 as at 28 February 2021 were held mainly as bank deposit balances in order to provide sufficient liquidity for the short term settlement of liabilities including grant liabilities.

- **Reserves policy**

In order to maintain continuity of charitable expenditure and to fulfil the aims and objectives of the Charity, a level of reserves must be maintained, especially due to ongoing commitments from which it is not possible to withdraw at short notice. Furthermore, the existing and ongoing potential impact of COVID-19 demonstrates a level of reserves is needed to ensure the Charity is sufficiently financially robust to survive during unexpected major sustained impacts on the ability to generate income without a corresponding ability to reduce costs, as well as potential drops in market value of investment funds.

In February 2021 the Trustees formally agreed to maintain the reserves target level set in June 2019 of £2.5 million. This excludes the fixed asset reserve and restricted reserves. Whilst current reserves and the target level are high compared to historic levels, this is deemed appropriate for the Charity to pursue its major strategic projects which it is now progressing largely as planned after pausing during a period of immense uncertainty from COVID-19. In addition to restricted reserves, approximately £0.9 million has been designated in reserves for these projects which include a major investment in a leading project in supportive care for children affected by childhood cancer.

Financial Review (continued)

The reserves level also reflects the higher cost base of the Charity from the increasing services we provide direct to the families in Yorkshire affected by childhood cancer as well as a volatile investment market. Furthermore, whilst a significant surplus was experienced in this financial year despite COVID-19, this was driven by a number of one-off items of income, a significant investment gain and a lower forced or deferred cost base not expected to be repeated. In particular, income levels in the financial year 2021/2022 to date remain subdued with the Charity forecasting a deficit which will reduce free reserves during the continuing impact of COVID-19.

The combined free and designated reserves total at the end of the year ended February 2021 is £2,841,932. This is deemed suitably close to the reserves target level of £2.5 million and an appropriate amount until such time the designated amounts on strategic projects, that are being progressed, are greater utilised and there is confidence that the ongoing impact of COVID-19 does not threaten the sustainability of the Charity.

- **Restricted and Unrestricted Funds**

Monies donated to the Research Fund are restricted solely for the purpose of funding research. Other restricted funds are detailed in note 21 of the financial statements.

Objectives and Activities for Public Benefit

Objectives

1. The alleviation of the suffering, and the promotion of the relief, care, well-being, and rehabilitation, of children and young people afflicted with any form of malignant disease or a non-malignant but life threatening haematological disorder or central nervous system disorder, in particular (but not exclusively) those who are or who have been under the care of, or otherwise supported by, hospitals in Yorkshire;
2. The preservation and protection of the good physical and mental health and well-being of individuals formerly under the care of, or otherwise supported by, hospitals in Yorkshire, particularly those individuals experiencing serious medical problems associated with their original disease or disorder or its treatment;
3. The protection and preservation of good physical and mental health and wellbeing amongst families and carers of, or other people providing support to, individuals falling under objects 1 or 2 and the provision of practical and other support in their role of caring for such individuals; and
4. The provision of support for such activities as may be legally charitable in the work of hospitals in Yorkshire including the provision of financial assistance for the acquisition and maintenance of equipment for use within hospitals in Yorkshire or in connection with the work of hospitals in Yorkshire and the provision of support, in whatever ways the Trustees think fit, for research, education and training within or connected with hospitals in Yorkshire and the dissemination of the results of such research.

Activities and Performance

Candlelighters' first priority is always the welfare of the families whose children are being treated at the Children's and Adolescent Oncology and Haematology department. Whilst the outlook for children with cancer and serious blood disorders continues to improve, the distress caused to families should not be underestimated. In response to requests from families for emotional support, Candlelighters provide funding for support groups and social activities for patients, siblings, and parents away from the hospital environment.

Financial difficulties can add to the trauma of diagnosis and treatment. At a time when income is often reduced, families face additional expenses such as the cost of food when living at the hospital for long periods of time, travel and increased burden on the family budget. Candlelighters provide three monthly allowances for families upon diagnosis. There is potential access to a Family Assistance Grant to help families in times of financial need any time during treatment. Funding is also provided to provide distraction activities for patients during the long hours spent on the ward and in the day unit. The Charity also provides additional equipment on the wards and day unit in order to support families during their time spent.

COVID-19 has impacted the level of services which we have been able to be deliver during the financial year. Accordingly, Candlelighters has adapted support services in order to support families in the best way possible during this difficult time. This includes the introduction of more digital online support services as well as practical solutions to support families on the ward such as laundry and shopping for essential items.

Activities and Performance (continued)

Candlelighters @ The Square
Candlelighters @ The Square supports any member of a family affected by childhood cancer. The centre is a five minute walk from the Children's Hospital and can provide daily support for a family whilst on the ward, visiting clinic appointments and for additional support at the family's convenience.
The variety of support has evolved from family feedback over the past six years.
The centre is open daily from 10.00am to 4.00pm and later on a Thursday evening. The type of services offered include:

- Well-being therapies including a variety of massages, reflexology and energy balancing
- Talking therapy one to one, group support and mindfulness sessions for both children and adults
- A quiet space for relaxation and refreshments
- Grandparents tea parties
- Sibling support groups
- Support groups for parents
- Patient support groups
- Family events
- Hairdressing on the ward or @ The Square

The team of support workers @ The Square provide flexible professional support. They support families directly on the wards, in the day unit and at the family support centre. The team keep families updated throughout the year via a variety of methods. The service has supported over 570 families in the last six years. Each year in Yorkshire we see on average 90 plus families diagnosed with a cancer. This is a good sign that we are on track to support each family as required after diagnosis.

Unfortunately COVID-19 meant that The Square was unable to open to families for a significant period during 2020; however, Candlelighters adapted its services during this time to ensure that families had access to a wide variety of online support sessions. When restrictions allowed, The Square was able to open back up to families staying on the ward as part of the 'Hospital Bubble' providing essential support to families during this time.

