

hugs childrens cancer charity

England & Wales · Charity number 1161382

Details

| | |
|-------------|---|
| Other names | HUGS FROM HENRY |
| Status | Registered |
| Legal form | CIO |
| Registered | 2015-04-22 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|--|
| Address | 15 Dean Park Road Plymouth PL9 7NY |
| Phone | 07812346019 |
| Email | hugsfromhenry@hotmail.com |
| Website | www.hugsgcc.com |

Activities

Objects: The relief of sickness and the preservation of health of children and young people suffering from neuroblastoma or childhood cancer, in particular but not exclusively by the provision of a respite/holiday home, and emotional support and group events for them and their families.

Activities: Hugs from Henry provide support to families with childhood cancer, neuroblastoma and childhood cancer in Plymouth and Cornwall. This is done through group events, hospital visits and new to 2019 our first respite home. We have regular contact with families through emotional advice, visits and events.

Classification

- **How:** Provides Buildings/facilities/open Space, Acts As An Umbrella Or Resource Body
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

Geography

- Cornwall
- Devon
- Plymouth City

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|----------|-----------|
| 2025-04-30 | £665,059 | £672,405 | £204,737 | 31 |
| 2024-04-30 | £546,719 | £552,193 | £341,110 | 22 |
| 2023-04-30 | £219,270 | £248,294 | - | - |
| 2022-04-30 | £219,270 | £248,294 | - | - |
| 2021-04-30 | £168,594 | £143,044 | - | - |

Trustees

| Name | Role | Appointed |
|----------------|------|------------|
| Ade Edwards | | 2021-05-10 |
| Daniel Wright | | 2026-02-22 |
| KELLY HEATLEY | | 2022-01-26 |
| Michael Hallam | | 2016-06-08 |
| Vicky Reeve | | 2024-01-14 |
| Zoe EDWARDS | | 2020-02-09 |

hugs childrens cancer charity

England & Wales - Charity number 1161382

Accounts

Charity registration number: 1161382

Hugs Children's Cancer Charity CIO

Annual Report and Financial Statements

for the Year Ended 30 April 2025



WESTCOTTS

CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Hugs Children's Cancer Charity CIO

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Hugs Children's Cancer Charity CIO

Reference and Administrative Details

| | |
|------------------------------------|--|
| Chairman | Ade Edwards |
| Chief Executive Officer | Elsbeth Hallam, Co-founder |
| Trustees | Vicky Reeve Zoe Edwards Michael Hallam Kelly Heatley Ade Edwards |
| Charity Registration Number | 1161382 |
| Principal Office | PO Box 164 Plymouth Devon PL1 9EP |
| Independent Examiner | Westcotts (SW) LLP Independent examiner Plym House 3 Longbridge Road Marsh Mills Plymouth Devon PL6 8LT |
| Solicitors | GA Solicitors 25 Lockyer Street Plymouth PL1 2QW |
| Bankers | Barclays Bank Plymouth 140-146 Armada Way Plymouth Devon PL1 1LA |

Hugs Children's Cancer Charity CIO

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 30 April 2025.

Objectives and activities

Objects and aims

The charity objectives are as follows:

- The relief of sickness and the preservation of health of children and young people suffering from Neuroblastoma or childhood cancer, in particular but not exclusively by the provision of a respite/holiday home, and emotional support and the provision of group social events for them and their families.

WHAT HAVE WE ACHIEVED THIS YEAR?

Hugs Children's Cancer Charity has delivered the following activities for the public benefit which are in accord with our charitable objects and aims:

