

THE CANDLELIGHTERS TRUST

**Charity Registration No. 1045077
Company Registration No. 3020552**

**TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS**

For the year ended 29 February 2024



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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.

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 29 February 2024 (continued)

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 develop 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 to 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.

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 29 February 2024 (continued)

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 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; 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.

THE CANDLELIGHTERS TRUST

Independent auditors' report to the members of THE CANDLELIGHTERS TRUST (continued)

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

		Group		Charity	
	Note	2024 £	2023 £	2024 £	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
		<u>3,062,769</u>	<u>3,740,113</u>	<u>3,089,576</u>	<u>3,766,920</u>
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
		<u>623,356</u>	<u>888,019</u>	<u>623,356</u>	<u>888,019</u>
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)
		<u>(109,240)</u>	<u>25,522</u>	<u>(136,047)</u>	<u>(1,285)</u>
Net current assets/(liabilities)		<u>(109,240)</u>	<u>25,522</u>	<u>(136,047)</u>	<u>(1,285)</u>
Total assets less current liabilities		<u>2,953,529</u>	<u>3,765,635</u>	<u>2,953,529</u>	<u>3,765,635</u>
Liabilities: amounts falling due after more than one year					
Grant awards	17	(275,178)	(279,712)	(275,178)	(279,712)
		<u>(275,178)</u>	<u>(279,712)</u>	<u>(275,178)</u>	<u>(279,712)</u>
Net assets	19	<u>£2,678,351</u>	<u>£3,485,923</u>	<u>£2,678,351</u>	<u>£3,485,923</u>
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
		<u>£2,678,351</u>	<u>£3,485,923</u>	<u>£2,678,351</u>	<u>£3,485,923</u>
Total funds	23	<u>£2,678,351</u>	<u>£3,485,923</u>	<u>£2,678,351</u>	<u>£3,485,923</u>

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	<u>(1,379,467)</u>	<u>(358,865)</u>
Net cash generated from/ (used in) operating activities		<u>(1,379,467)</u>	<u>(358,865)</u>
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		<u>1,289,906</u>	<u>137,001</u>
Change in cash and cash equivalents in the reporting period		<u>(89,561)</u>	<u>(221,864)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>294,084</u>	<u>515,948</u>
Cash and cash equivalents at the end of the reporting period	b	<u>£204,523</u>	<u>£294,084</u>

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

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

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 of 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.

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 29 February 2024 (continued)

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
	<u>£1,449,316</u>	<u>£132,043</u>	<u>£1,581,359</u>	<u>£1,573,041</u>
<i>Total 2023</i>	<u>£1,236,172</u>	<u>£336,869</u>	<u>£1,573,041</u>	

4 Legacies

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Legacies	62,340	-	62,340	400,060
	<u>£62,340</u>	<u>-</u>	<u>£62,340</u>	<u>£400,060</u>
<i>Total 2023</i>	<u>£395,060</u>	<u>£5,000</u>	<u>£400,060</u>	

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.

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 29 February 2024 (continued)

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from portfolio investments	110,670	-	110,670	109,912
	<u>£110,670</u>	<u>-</u>	<u>£110,670</u>	<u>£109,912</u>
<i>Total 2023</i>	<u>£109,912</u>	<u>-</u>	<u>£109,912</u>	

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
<i>Support costs</i>				
Apportioned staff costs	337,200	-	337,200	305,414
	<u>£543,036</u>	<u>-</u>	<u>£543,036</u>	<u>£471,349</u>
<i>Total 2023</i>	<u>£471,349</u>	<u>-</u>	<u>£471,349</u>	

THE CANDLELIGHTERS TRUST
Notes to the financial statements for the year ended 29 February 2024 (continued)
7 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
<i>Research grants</i>				
Total grants awarded (see note 24)	253,152	301,582	554,734	1,261
Grants no longer required (see note 24)	-	-	-	(44,003)
<i>Other grants</i>				
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)
<i>Other charitable activities</i>				
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
<i>@The Square</i>				
- 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
<i>Support costs</i>				
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
<i>Total 2023</i>	£1,229,303	£298,297	£1,527,600	

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 29 February 2024 (continued)

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
	<u>£24,155</u>	<u>-</u>	<u>£24,155</u>	<u>£24,826</u>
<i>Total 2023</i>	<u>£24,826</u>	<u>-</u>	<u>£24,826</u>	

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
	<u>£1,103,818</u>	<u>£38,196</u>	<u>1,486,949</u>	<u>2,628,963</u>	<u>£1,998,949</u>
<i>Total 2023</i>	<u>£997,949</u>	<u>£40,433</u>	<u>£960,567</u>	<u>£1,998,949</u>	

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
	<u>£1,103,818</u>	<u>£997,949</u>

THE CANDLELIGHTERS TRUST**Notes to the financial statements for the year ended 29 February 2024 (continued)****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	<i>2023 Number</i>
In the band £70,001 - £80,000	1	<i>1</i>

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	<i>2023 Number</i>
Administration, management, fundraising and charitable expenditure support	37	<i>36</i>

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	<i>2023 Number</i>
Fundraising staff	9.1	<i>9.7</i>
Front line support staff	14.6	<i>14.3</i>
Charity management and central	10.5	<i>9.2</i>
	34.2	<i>33.2</i>

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 29 February 2024 (continued)

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
<i>As at 28 February 2023</i>	<i>£412,500</i>	<i>£22,509</i>	<i>£ -</i>	<i>£57,556</i>	<i>£33,332</i>	<i>£525,897</i>

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
	<hr/>	<hr/>
	2,274,678	2,274,678
Cash held in investment portfolio awaiting investment or distribution	296,149	296,149
Subsidiary undertaking: cost	-	26,807
	<hr/>	<hr/>
Market value as at 29 February 2024	£2,570,827	£2,597,634
	<hr/>	<hr/>
Historical cost as at 29 February 2024	£2,348,297	£2,375,104
	<hr/>	<hr/>

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)
	<hr/>	<hr/>	<hr/>
Net assets at 29 February 2024	£35,373	£2,642,978	£2,678,351
	<hr/>	<hr/>	<hr/>

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.

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 29 February 2024 (continued)

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
<u>Unrestricted funds</u>							
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)	-	-
<u>Restricted Funds</u>							
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

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 29 February 2024 (continued)

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
<u>Unrestricted funds</u>							
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)	-	-
<u>Restricted Funds</u>							
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 £
<u>Research grants</u>		
Sue Burchill travel	-	1,261
Candlelighters Supportive Care Research Centre (support for 3 years)	554,734	-
	<hr/>	<hr/>
	£554,734	£1,261
	<hr/>	<hr/>
<u>General grants</u>		
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	-
	<hr/>	<hr/>
	£119,766	£300,959
	<hr/>	<hr/>
Total	£674,500	£302,220
	<hr/>	<hr/>

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 utilised 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	<i>2023</i>
	Total	<i>Total</i>
	£	<i>£</i>
Within 1 year	24,567	<i>30,008</i>
Between 1 and 5 years	10,425	<i>14,392</i>

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.