Candlelighters in Your Community
Candlelighters in Your Community was originally developed from The Candlelighters Bus. The bus enabled us to talk with families in the community to establish how we might be able to provide more locally based support. From delivering support on the bus we have identified key areas within Yorkshire where we are able to meet families in community based settings to provide a friendly face to face service and offer any support they require. We now have a team of four Community Support Workers who work across different locations of Yorkshire where they have a caseload of families and run specific events and community days in order to bring support closer to families' homes. Delivering support in this way has allowed us to reach a different demographic of families in comparison to The Square. We aim to continue developing this form of support researching how we can offer more support to families locally.

Although the impact of COVID-19 meant that throughout 2020 Community Supporter Workers were unable to support families face to face in their communities, support services were quickly adapted and provided online to support them through this difficult time.

Candlelighters Cottage (Brandon Cottage)
Our Cottage officially opened in November 2018 to families. We know how important it is for families to be together and our Cottage provides a comfortable and homely place for them to stay to enable them to be near to the wards when their child is an inpatient at Leeds Children's Hospital. The Cottage provides an additional four en suite bedrooms to help alleviate the pressure on Eckersley House. Although we were unable to open the Candlelighters Cottage for the most part of 2020 due to COVID-19 restrictions, the demand for use during this period was lower due to the restrictions around visiting on the ward. Candlelighters was however able to adapt the use of the Cottage during this time to enable those families under strict isolation rules to be able to spend safe time outdoors in the Cottage garden. Families were also able to use the facility on a one off basis, to have a family meal together when restrictions allowed.

Activities and Performance (continued)

Holiday breaks
Candlelighters provides funding for two holidays for families during treatment to spend time at various holiday resort locations in the UK. The Charity can now provide a holiday throughout the whole year for varying length of times.

Each year approximately 200 families are able to take a break away from the routine of treatment and hospital visits secure in the knowledge that if necessary, they are within easy travelling distance of the hospital. We provide financial support to families to be able to pay for travel or other expenses for their holiday. Candlelighters offer these holidays to patients and families during treatment when life can be unpredictable and we aim to take the stress away for a short time. The holidays are also offered to those families whose child may have died during the year and would welcome a break to get away.

Unfortunately this financial year the majority of our holidays have had to be put on hold due to the COVID-19 restrictions that have been in place.

Eckersley House
Eckersley House adjacent to Clarendon Wing, provides accommodation for families from outside the Leeds area whose child is being treated at the Hospital. The house is run by the Sick Children's Trust. In recognition of the heavy use made of the house by paediatric oncology parents, Candlelighters make a substantial contribution each year towards the running costs of the house.

Teenage Cancer Unit Ward L33
Funding is provided for social activities for the Teenage Support Group. Families of teenage patients up to 19 years old are also able to access support grants and use the Candlelighters Holiday provision.

Paediatric Radiographer
Funding is provided to support the role of specialised paediatric radiographer based at the radiotherapy unit at St James. This role is the only one in Leeds and supports every family who has a child undergoing intensive treatment, often visiting the hospital daily for many weeks. The relationship between families and this role is crucial to enable the child to undergo daily treatments without the need for a general anaesthetic.

Playleaders Ward L31, L33 and Bone Marrow Transplant Unit
Candlelighters fund 2.5 WTE play leaders to provide support for the Play Team on Ward L31, the Bone Marrow Unit and Radiotherapy. The team continues to provide a high quality play service and has put in place a number of initiatives over the last few years. The play team now works across all clinical areas, and with other members of the multidisciplinary team to use play to support children as they undergo a range of treatments and interventions. The Band 5 Play Specialists in the team ensure consistency in play and preparation across the wards and the clinic, and the team provides preparation and, when required, daily support to children in radiotherapy. They support children and families at times when they are elsewhere in the hospital, for example before and following surgery, or in intensive care. The additional resource in the team (when available) gives increased flexibility to cover whichever part of the service has children with greatest need, and respond to short notice requirements, such as preparation for urgent scans. Following feedback from children and their parents and the increased numbers of children requiring Bone Marrow Transplantation, we have identified a key play leader to develop and have a specialist interest in supporting children and their families undergoing this treatment.

Regional Outreach Play Leader
Candlelighters is in its sixth year of funding the outreach play leader. The role supports families by providing therapeutic play within the child's own home. Addressing anxieties where the child feels safe and putting action plans together.

The play leader liaises with the hospital play team to ensure preparation work at home is continued in hospital and action plans followed to provide continuity of care and increase the child and family's confidence in hospital, providing a less frightening experience for the child and family. The role has continued to develop over the years and now provides a huge support to children and their families who are receiving palliative care and to those who have sadly been bereaved. We have provided funding for a second outreach play leader to work alongside the current role which will increase the support we are able to provide across Yorkshire.

The recruitment of this additional post was delayed this year due to the impact and restrictions of COVID-19, however we hope that this additional role will be in place next year.

Activities and Performance (continued)

Speech and Language Therapist ("SLT")

Candlelighters fund 0.1 FTE of the Speech and Language Therapist role to allow the therapist more time with the children. The post ensures that children receive the right SLT interventions at the right time in order to maximise/retain communication, eating and drinking function and therefore an enhanced quality of life. The staff member works in partnership with families and carers ensuring they receive the right information and support throughout their journey. Every effort is made to facilitate communication between families and SLT including a direct phone line and use of SKYPE or Facetime as appropriate.

Dinner Lady

Many patients undergoing treatment for cancer and leukaemia experience problems with eating during treatment. The problem is worse when the child has to spend long periods in hospital as hospital food is served at set times and by the time it arrives at ward level is unlikely to tempt a child with a failing appetite. Candlelighters fund one part time Dinner Lady who provides nutritious snacks on demand for the patients throughout the day and early evening.

Social Support Team

Candlelighters have historically supported the Oncology Social Work Team by funding 61.5 hours per week towards three social workers. In the early part of 2021, funding from another party ceased therefore Candlelighters stepped in to provide emergency funding alongside Leeds City Council in addition to the normal level of support. This funded a further 55.5 hours supporting three social workers and a team manager, all of whom are now supported by a Candlelighters Family Support Administrator. The team play an important role within the multi-disciplinary paediatric oncology team. The impact that the diagnosis of childhood cancer has on family life cannot be overstated. The social support team works closely with the families to provide both emotional and practical help during their child's treatment.