- The respite home continues to provide unique breaks for families affected with childhood cancer. The property is well-maintained, safe, accessible, and well resourced to provide the families with a relaxing and luxurious break. This year we have also invested in a new shower room on the ground floor to further support the use of the property for users with physical disabilities.
- Emotional support and peer-to-peer support is provided through our family liaison officer, Elsbeth Hallam, who speaks to many families locally and nationally, providing one to one advice and emotional support. Elsbeth, also manages social media groups to support families with childhood cancer in Devon and Cornwall. She uses social media to connect with families throughout the UK as a reach out service. Her information is also given to newly diagnosed families alongside a voucher.
- We have provided emotional support and delivered "care packs" to the families affected by childhood cancer within Plymouth Derriford Hospital, Bristol Children's Hospital, Treliske and Royal Devon and Exeter Hospitals. Our family support worker, Elsbeth, also continues to visit hospitals nationally to support families with neuroblastoma. The care packs generally consist of small treats, pyjama's, toiletries and food vouchers for the family.
- We continue to provide seasonal gifts of Easter eggs and luxury Hampers and gifts at Christmas to hospitals in the South West of England and hand delivered parcels and presents to families in the community, including our bereaved families. We have regularly provided new toys to the hospital play departments and treasure chest toys for any child having small treatments, procedures and tests.
- The charity has organized group events and coffee mornings for families, including private cinema screenings and our annual Christmas party. This provides families with the opportunity to meet other people who have also been in similar situations, important peer-to-peer support for the whole family. Funded events for individuals and siblings include go karting and airsoft, and we hope to continue and grow this into 2026 utilizing the Hugs Hub.
- The charity has been nominated for several awards this year including the Charity of the Year for both the West Country Women awards and the Great British Community Awards.
- In April 2025 we opened our first Hugs Hub, a wellness Centre for families to visit for peer to peer support, formal counselling and play therapy. The mental health support has been well utilised, especially by siblings who are often sidelined when a child is diagnosed with cancer.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

Elsbeth often travels to meet with families in hospital, giving families one-to-one in person emotional support, ensuring that each individual is provided with unique and supportive care, adapted around their own individual treatment plans and cancer journeys

OUR VISION FOR 2026

This year we have conducted an impact survey and the results of this have shown that what we are providing is popular and well needed. We therefore have looked at the vision for 2026 and how we can grow to support more families.

- In 2026 we hope to expand our Hugs Wellness Hub, employing a second counsellor and doing a monthly coffee morning. The space provides a place for families to come and speak to a member of the family support team, provide counselling to those who need it and play therapy for the children in treatment and their siblings. The plan is for the Derriford oncology nurses team to be able to use the space when needed. We want the Hub to be a leading support service in the local area for children and youth mental health, linked to childhood cancer.
- We will continue to provide respite to families with childhood cancer, in treatment, post treatment and to those who have been left bereaved by childhood cancer. There is currently no limit on time when this support ends as we feel childhood cancer is a long-term diagnosis and has lasting effects on not only the child with cancer but the whole family. The respite home continues to be open all year. We hope to renovate a further bathroom in the next two years.
- We will be increasing our visits to hospitals within the South West to provide care packs and emotional support to local families being treated in these areas. We will be organising visits with local entertainers who can also visit the hospital. We provide emotional support over the phone, email or via social media platforms for any family with neuroblastoma nationally. We hope to also visit Derrifords' oncology clinic quarterly to provide support.
- We will continue to provide our annual Children's Cancer Ball / Party free of charge to the local oncology children and their families. We would like to increase the provision for another gathering/family fun day for the summer months.
- We will organize various group away days throughout the year for families to spend time with other oncology families, encouraging communication and support in the oncology community. This will be varied at different locations.
- The private cinema screenings have proven popular and we will be increasing these throughout the year.
- We will continue to provide gifts and hampers at Christmas to local hospitals and communities and chocolate eggs and crafts during Easter.
- We will continue to provide cooked meals to those in treatment when requested. Vouchers and care packs will hopefully increase as the charity fundraising grows.
- In 2025, the charity celebrated 10 years of being a registered charity with the charity commission, this was a momentous achievement through challenging times for the world with the covid pandemic and Brexit.
- A continuation of renovating the Respite home bathrooms will be sought after in 2026. To do this we will be requesting funding from B&Q foundation and Screwfix foundation.
- The Hugs Hub and Wellness Centre will host monthly coffee mornings and other smaller group events as well as offering alternative therapies and clinics.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

- Family away days are always very popular events in the Hugs calendar and we hope to expand on the amount of these we do each year. These give families the ability to do a fun day out free of cost, bringing the family unit together but also giving families the ability to speak to others who are going through similar circumstances. All planned events are based on amount fundraised.
- The children's cancer ball/disco will be taking place in 2026 after a successful 2025 at our new venue of Plymouth Argyle. We will also be looking at hosting a family fun day in the summer.

Donated services and facilities

Alongside the generous donations of items for sale in our shops we receive items from many sources, including companies who have nominated as their charity of the year, and via collection points in local retailers such as Dunelm Mill. Through her involvement in BNI Endeavour Plymouth, Elsbeth has been able to secure the support of the following business to significantly reduce the set up costs of the new Hub facility and wishes to extend the charities thanks to these parties.

- Davenpost Homes
- Leydon Limited
- Dave Wasteaway
- Mark Dawson

The charity do not include the value of these donated services and goods in their financial reporting, as the value of these items cannot be reliably measured.