Equipment

The Charity routinely provides funding for the replacement of play, technical equipment and any key white goods for the wards, outpatient's clinic, paediatric radiotherapy department and bone marrow unit.

Current Research Grants

During the year, the Charity awarded no new research grants due to recent previous commitments and a deferral of certain strategic projects to do with research. The main activity during the year on existing grants was as follows:

- The Candlelighters Research Fellows programme was created to utilise the research expertise and facilities of the University of Leeds and Leeds Teaching Hospitals NHS Trust to support the research training of academic paediatric oncologists and haematologists, and in order to ensure doctors with relevant expertise are based in Yorkshire to look after children affected by cancer. Candlelighters has supported nine Fellows to date including the recruitment of an additional two new Fellows which started in autumn 2020. During 2018/19, Candlelighters approved a further £1,337,433 of funding to the programme.
- Candlelighters continued to fund the Yorkshire Specialist Register of Cancer in Children and Young People. This is a research database which is used to support research into the effectiveness of cancer treatments and any complications which emerge several years after therapy has been completed. Expertise from the Register was used during the year to assess the impact of COVID-19 on children affected by cancer.
- Candlelighters continued funding to contribute towards making it possible for the University of Leeds and the Leeds NHS Trust to create a joint academic-clinical position in neurosurgery and for this post to have dedicated research time. This is the first position of its kind at Leeds.
- Candlelighters continued funding a pilot study to whether a new blood test could shorten the duration of treatment meaning less time in hospital and requiring antibiotics.

Plans for the future

Candlelighters, like many other charities, was impacted by COVID-19 throughout 2020/2021, both in terms of income generation and its service delivery. It is anticipated that the Charity and the families it supports will continue to experience the effects of COVID-19 in the coming year and beyond. As Candlelighters looks to the future, it will be focusing on protecting its income and supporting even more families affected by childhood cancer.

The Charity remains committed to the key aims within its 2020/2025 strategy and has adapted its timeframes for delivery as a result of COVID-19, continuing to closely monitor income generation, putting in place safeguards to ensure Candlelighters is financially stable now and in the future.

Candlelighters key aims are to:

- Maintain high quality family support services
- Expand current family support services across Yorkshire, taking support closer to home for families
- Provide equitable support for families affected by childhood cancer across Yorkshire regardless of their principal treatment centre in Yorkshire
- Invest further in research; to include the funding of a new leading research programme in Supportive Care resulting in improved quality of life for children affected by childhood cancer
- Be more digital in everything we do
- Support the development of the new Children's Hospital for oncology families and be the Centre of Excellence nationally with regards to our model of support for families affected by childhood cancer
- Protect, maintain and increase income in the next 5 years to enable the implementation of our strategic plan

This coming year it is incredibly important for Candlelighters to protect its income, ensuring it can support families affected by childhood cancer in years to come, however the Charity is also excited to be in position to be able to progress some of its key aims.

Candlelighters is extremely excited about the year ahead where it will see a return to being able to provide face to face support including groups, trips and events. Candlelighters Family Support Centre, The Square, will also be back open to families and will provide essential respite through wellbeing services and talking therapies.

Candlelighters will be further developing its 'Candlelighters In Your Community' model, bringing support closer to families in their communities across Yorkshire. The Charity will also be taking steps to invest in a supportive care research programme to improve the lives of children with cancer as well as progressing its aim to be more digital.

2020 saw the need for Candlelighters to respond quickly to the pandemic, to be more agile and to adapt its ways of working. This coming year the Charity will continue to take the positive outcomes of these learnings and build on them so that it can provide the best possible support to families affected by childhood cancer both now and in the future.

Auditors

The auditors Thomas Coombs Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small Company Exemptions

The Trustees have taken advantage of the small company exemptions within the Companies Act 2006 in connection with the preparation of the Trustees Report.

Approved by the Board of Trustees on 29th September 2021 and signed on its behalf by:

L Fletcher, Company Secretary

THE CANDLELIGHTERS TRUST
Statement of Trustees' responsibilities

The Trustees (who are also directors of The Candlelighters Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Trustees are aware:

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

K Hardcastle
Chair - Trustee

Dr E M Richards
Trustee

Date: 29th September 2021

We have audited the financial statements of The Candlelighters Trust for the year ended 28 February 2021 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet and the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 28 February 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the entity and sector in which it operates, we identified the principle risks of non-compliance with laws and regulations related to charitable trusts and the application of charitable funds. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's and those charged with governance's, incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined the principal risks were related to recognition of restricted funds and management bias in accounting estimates, especially deferred grants.

In response to these risks, audit procedures performed by the engagement team included:

- Discussions with management of known or suspected instances of non-compliance with laws and regulations and fraud.
- Challenging assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to deferred grants.
- Identifying and testing journal entries.
- Reviewing minutes of meetings of those charged with governance.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

C. Darwin

Christopher Darwin FCA (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor & Chartered Accountants
3365 Century Way,
Thorpe Park,
Leeds,
West Yorkshire
LS15 8ZB

Date: 29th September 2021

THE CANDLELIGHTERS TRUST (Company number 3020552)
Consolidated statement of financial activities for the year ended 28 February 2021
(incorporating statutory income & expenditure account)