2026 AND ONWARDS

Fundraising Disclosures

The charity runs three charity shops which sell second hand donated goods, provides an outlet for publicity material for the charity and collects donations for the general work of the charity:

Hugs Children's Cancer Charity donation unit

1-3 Unit
Sugar Mill Retail Park
Plymouth
PL9 7HT

Hugs Children's Cancer Charity Shop

The Broadway
Plymstock
Plymouth
PL9 7AU

Hugs Childrens Cancer Charity Shop

14 Phelps Road
Devonport
Plymouth
PL1 4FS

Telephone: 01752 651880

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

FUNDRAISING MISSIONS

As the charity grows the need for fundraising has increased, the new wellness unit, the Hugs Hub, has increased our fundraising missions due to the costs of individual counselling being provided as well as rent and utilities.

The world economics have also impacted the charity over the last 18 months with national wage increases, energy costs and utilities increase and a change in the recycling trade that has impacted our shop costs.

Our monthly respite home costs have also increased significantly due to increase of costs in the swimming pool, maintenance and waste.

Our Charity Shops continue to be our main source of fundraising. It has become a community in itself with regular customers, volunteers and its own social media platform run by our retail manager, Ryan Jackson. The retail provides job opportunities but also volunteering to adults with learning difficulties.

We have a charity fundraiser, Jemma Jones, whose role is to focus solely on bringing in the vital funds needed to run the charity. She does this through corporate networking, large scale events, and grant applications. We hope to expand this team as our charity grows and the fundraising needs grow with it.

FUTURE FUNDRAISING/ HOW DO WE FUND OUR MISSIONS?

- Charity Shops
- Fundraising events i.e. Golf days, Strictly Hugs Dancing ball
- Sponsored runs, walks, skydives etc.
- Corporate sponsorship
- Grants from National and local grant givers i.e. National Lottery, Comic relief, Red nose day, Global make some noise, St James Place, Livewell foundation, Lady Astor.
- Legacy and Wills
- Community Lottery platform

We are excited to hold our Strictly Hugs Dancing Ball again in 2026. This will be the 8th year we have organized this event and it has become a firm favourite with our patrons. We hope to train 8 novice dancers and raise upwards of £10k at this event.

Our annual golf day in April hopes to be a sell out and raise upwards of £3k.

We are actively looking for participants to take on challenges such as sky diving, running events and asking those people to set up just giving pages.

We have 24 spaces in the 2026 London Landmarks half marathon, this is a great event for participants to take part in a challenge while raising a minimum of £350 on just giving. We hope to raise £5k from this yearly event.

We have applied for various grants nationally to help the charity on its missions including the away days and we hope that this will help in funding more events.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

TRUSTEES;

ADE EDWARDS

Ade works as a senior manager within a drug and alcohol charity in Plymouth and has worked exclusively in the third sector for the last 20 years. Ade brings knowledge and understanding of how charities operate, their legal framework and financial underpinnings to the board of trustees of which he is currently chair.

MICHAEL HALLAM

Michael is Henrys father and co-founder of Hugs Children's Cancer Charity. Mike is a Director of Expedite Building Services and a Board Director of Expedite Holding Group, with over 18 years of electrical engineering experience. He has experience of managing large numbers of staff, engineering projects and running a SME business. He brings relevant leadership, knowledge and experience from his work but most critically the understanding of being a father in the paediatric oncology field.

ZOE EDWARDS

Zoe has been a long-standing support to the charity from its conception in 2015. Zoe is a registered nurse with over 20 years' experience, She brings her wealth of medical knowledge and practice nurse experience to the board.

KELLY HEATLEY

Kelly first started at the charity as a volunteer helping raise thousands and being a part of the original award winning 'Pride of Plymouth' fundraising team. Kelly brings this experience and passion to the board of trustees and is pivotal in fundraising ideas and campaigns.

VICKY REEVES

Vicky joined us in 2024 and has a vast experience in directly working with children in a charity setting through community sport initiatives at Devon Cricket Foundation. She brings a wealth of compassion and knowledge on disabilities, poverty and mental health of children in all social backgrounds.

COMPANY DIRECTOR/CEO/FAMILY SUPPORT;

Elsbeth Hallam - Elsbeth serves as Chief Executive officer of the charity on an unpaid basis. She receives compensation solely for her separate role as Family support worker, providing emotional support, counselling and play therapy. This salary is included in direct charitable expenditure.

Elsbeth continues to drive the charity forward with her passion for change and knowledge and personal experience of childhood cancer. She is passionate about supporting families and meeting those who are going through childhood cancer.

As well as winning a Pride of Britain for fundraising, Elsbeth has continued to be nominated and win awards over the last few years.

Elsbeth was nominated in 2024 for a 'one big thank you' on the BBCs The One show, starring alongside Wayne Rooney. This was a very special moment for Elsbeth, but also the families and everyone involved.

She was also a runner up in the West country women awards for an inspirational leader and shortlisted for a Phoenix award, recognizing growth from unimaginable circumstances.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

Elsbeth was recently founding president of BNI Endeavour, where she drove the charity within the business community, raising over £30,000 in the last 12 months in donations and local business people supporting Hugs within running of the charity via building work, waste and cleaning services.

Elsbeth is also a member of the Plymouth Argyle five host table where she has built relationships with local businesses in the room, gaining sponsorships and attendees for events, and where chosen as sleeve sponsors for an FA cup game.

RETAIL DEVELOPMENT MANAGER

Ryan Jackson – As our retail manager, he actively encourages supporting people in the community with learning difficulties to work in the retail units.

With a vast experience of the retail sector, he is a key part of our fundraising mission through the shops. Ryan is dedicated to making a difference to not only the local community but to also the environment, being the first charity shop in Plymouth to recycle all plastics, he is keen on ensuring as little goes to landfill as possible and that recycling of all items is done where possible. This stands Hugs in great stead as we move forward into a more environmentally friendly future.

OTHER STAFF;

Claire Johnson Deputy Retail manager

Rebecca Case Volunteer manager of Broadway

Jaqueline Young Shop Supervisor

Jemma Jones Fundraiser

VOLUNTEERS

We are lucky to be supported by 30 regular volunteers across all three shopping units. Volunteers continue to be the lifeblood of the charity, a donation of time really makes a massive difference to the amount of funds we can raise. These volunteers also help at events, for example the charity balls often sees volunteers return to support the charity in raising funds through raffles and bucket collecting.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

PUBLIC BENEFIT

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Hugs Children's Cancer Charity has delivered the following activities for the public benefit which are in accordance with our charitable objectives and aims:

- The respite home continues to provide unique breaks for families affected with childhood cancer.
- We continue to provide Emotional support / Peer to peer support, now supported through our new Hub facility
- We have provided emotional support and delivered 'care packs' to the families affected by childhood cancer during hospital visits.
- Provision of hampers and gifts at Christmas to the hospitals in the South West of England and hand delivered parcels and presents to families in the community.
- Our charity shops continue to be our main fundraiser for the charity.
- We continue to organise group events and coffee mornings for families, including the popular family away days to popular sites around the country.

FINANCIAL REVIEW

Policy on reserves

The trusts aim to maintain free reserves at a level which equates to approximately six months of unrestricted expenditure. The trustees consider the CIO's exposure to major risks in terms of their likely impact on income sources and planned expenditure in the short to medium term, as well as assessing the best way to manage such risks. The unrestricted funds of the charity are held for the promotion of physical and mental health of sufferers of Neuroblastoma in the UK and to provide support and advice to families of children suffering from Neuroblastoma.

At the financial year end free reserves were **£74,896** which equates to **1.3** months of expenditure based on the last financial year. The trustees are mindful that the reserves policy is not being met and are looking at ways to increase shop and event income going forwards.

Structure, governance and management

Nature of governing document

The trust is a registered charity (number 1161382), a charitable incorporated organization (CIO) (number CE003963) and is constituted under trust deed dated 22 April 2015 in England and Wales. On 23 July 2020 the charity changed its name to Hugs Children's Cancer Charity (Formerly known as Hugs From Henry).

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

Recruitment and appointment of trustees:

The constitution provides for a minimum of three trustees and there is no maximum. Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment regard is given to skills, knowledge and experience. Trustees can serve until they either resign or their term ends without renewal. Overall responsibility for the management of the CIO is vested in the trustees.

The charity will recruit additional trustees, as and when required by invitation. Trustees must give one month's notice before resigning. Extension of terms will be agreed by the board.

Induction and training of trustees

Arrangements for setting key management personnel remuneration

The day to day management of the charity is carried out by the CEO, Elsbeth Hallam, who receives remuneration from the charity for this service. The level of remuneration is set by the trustees, after taking into account the size of the charity and is benchmarked against other charities in the local area.