	Note	Unrestricted funds- core	Unrestricted funds - Exceptional legacy	Restricted funds	2021 Total funds	*2020 Total funds*
		£	£	£	£	*£*
INCOME AND ENDOWMENTS FROM						
Donations and legacies:						
Donations and grants	2	**955,638**	-	**335,511**	**1,291,149**	*1,261,297*
Branch fundraising events		**20,436**	-	**7,330**	**27,766**	*157,911*
Legacies	3	**124,216**	**650,000**	-	**774,216**	*204,725*
Trading activities – sale of goods		**4,043**	-	-	**4,043**	*12,719*
Investment income	4	**108,181**	-	**2**	**108,183**	*139,400*
Total income and Endowments		**1,212,514**	**650,000**	**342,843**	**2,205,357**	*1,776,052*
Expenditure on						
Raising funds	5	**455,168**	-	**52,436**	**507,604**	*566,963*
Charitable activities	6	**894,066**	-	**202,278**	**1,096,344**	*1,504,819*
Total expenditure	8	**1,349,234**	-	**254,714**	**1,603,948**	*2,071,782*
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**(136,720)**	**650,000**	**88,129**	**601,409**	*(295,730)*
Transfers from restricted reserve	21	**13,453**	-	**(13,453)**	-	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		**(123,267)**	**650,000**	**74,676**	**601,409**	*(295,730)*
Net Gains and Losses						
Gains/(losses) on investments						
Realised		**(43,512)**	-	-	**(43,512)**	*14,105*
Unrealised		**246,204**	-	-	**246,204**	*(44,831)*
Net movement in funds		**79,425**	**650,000**	**74,676**	**804,101**	*(326,456)*
RECONCILIATION OF FUNDS						
Balances brought forward at 1 March 2020		**2,709,886**	-	**670,927**	**3,380,813**	*3,707,269*
TOTAL FUNDS CARRIED FORWARD AT 28 February 2021	21	**2,789,311**	**650,000**	**745,603**	**4,184,914**	*3,380,813*

The statement of financial activities includes all gains and losses recognised in the year.
All amounts related to continuing activities within the United Kingdom.

The notes on pages 21 to 37 form part of these financial statements.

THE CANDLELIGHTERS TRUST (Company number 3020552)
Balance sheet at 28 February 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible fixed assets	10	**597,379**	*846,382*	**597,379**	*846,382*
Investments	11	**3,426,263**	*3,234,179*	**3,453,070**	*3,260,986*
		4,023,642	*4,080,561*	**4,050,449**	*4,107,368*
Current assets					
Stock		**15,027**	*17,657*	**15,027**	*17,657*
Debtors	12	**69,817**	*205,304*	**69,817**	*205,304*
Investments	13	**560,020**	*294,641*	**560,020**	294,641
Branch funds		**32,146**	*33,046*	**32,146**	*33,046*
Cash at bank and in hand		**763,790**	*377,978*	**763,790**	*377,978*
		1,440,800	*928,626*	**1,440,800**	*928,626*
Liabilities: amounts falling due within one year					
Grant awards	14	**(626,446)**	*(669,087)*	**(626,446)**	*(669,087)*
Other	14	**(52,208)**	*(76,840)*	**(79,015)**	*(103,647)*
Net current assets		**762,146**	*182,699*	**735,339**	155,892
Total assets less current liabilities		**4,785,788**	*4,263,260*	**4,785,788**	*4,263,260*
Liabilities: amounts falling due after more than one year					
Grant awards	15	**(600,874)**	*(882,447)*	**(600,874)**	*(882,447)*
Net assets	17	**£4,184,914**	*£3,380,813*	**£4,184,914**	*£3,380,813*
Funds of the Charity					
Unrestricted - free charitable reserve	21	**1,940,391**	*1,090,671*	**1,940,391**	*1,090,671*
Unrestricted – fixed assets reserve	21	**597,379**	*846,382*	**597,379**	*846,382*
Unrestricted- designated: supportive care	21	**376,541**	*377,833*	**376,541**	*377,833*
Unrestricted- designated: digital	21	**150,000**	-	**150,000**	-
Unrestricted- designated: Sheffield	21	**65,000**	*65,000*	**65,000**	*65,000*
Unrestricted- designated: Cottage	21	**10,000**	*30,000*	**10,000**	*30,000*
Unrestricted- designated: research pot	21	**300,000**	*300,000*	**300,000**	*300,000*
Restricted	21	**745,603**	*670,927*	**745,603**	*670,927*
Total funds	21	**£4,184,914**	*£3,380,813*	**£4,184,914**	*£3,380,813*

Approved by the board of Trustees on 29th September 2021 and signed on its behalf by:

K Hardcastle (Chair - Trustee) **Dr E M Richards (Trustee)**

The notes on pages 21 to 38 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement
For the year ended 28 February 2021

	Note	2021 £	*2020* *£*
Cash flows from operating activities:			
Cash generated from/ (used in) operations	a	**736,698**	*(570,138)*
Net cash generated from/ (used in) operating activities		**736,698**	*(570,138)*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(4,146)**	*(33,900)*
Purchase of fixed asset investments		**(1,203,875)**	*(534,779)*
Sale of fixed asset investments		**856,235**	*766,396*
Net cash (used in)/ generated from investing activities		**(351,786)**	*197,717*
Change in cash and cash equivalents in the reporting period		**384,912**	*(372,421)*
Cash and cash equivalents at the beginning of the reporting period		**411,024**	*783,445*
Cash and cash equivalents at the end of the reporting period	b	**£795,936**	*£411,024*

The notes on pages 21 to 38 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement Notes
For the year ended 28 February 2021

a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	*2020*
	£	*£*
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	804,101	*(326,456)*
Adjustments for:		
Depreciation charges	58,761	*70,074*
Fixed asset impairment	194,388	*-*
Net unrealised (gains)/losses on fixed asset investments	(246,204)	*44,831*
Net realised (gains)/losses on fixed asset investments	43,512	*(14,105)*
(Increase)/ decrease in cash held within investments	92,869	*(107,052)*
(Increase)/decrease in stock	2,630	*399*
(Increase)/decrease in debtors	135,487	*159,650*
Increase/(decrease) in creditors	(348,846)	*(397,479)*
Net cash generated from/ (used in) operating activities	£736,698	*£(570,138)*

b. COMPOSITION OF CASH AND CASH EQUIVALENTS

	2021	*2020*
	£	*£*
Branch funds	32,146	*33,046*
Cash at bank and in hand	763,790	*377,978*
Cash and cash equivalents	£795,936	*£411,024*

The notes on pages 21 to 38 form part of these financial statements.