Organisational structure

The day to day running of the charity is handled by Elsbeth Hallam. She is guided by the trustees when needed. She organizes quarterly trustee meetings and also runs a WhatsApp group to ease communication between members. The majority of decisions are made by a quorum of three trustees where the financial sums involved are in excess of £1000.

Trustees all provide regular voluntary help with tasks where they have particular expertise.

Elsbeth Hallam is also the family liaison officer for the charity. She has regular contact with families and ensures that she is available when needed for contact and visits. She organizes group events, food deliveries and general management of the respite home, the hub and counselling services.

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

Risks

Major risks and management of those risks

All significant activities undertaken are subject to a risk review prior to implementation. Risks are assessed against their potential impact and likely effect on:

- Operational performance
- Financial sustainability
- Achievement of our aims and objectives
- Meeting the expectations of our beneficiaries / supporters
- Charity integrity

We review these risks on an ongoing basis to satisfy ourselves that adequate measures and procedures have been taken to manage the risks identified. Where appropriate certain mitigations are taken such as insurance or outside professional advice. Prior to implementation all risks were highlighted and mitigation measures were taken. Legal advice

was sought by GA Solicitors regarding employment contracts and Womble Bond Dickenson regarding shop leases, as well as the combined expertise and experience from all our trustees.

Human resource advice is also undertaken and advised by Johnathan Keeble from Business Success. He is able to advise on any staffing issues and give best practice advice when needed as the charity grows. A staff handbook has been written by our solicitors, GA Solicitors, and provided to all staff as a part of our ongoing risk management.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

| | |
|--------------------------|--|
| Trustees: | Vicky Reeve Zoe Edwards Michael Hallam Kelly Heatley Ade Edwards |
| Chairman: | Ade Edwards |
| Chief Executive Officer: | Elsbeth Hallam, Co-founder |

Hugs Children's Cancer Charity CIO

Trustees' Report (continued)

Structure, governance and management

Nature of governing document

The trust is a registered charity (number 1161382), a charitable incorporated organisation (CIO) (number CE003963) and is constituted under trust deed dated 22 April 2015 in England and Wales. On 23 July 2020 the charity changed its name to Hugs Children's Cancer Charity (formerly known as Hugs From Henry).

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

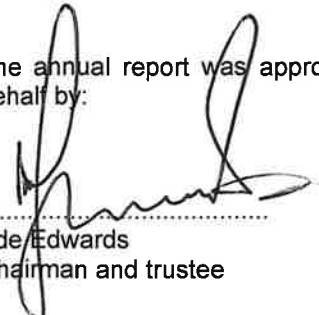
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on ~~27.2.26~~ and signed on its behalf by:



.....
Ade Edwards
Chairman and trustee

Hugs Children's Cancer Charity CIO

Independent Examiner's Report to the trustees of Hugs Children's Cancer Charity CIO

I report to the trustees on my examination of the accounts of Hugs Children's Cancer Charity CIO for the year ended 30 April 2025.

Responsibilities and basis of report

As the charity trustees of Hugs Children's Cancer Charity CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Hugs Children's Cancer Charity CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since Hugs Children's Cancer Charity CIO's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Hugs Children's Cancer Charity CIO as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Matthew Keane FCCA
Westcotts (SW) LLP
Independent examiner
Plym House
3 Longbridge Road
Marsh Mills
Plymouth
Devon
PL6 8LT

Date: 27.2.26

Hugs Children's Cancer Charity CIO

Statement of Financial Activities for the Year Ended 30 April 2025

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2025 £ | Total 2024 £ |
|------------------------------------|------|-------------------------|-----------------------|--------------------|--------------------|
| Income and Endowments from: | | | | | |
| Donations and legacies | 2 | 44,212 | - | 44,212 | 60,246 |
| Other trading activities | 3 | 620,141 | - | 620,141 | 485,980 |
| Investment income | 4 | 706 | - | 706 | 493 |
| Total income | | <u>665,059</u> | <u>-</u> | <u>665,059</u> | <u>546,719</u> |
| Expenditure on: | | | | | |
| Raising funds | 5 | (507,150) | - | (507,150) | (405,717) |
| Charitable activities | 6 | (154,236) | (11,019) | (165,255) | (146,476) |
| Total expenditure | | <u>(661,386)</u> | <u>(11,019)</u> | <u>(672,405)</u> | <u>(552,193)</u> |
| Net income/(expenditure) | | <u>3,673</u> | <u>(11,019)</u> | <u>(7,346)</u> | <u>(5,474)</u> |
| Net movement in funds | | 3,673 | (11,019) | (7,346) | (5,474) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>71,223</u> | <u>140,860</u> | <u>212,083</u> | <u>217,557</u> |
| Total funds carried forward | 16 | <u>74,896</u> | <u>129,841</u> | <u>204,737</u> | <u>212,083</u> |

All of the charity's activities derive from continuing operations during the above two periods.