1 Accounting Policies

Basis of Preparation
The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019,'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Basis of Consolidation
The consolidated accounts incorporate the accounts of the Charity and its wholly-owned subsidiary undertaking. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and SORP 2015 and has not presented its own Income and Expenditure account in these financial statements. A separate Statement of Financial Activities for the Charity is not considered necessary because the activities of the Charity and the wholly owned subsidiary undertaking are easily distinguished within the consolidated Statement of Financial Activities. The accounts include the activities of both the head office and those if its various branches.

Fund Accounting
Monies earmarked by donors or by the terms of an appeal for particular projects are accounted for separately, in Restricted Funds. The notes to the accounts show the movements and balances on any such Restricted Funds. Unrestricted funds may be spent on any legitimate charitable aim as laid down in the Charity's memorandum of association.

Unrestricted funds are held in the general reserve except to the extent that the Trustees consider it appropriate to make transfers to designated funds to meet the expected cost of planned awards for the future. As costs on such awards are incurred, they are charged against the designated fund to the extent that the fund proves sufficient. Any balance of such expenditure is charged against the general fund. If the project costs less than the amount in the designated fund, any surplus is transferred back to the general fund.

The group's accounting systems allocate all income, expenditure, assets, liabilities and reserves between these funds. The statement of financial activities shows separately the income, expenditure and any transfers relating to restricted funds, designated funds and general reserves. Assets and liabilities attributed to each fund are disclosed in the notes to the financial statements.

Income
Donations and fundraising event income are included in the Statement of Financial Activities when:

- the Charity is told it is to receive the gift or donation;
- the Trustees are reasonably certain of the amount to be received;
- the Trustees are reasonably certain they will receive the money; and
- any conditions for receipt are met.

Legacies are recognised when it is probable that they will be received. Receipt is normally probable when:

- there has been grant of a probate;
- the executors have established that there are sufficient assets in the estate after settling any liabilities to pay the legacy; and
- any conditions attached to the legacy are either within the control of the Charity or have been met.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accruals model.

Volunteers and Donated Services and Facilities
The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Where services are provided to the Charity as a donation that would normally be purchased from a supplier, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

1 Accounting Policies (continued)

Expenditure
Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Cost Allocation
The Statement of Recommended Practice requires that costs are allocated where appropriate to charitable expenditure and to costs of generating funds. The Charity's central overheads, including staff costs, have been allocated to charitable activity and costs of generating funds on the basis of the allocated time spent by staff on those functions with the aim of ensuring that those costs remaining with governance costs relate to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of Raising Funds
The costs of raising funds consist of commercial trading costs, investment management fees, branch fundraising events and those other costs incurred in attracting voluntary income.

Charitable Activities
Costs of charitable activities include grants made and an apportionment of overhead and support costs.

Governance Costs
Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Pension Contributions
The Charity pays defined contributions into the pension schemes of several employees. These amounts are charged to the Statement of Financial Activities as they become payable and in accordance with their functional classification.

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

Tangible Fixed Assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets capable of operating as intended, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	20% reducing balance
Fixtures and fittings	10% reducing balance, 20% reducing balance
Pavilion	20% on cost
The Square	10% on cost
Brandon Cottage	2% on cost

No depreciation is charged on tangible fixed assets until they are capable of operating as intended.

1 Accounting Policies (continued)

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at year end. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Fixed and Current Asset Investments
Quoted investments are stated at mid-market value. All losses and gains are taken direct to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Stock
Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

2 Donations and grants

	Unrestricted Funds £	Restricted Funds £	2021 Total £	*2020 Total £*
Community	**488,812**	**22,807**	**511,619**	*774,566*
Corporate	**287,710**	**10,308**	**298,018**	*412,483*
Trusts and Foundations	**35,251**	**292,396**	**327,647**	*74,248*
Government COVID-19 Grants	**143,865**	**10,000**	**153,865**	-
	£955,638	**£335,511**	**£1,291,149**	*£1,261,297*
Total 2020	*£1,179,577*	*£81,720*	*£1,261,297*	

Of the £153,865 Government COVID-19 grants, £143,865 related to the Job Retention Scheme received for members of staff on furlough.

3 Legacies

	Unrestricted Funds - Core	Unrestricted Funds – Exceptional legacy	Restricted Funds	2021 Total	*2020 Total*
	£	£	£	£	*£*
Legacies	**124,216**	**650,000**	**-**	**774,216**	*204,725*
	£124,216	**£650,000**	**£-**	**£774,216**	*£204,725*
Total 2020	*£204,725*	*£-*	*£-*	*£204,725*	

The exceptional income relates to an extraordinary large single legacy for which there were no specific restrictions attached to the donation.

4 Investment Income

	Unrestricted Funds	Restricted Funds	2021 Total	*2020 Total*
	£	£	£	*£*
Income from listed investments	**108,128**	**-**	**108,128**	*137,343*
Bank and other interest	**53**	**2**	**55**	*2,057*
	£108,181	**£2**	**£108,183**	*£139,400*
Total 2020	*£139,161*	*£239*	*£139,400*	

5 Costs of Raising Funds

	Unrestricted Funds £	Restricted Funds £	2021 Total £	*2020 Total £*
Postage	**1,592**	**-**	**1,592**	*5,277*
Newsletter	**1,795**	**3,442**	**5,237**	*18,720*
Fundraising expenses	**23,635**	**2,115**	**25,750**	*89,731*
Opening stock	**17,657**	**-**	**17,657**	*18,056*
Cost of merchandise sold	**729**	**-**	**729**	*12,971*
Closing stock	**(15,027)**	**-**	**(15,027)**	*(17,657)*
IT costs	**5,579**	**3,329**	**8,908**	*6,427*
Banking and platform charges	**11,785**	**-**	**11,785**	*4,419*
Website costs	**12,000**	**-**	**12,000**	*13,125*
Branch fundraising costs	**2,028**	**6,242**	**8,270**	*61,463*
Investment management costs	**22,223**	**-**	**22,223**	*19,542*
Staff training	**289**	**-**	**289**	*4,774*
Waverley premises costs	**14,174**	**11,766**	**25,940**	*34,170*
Support costs				
Apportioned staff costs	**298,818**	**25,542**	**324,360**	*295,945*
Staff costs covered by government grants	**57,891**	**-**	**57,891**	*-*
	£455,168	**£52,436**	**£507,604**	*£566,963*
Total 2020	*£531,059*	*£35,904*	*£566,963*	