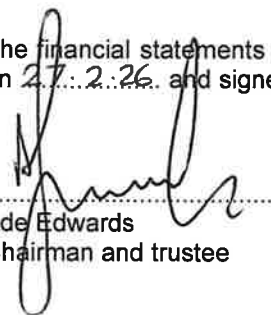
The funds breakdown for 2024 is shown in note 16.

Hugs Children's Cancer Charity CIO

(Registration number: 1161382)
Balance Sheet as at 30 April 2025

| | Note | 2025 £ | 2024 £ |
|---|------|----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 12 | 132,999 | 136,215 |
| Current assets | | | |
| Debtors | 13 | 14,908 | 19,738 |
| Cash at bank and in hand | | <u>65,451</u> | <u>67,628</u> |
| | | 80,359 | 87,366 |
| Creditors: Amounts falling due within one year | 14 | <u>(8,621)</u> | <u>(11,498)</u> |
| Net current assets | | <u>71,738</u> | <u>75,868</u> |
| Net assets | | <u>204,737</u> | <u>212,083</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 129,841 | 140,860 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>74,896</u> | <u>71,223</u> |
| Total funds | 16 | <u>204,737</u> | <u>212,083</u> |

The financial statements on pages 13 to 26 were approved by the trustees, and authorised for issue on 27.2.26. and signed on their behalf by:


Ade Edwards
Chairman and trustee

Hugs Children's Cancer Charity CIO

Cash Flow Statement for the Year Ended 30 April 2025

| | Note | 2025 £ | 2024 £ |
|--|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash expenditure | | (7,346) | (5,474) |
| Adjustments to cash flows from non-cash items | | | |
| Depreciation | 5 | 5,282 | 6,552 |
| Investment income | 4 | <u>(706)</u> | <u>(493)</u> |
| | | (2,770) | 585 |
| Working capital adjustments | | | |
| Decrease/(increase) in debtors | 13 | 4,830 | (8,514) |
| (Decrease)/increase in creditors | 14 | <u>(2,877)</u> | <u>2,298</u> |
| Net cash flows from operating activities | | <u>(817)</u> | <u>(5,631)</u> |
| Cash flows from investing activities | | | |
| Interest receivable and similar income | 4 | 706 | 493 |
| Purchase of tangible fixed assets | 12 | <u>(2,066)</u> | <u>(709)</u> |
| Net cash flows from investing activities | | <u>(1,360)</u> | <u>(216)</u> |
| Net decrease in cash and cash equivalents | | (2,177) | (5,847) |
| Cash and cash equivalents at 1 May | | <u>67,628</u> | <u>73,475</u> |
| Cash and cash equivalents at 30 April | | <u><u>65,451</u></u> | <u><u>67,628</u></u> |

All of the cash flows are derived from continuing operations during the above two periods.

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025

1 Accounting policies

Statement of compliance

The charity has been registered in England and Wales as a CIO since 2015. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Hugs Children's Cancer Charity CIO meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income. This will be released to Income only once all performance conditions are met.

Where grants are awarded but not received at the year end and the rights to receive the funds are confirmed without conditions, the income will be included in the SOFA and recorded as accrued income within debtors.

Donated services and facilities

Donated goods and services are only included under income and matched to a corresponding expense when the value can be measured reliably.

Other trading activities

Money raised from sales via the charity shops is recognised upon receipt of funds.

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

Investment income

Bank interest is recognised upon receipt.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-----------------------|-------------------------------------|
| Land and buildings | 2% straight line |
| Computer equipment | 33% straight line |
| Fixtures and fittings | 25% straight line |

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined benefit pension scheme. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

2 Income from donations and legacies

| | Unrestricted funds General £ | Total 2025 £ | Total 2024 £ |
|---|---------------------------------------|--------------------|--------------------|
| Donations and legacies; | | | |
| Donations from companies and other trading entities | 23,445 | 23,445 | - |
| Donations from individuals | 15,767 | 15,767 | 60,246 |
| Grants, including capital grants; | | | |
| Grants from other charities | 5,000 | 5,000 | - |
| | <u>44,212</u> | <u>44,212</u> | <u>60,246</u> |