6 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2021 Total £	*2020 Total £*
Research grants				
Total grants awarded (see note 22)		-	-	*15,691*
Grants no longer required	-	-	-	*(182,048)*
Other grants				
Total grants awarded (see note 22)	**116,870**	**1,000**	**117,870**	*615,830*
Grants no longer required	**(24,490)**	-	**(24,490)**	*(152,463)*
Other charitable activities				
Family financial support	**68,967**	**25,694**	**94,661**	*118,449*
Support groups and parent information	**7,628**	**5,848**	**13,476**	*38,175*
Holidays for families	**(1,209)**	-	**(1,209)**	*101,027*
Recruitment costs	-	-	-	*36,121*
Hospital Equipment and support	**7,112**	-	**7,112**	*18,143*
Candlelighters bus	-	-	-	*29,335*
Brandon cottage costs	**3,856**	**4,146**	**8,002**	*13,136*
Brandon cottage impairment	**194,388**	-	**194,388**	-
Depreciation of Brandon cottage and fittings	**26,864**	-	**26,864**	*29,637*
Global Make Some Noise- Twin Vision Animation	-	**2,625**	**2,625**	*5,682*
@The Square				
- Running costs	**12,740**	**10,258**	**22,998**	*53,789*
- Depreciation of The Square	**22,530**	-	**22,530**	*22,530*
- Wellbeing treatments and support	**31,386**	**24,800**	**56,186**	*157,615*
- Front line staff costs	**145,250**	**55,767**	**201,017**	*191,974*
- Staff costs covered by government grants	**36,830**	-	**36,830**	-
Support costs				
Depreciation	**9,367**	-	**9,367**	*17,907*
Candlelighters car	**126**	-	**126**	*7,829*
IT costs	**5,579**	**3,329**	**8,908**	*6,427*
Other support costs	**10,074**	-	**10,074**	*17,620*
Auditors' remuneration – payroll services	**931**	**878**	**1,809**	*1,992*
Other staff costs- charity management and central support of charitable activities	**153,310**	**63,040**	**216,350**	*319,672*
Staff costs covered by government grants	**49,144**	-	**49,144**	-
Governance costs (note 7)	**16,813**	**4,893**	**21,706**	*20,749*
	£894,066	**£52,436**	**£1,096,344**	*£1,504,819*
Total 2020	*£1,634,729*	*£(129,910)*	*£1,504,819*	

7 Governance Costs

	Unrestricted Funds £	Restricted Funds £	2021 Total £	*2020 Total £*
Auditors' remuneration	5,310	2,790	8,100	*7,968*
Legal and professional	4,230	2,103	6,333	*4,421*
Apportioned staff costs	6,860	-	6,860	*6,523*
Meetings	413	-	413	*1,837*
	£16,813	£4,893	£21,706	*£20,749*
Total 2020	*£20,749*	*£-*	*£20,749*	

8 Total Resources Expended

	Staff Costs £	Depreciation £	Other Costs £	2021 Total £	*2020 Total £*
Costs of raising funds	382,251	-	125,353	507,604	*566,963*
Charitable activities (excluding governance)	503,341	58,761	512,536	1,074,638	*1,484,070*
Governance costs	6,860	-	14,846	21,706	*20,749*
	£892,452	£58,761	£652,735	£1,603,948	*£2,071,782*
Total 2020	*£814,114*	*£70,074*	*£1,187,594*	*£2,071,782*	

9 Total Resources Expended (continued)

Staff Costs

	2021	*2020*
	£	*£*
Wages and salaries	**788,361**	*721,610*
Social security costs	**67,618**	*63,193*
Pension costs	**36,473**	*29,311*
	£892,452	*£814,114*

The total employment costs to the charity of the key management personnel during the year was £249,076 (2020: £198,135).

The average number of key management personnel during the year was 5 (2020: 4).

Reimbursed expenses, which are all subject to the Charity's processes of internal controls, do not form part of remuneration and are not included above.

The Trustees received no remuneration and were not reimbursed for any expenses during the year (or previous year).

All Trustees give their time freely and no Trustee remuneration was paid in the year. During the year monetary donations made by Trustees to the Charity totalled £60 (2020: £60).

One employee received emoluments in the banding of £60,000 - £70,000 (2020: nil).

The average number of paid employees (including part-time) was:

	2021	*2020*
	Number	*Number*
Administration, management, fundraising and charitable expenditure support	**31**	*31*

9 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2020 Total £
INCOME AND ENDOWMENTS FROM			
Donations and legacies:			
Donations and grants	1,179,577	81,720	1,261,297
Branch fundraising events	76,105	81,806	157,911
Legacies	204,725	-	204,725
Trading activities – sale of goods	12,719	-	12,719
Investment income	139,161	239	139,400
Total Income and Endowments	1,612,287	163,765	1,776,052
Expenditure on			
Raising funds	531,059	35,904	566,963
Charitable activities	1,634,729	(129,910)	1,504,819
Total Expenditure	2,165,788	(94,006)	2,071,782
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS	(553,501)	257,771	(295,730)
Transfers to restricted research	21,349	(21,349)	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS	(532,152)	236,422	(295,730)
Net Gains and Losses			
Gains / (losses) on fixed asset investments			
Realised	14,105	-	14,105
Unrealised	(44,831)	-	(44,831)
NET MOVEMENT IN FUNDS	(562,878)	236,422	(326,456)
Reconciliation of funds			
Balances brought forward at 1 March 2019	3,272,764	434,505	3,707,269
BALANCES CARRIED FORWARD AT 28 February 2020	£2,709,886	£670,927	£3,380,813