3 Income from other trading activities

| | Unrestricted funds General £ | Total funds £ | Total 2024 £ |
|---|---------------------------------------|---------------------|--------------------|
| Trading income; | | | |
| Shop income from sale of donated goods and services | 587,998 | 587,998 | 439,891 |
| Events income; | | | |
| Other events income | 25,281 | 25,281 | 39,215 |
| Property rental income | 6,862 | 6,862 | 6,874 |
| | <u>620,141</u> | <u>620,141</u> | <u>485,980</u> |

4 Investment income

| | Unrestricted funds General £ | Total 2025 £ | Total 2024 £ |
|---|---------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 706 | 706 | 493 |
| | <u>706</u> | <u>706</u> | <u>493</u> |

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

5 Expenditure on raising funds

a) Costs of trading activities

| | Unrestricted funds General £ | Total 2025 £ | Total 2024 £ |
|----------------------------|---------------------------------------|--------------------|--------------------|
| Fundraising trading costs; | | | |
| Publicity expenses | 13,136 | 13,136 | 2,043 |
| Shop running expenses | 135,412 | 135,412 | 126,849 |
| Shop staff costs | 328,307 | 328,307 | 231,748 |
| Event expenses | 30,295 | 30,295 | 45,077 |
| | <u>507,150</u> | <u>507,150</u> | <u>405,717</u> |

6 Expenditure on charitable activities

| Note | Unrestricted funds General £ | Restricted funds £ | Total 2025 £ | Total 2024 £ |
|---|---------------------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 9,820 | - | 9,820 | 21,354 |
| Respite home costs | 20,005 | 8,000 | 28,005 | 14,665 |
| Insurance | 9,458 | - | 9,458 | 4,239 |
| Travel and networking costs | 5,363 | - | 5,363 | 12,718 |
| Stationery and admin | 660 | - | 660 | 2,174 |
| Sundries | 4,931 | - | 4,931 | 4,026 |
| Direct charitable expenditure | 11,317 | - | 11,317 | - |
| Depreciation, amortisation and other similar costs | 2,263 | 3,019 | 5,282 | 6,552 |
| Grant funding of activities | 680 | - | 680 | - |
| Staff costs | 56,723 | - | 56,723 | 44,754 |
| Allocated support costs | 24,234 | - | 24,234 | 20,592 |
| Governance costs | 8,782 | - | 8,782 | 15,402 |
| | <u>154,236</u> | <u>11,019</u> | <u>165,255</u> | <u>146,476</u> |

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

7 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Total 2025 £ | Total 2024 £ |
|------------------------|--------------------|--------------------|
| Direct staff costs | - | 7,846 |
| Legal and professional | 24,234 | 12,746 |
| | <u>24,234</u> | <u>20,592</u> |

Governance costs

| | Unrestricted funds General £ | Total 2025 £ | Total 2024 £ |
|-----------------------------------|---------------------------------------|--------------------|--------------------|
| Fees paid to Independent Examiner | 8,782 | 8,782 | 15,402 |
| | <u>8,782</u> | <u>8,782</u> | <u>15,402</u> |

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Michael Hallam

Michael Hallam is married to the founder and CEO Elsbeth Hallam, Elsbeth has operational control of the day to day financial operations.

Michael is the director of Expedite Building Services Ltd. Expedite has supported the company during the year with unrestricted financial donations totalling £3,500. A further £500 was received from Expedite in line with an arms length sponsorship opportunity.

During the year expenditure on one nights hotel accommodation was incurred in order for Michael to attend the London Landmarks Half Marathon in his role as a trustee, to support the runners at the event and promote the charity to the wider public.

Where he attended any other event held by the charity, his expenses were entirely covered from personal funds and paid at the open market rate.

Zoe Edwards

£Nil (2024: £338) of expenses were reimbursed to Zoe Edwards during the year.

Kelly Heatley

£Nil (2024: £329) of expenses were reimbursed to Kelly Heatley during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Donations made by the trustees without any conditions attached totalled £Nil for the year (2024 - £161).