10 Tangible Fixed Assets

Group and Charity:

	Freehold Property	Leasehold Improvements		Fittings & fixtures	Equipment	
	Brandon Cottage	@The Square	Pavilion	Brandon Cottage		Total
	£	£	£	£	£	£
Cost						
As at 1 March 2020	634,779	225,303	326,539	114,890	67,090	1,368,601
Additions	500	-	-	-	3,646	4,146
Disposals	-	-	-	-	-	-
As at 28 February 2021	635,279	225,303	326,539	114,890	70,736	1,372,747
Accumulated depreciation						
As at 1 March 2020	15,689	135,204	326,539	21,563	23,224	522,219
Charge for the year	12,702	22,530	-	14,162	9,367	58,761
Impairment	194,388	-	-	-	-	194,388
Eliminated on disposal	-	-	-	-	-	-
As at 28 February 2021	222,779	157,734	326,539	35,725	32,591	775,368
Net book value						
At 28 February 2021	**£412,500**	**£67,569**	**£ -**	**£79,165**	**£38,145**	**£597,379**
At 28 February 2020	*£619,090*	*£90,099*	*£ -*	£93,327	*£43,866*	*£846,382*

The Trustees considered costs incurred in the building of the Pavilion are improvements on leasehold land owned by the Leeds General Infirmary.

The Square costs represent capital improvements and internal fittings and furniture within a short leasehold property. The property hosts the family support centre of the Charity.

The freehold property represents the asset of Brandon Cottage.

In the financial year, the Charity gained more details about the planned new children's hospital including information on timescales, location and the possible accommodation for families. From these details, the most likely expectation is that accommodation will be available to families closer to the new location of the hospital than Brandon Cottage. As such, whilst we intend to keep the Cottage as long as it remains valuable to the families and the Charity which is expected to be for a number of years, the potential period of the value in use is likely to be shorter. Accordingly, having reviewed the expected value in use versus up to date market values obtained, the Cottage carrying value has been reduced to the market value. This has resulted in an impairment in the financial statements of £194,388. The carrying value will continue to be reviewed in light of any developments and updated information regarding the new children's hospital.

11 Fixed Asset Investments

	Group £	Charity £
Quoted investments		
Market value at 1 March 2020	3,193,346	3,193,346
Additions	821,643	821,643
Disposals	(858,966)	(858,966)
Net unrealised gains	228,265	228,265
	3,384,288	3,384,288
Cash at bank awaiting re-investment	41,975	41,975
Subsidiary undertaking: cost	-	26,807
Market value at 28 February 2021	**£3,426,263**	**£3,453,070**
Historical cost as at 28 February 2021	£2,766,839	£2,825,325

At 28 February 2021, investments in Baillie Gifford American W1 Distribution fund represented 6.9% of the total investment portfolio with Artemis Fund Managers representing 5.7%. No other individual investment represented more than 5% of the investment portfolio. In 28 February 2020 no individual investment represented more than 5% of the total investment portfolio valuation although as a category UK Government Stock represented 8.6%.

A separate investment portfolio with a lower risk categorisation is held for liquidity and working capital purposes and disclosed as a current asset in note 13.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments arises from uncertain investment markets resulting in variable income and capital returns from the portfolio of assets.

Currency translation risks remain for those companies and bonds that are exposed to overseas earnings and assets.

Liquidity risk is anticipated to be low as all assets are traded on recognised exchanges with good liquidity and high trading volumes. The Charity's portfolio has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages investment risk by appointing professional investment managers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

11 Fixed Asset Investments (continued)

The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term total return. Whilst some level of volatility can reasonably be expected, historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Subsidiary undertaking
The £26,807 investment represents a 100% holding in the issued share capital of Candlelighters Trading Limited, a company registered in England and Wales. The subsidiary was dormant with net assets of £26,807.

12 Debtors

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Amounts falling due within one year:				
Accrued legacy income	**50,000**	*178,696*	**50,000**	*178,696*
Prepayments and other accrued income	**19,817**	*26,608*	**19,817**	*26,608*
	£69,817	*£205,304*	**£69,817**	*£205,304*

13 Current Asset Investments

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Listed investments	**560,020**	*294,641*	**560,020**	*294,641*
	£560,020	*£294,641*	**£560,020**	*£294,641*

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

14 Liabilities: Amounts Falling Due Within One Year

	Group 2021 £	*2020 £*	Charity 2021 £	*2020 £*
Creditors in the ordinary course of activities	**16,912**	*36,258*	**16,912**	*36,258*
Amount owed to subsidiary	**-**	*-*	**26,807**	*26,807*
Accruals	**15,460**	*17,421*	**15,460**	*17,421*
Social security	**15,389**	*17,998*	**15,389**	*17,998*
Other creditors	**4,447**	5,163	**4,447**	5,163
	52,208	*76,840*	**79,015**	*103,647*
Grant awards	**626,446**	*669,087*	**626,446**	*669,087*
	£678,654	£745,927	**£705,461**	*£772,734*

15 Liabilities: Amounts Falling Due After More Than One Year

	Group 2021 £	*2020 £*	Charity 2021 £	*2020 £*
Grant awards	**£600,874**	*£882,447*	**£600,874**	*£882,447*

16 Reconciliation of Grants Awarded

Group and Charity

	2021 £	*2020 £*
Opening liability obligation	**1,551,534**	*2,000,630*
Grants awarded in the year (note 22)	**117,870**	*631,521*
Provisions no longer required	**(24,490)**	*(334,511)*
Paid during the year	**(417,594)**	*(746,106)*
Closing liability obligation	**£1,227,320**	*£1,551,534*

17 Analysis of Group Assets between Funds

	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	597,379	597,379
Fixed asset investments	-	3,426,263	3,426,263
Other current assets	745,603	695,197	1,440,800
Liabilities	-	(1,279,528)	(1,279,528)
Net assets at 28 February 2021	£745,603	£3,439,311	£4,184,914

18 Taxation

The Candlelighters Trust is a registered charity and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

The subsidiary does not have charitable status and is fully subject to taxation. At present the trading subsidiary is dormant and has not traded within the financial year.

19 Trustees Interests and Related Party Disclosures

Trustees are required to declare an interest in contracts with which they are connected. Several Trustees use their expertise in areas affecting The Candlelighters Trust but no Trustee had any significant personal financial interest in contracts with the Charity during the year.

Medical Trustees and members of the Medical Review Panels are not precluded from applying for grant funding for projects. Interests in projects are required to be disclosed and the relevant Trustees and panel members take no part in the decision process. Their projects are assessed using the same criteria as that which applies to all potential grantees.

20 Capital

The Candlelighters Trust is a charitable company, limited by guarantee and has no share capital. The members have agreed to contribute £1 each to the Charity's assets in the event of it winding up, if its assets should prove insufficient to cover its liabilities.

21 Movements in Funds

	At 1 March 2020	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2021
Unrestricted funds							
Free Charitable Reserve	1,090,671	1,862,514	(1,092,725)	12,289	(135,050)	202,692	1,940,391
Fixed assets reserve (note 10)	846,382	-	(253,149)	1,164	2,982	-	597,379
Designated Funds- Digital	-	-	-	-	150,000	-	150,000
Designated Funds-Supportive Care	377,833	-	-	-	(1,292)	-	376,541
Designated Funds-Sheffield	65,000	-	-	-	-	-	65,000
Designated Funds-Cottage	30,000	-	(3,360)	-	(16,640)	-	10,000
Designated Funds-Research Pot	300,000	-	-	-	-	-	300,000
Restricted Funds							
Research Fund	622,167	7,534	(6,242)	-	-	-	623,459
Children in Need- Wishes and Memories	-	3,612	(3,591)	-	-	-	21
Children in Need- Twin Vision	4,318	10,000	(2,625)	-	-	-	11,693
Movement for Good	44,442	-	(1,569)	-	-	-	42,873
Global Make Some Noise	-	14,000	(11,705)	-	-	-	2,295
The Kentown Wizard Foundation	-	16,000	(16,000)	-	-	-	-
The Julia and Hans Rausing Trust	-	159,480	(123,759)	-	-	-	35,721
The Susie P Foundation	-	11,400	(11,400)	-	-	-	-
National Lottery Community Fund	-	37,840	(37,043)	-	-	-	797
Other	-	82.977	(40,780)	(13,453)	-	-	28,744
Total	£3,380,813	£2,205,357	£(1,603,948)	£ -	£ -	£202,692	£4,184,914

Restricted Funds

Monies donated to the Research Fund are restricted solely for the purpose of funding research.

The Children in Need – Wishes and memories fund is a donation from Children in Need restricted solely to go towards wishes and memories for patients and families

The Children in Need – Twin Vision fund is donations from Children in Need restricted solely for the purpose of an animation project supported by Twin Vision.

21 Movements in Funds (continued)

The Movement for Good fund reflects amounts donated from the organisation Ecclesiastical under their Movement for Good programme which are restricted to funding the Charity's Family Network.

The Susie P Foundation amount relates to funding received in the year restricted towards COVID-19 Family Support Activities and Christmas Grants.

The National Lottery Community Fund is a Coronavirus Community Support Fund which has been specifically provided to support the Charity during the Coronavirus pandemic and the funds are restricted towards certain activities including Family Support staff.

The Julia and Hans Rausing Trust amount relates to funding received in the year to support core costs during COVID-19.

The Kentown Wizard Foundation fund reflects funding received in the year to help with Family Support staff costs.

General Funds

The general Free Charitable Reserve can also fund research.

The fixed assets reserve represents funds tied up in tangible fixed assets and so are funds which are excluded from "free" general reserves. The fixed assets can be seen in note 10 and the majority of the asset value and associated reserve relates to the Candlelighters Cottage.

Designated Funds

The supportive care designated fund reflects the Board's strategy to support the development of a new research programme in Supportive Care and the estimated reserves that will be required taking into account reserves restricted to research.

The Sheffield designated fund reflects the amounts designated to enhance the Charity's geographical reach and penetration across the whole of Yorkshire.

The Cottage designated fund reflects an estimation for expenditure in the next year to invest in the Cottage.

The Research Pot designated fund is the amount of reserves designated for other research beyond other restricted and designated amounts.

During the financial year the Board designated £150,000 of funds to making the Charity more digital. This is deemed a critical strategy in order for the Charity to keep pace with the times and keep relevant.

22 Grants Awarded	2021 £	*2020* *£*
Research grants		
Pilot Study for Reduced Antibiotics *Funding a pilot study to whether a new blood test can shorten duration of treatment meaning a shorter time in hospital and on antibiotics*	-	*14,436*
Exploration to increase physical activity on the ward	-	*1,255*
	-	*15,691*
General grants		
Dinner lady – 3 year period	-	*72,930*
Outreach play specialists -3 year period	-	*205,565*
Eckersley House	15,000	-
Ward playteam and clinic play workers –3 year period	-	*225,000*
Social Workers - 6 month extension - 1 year period	78,236 -	- *85,000*
Paediatric Radiographer – 1 year period	23,628	-
Speech and Language Specialist – 3 year period	-	*15,563*
Small miscellaneous grants - 1 year period	-	*11,772*
Other	1,006	-
	117,870	*615,830*
Total	£117,870	*£631,521*

23 Controlling Party

The Trustees of The Candlelighters Trust are considered to be the controlling party of the company.

24 Operating Lease Commitments

At 28 February 2021, the Charity had the following total minimum commitments (effectively the period until break clauses) under non-cancellable operating leases as set out below.

Operating leases which expire in:	2021 Total £	*2020 Total £*
Less than 1 years	**10,007**	*36,546*
1 to 5 years	**88,510**	*100,738*
More than 5 years	-	-