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

9 Staff costs

The aggregate payroll costs were as follows:

| | 2025 £ | 2024 £ |
|--|----------------|----------------|
| Staff costs during the year were: | | |
| Wages and salaries | 360,550 | 300,234 |
| Social security costs | 18,702 | 11,905 |
| Pension costs | 5,778 | 4,310 |
| | <u>385,030</u> | <u>316,449</u> |

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

| | 2025 No | 2024 No |
|-----------------------------|------------|------------|
| Average number of employees | <u>31</u> | <u>22</u> |

No employee received emoluments of more than £60,000 during the year

The remuneration for Elsbeth Hallam is included within direct charitable costs. Elsbeth does not take any further salary to cover her role as CEO. Her salary represents the hours supplied as a professional family support counsellor. This salary is set by the trustees with reference to other similar roles in the area. We also have due regard for minimum wage legislation and the significant number of hours which our CEO puts into supporting our families and promoting the charity to obtain funding for our projects and services. The total salary paid to Elsbeth before employers National Insurance and statutory pension contributions was £28,711.

10 Independent examiner's remuneration

| | 2025 £ | 2024 £ |
|---|--------------|---------------|
| Other fees to examiners | | |
| Independent examination services | 2,220 | 6,098 |
| All other accounting and assurance services | 3,840 | 5,400 |
| Other support and bookkeeping services | 2,722 | 3,904 |
| | <u>8,782</u> | <u>15,402</u> |

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Total £ |
|-------------------------|----------------------------|------------------------------------|----------------|
| Cost | | | |
| At 1 May 2024 | 150,974 | 27,957 | 178,931 |
| Additions | - | 2,066 | 2,066 |
| Disposals | - | (2,470) | (2,470) |
| At 30 April 2025 | <u>150,974</u> | <u>27,553</u> | <u>178,527</u> |
| Depreciation | | | |
| At 1 May 2024 | 18,114 | 24,602 | 42,716 |
| Charge for the year | 3,019 | 2,263 | 5,282 |
| Eliminated on disposals | - | (2,470) | (2,470) |
| At 30 April 2025 | <u>21,133</u> | <u>24,395</u> | <u>45,528</u> |
| Net book value | | | |
| At 30 April 2025 | <u>129,841</u> | <u>3,158</u> | <u>132,999</u> |
| At 30 April 2024 | <u>132,860</u> | <u>3,355</u> | <u>136,215</u> |

13 Debtors

| | 2025 £ | 2024 £ |
|---------------|---------------|---------------|
| Trade debtors | - | 5,863 |
| Prepayments | <u>14,908</u> | <u>13,875</u> |
| | <u>14,908</u> | <u>19,738</u> |

14 Creditors: amounts falling due within one year

| | 2025 £ | 2024 £ |
|-----------------|--------------|---------------|
| Trade creditors | 1,661 | - |
| Accruals | <u>6,960</u> | <u>11,498</u> |
| | <u>8,621</u> | <u>11,498</u> |

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

15 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2025 £ | 2024 £ |
|----------------------------|----------------|----------------|
| Land and buildings | | |
| Within one year | 76,083 | 51,000 |
| Between one and five years | 163,958 | 57,500 |
| After five years | 23,958 | - |
| | <u>263,999</u> | <u>108,500</u> |
| Other | | |
| Within one year | 12,326 | 12,326 |
| Between one and five years | 5,136 | 16,434 |
| | <u>17,462</u> | <u>28,760</u> |

16 Funds

| | Balance at 1 May 2024 £ | Incoming resources £ | Resources expended £ | Balance at 30 April 2025 £ |
|--------------------------------|-------------------------------|----------------------------|----------------------------|----------------------------------|
| Unrestricted funds | | | | |
| <i>General</i> | | | | |
| Unrestricted fund | 71,223 | 665,059 | (661,386) | 74,896 |
| Restricted funds | | | | |
| Respite property and furniture | 132,860 | - | (3,019) | 129,841 |
| Screwfix donation | 8,000 | - | (8,000) | - |
| | <u>140,860</u> | <u>-</u> | <u>(11,019)</u> | <u>129,841</u> |
| Total funds | <u>212,083</u> | <u>665,059</u> | <u>(672,405)</u> | <u>204,737</u> |

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

| | Balance at 1 May 2023 £ | Incoming resources £ | Resources expended £ | Balance at 30 April 2024 £ |
|--------------------------------|-------------------------------|----------------------------|----------------------------|----------------------------------|
| Unrestricted funds | | | | |
| General | | | | |
| Unrestricted fund | 72,235 | 538,719 | (539,731) | 71,223 |
| Restricted funds | | | | |
| Respite property and furniture | 137,172 | - | (4,312) | 132,860 |
| National Lottery funding | 8,150 | - | (8,150) | - |
| Screwfix donation | - | 8,000 | - | 8,000 |
| | <u>145,322</u> | <u>8,000</u> | <u>(12,462)</u> | <u>140,860</u> |
| Total funds | <u>217,557</u> | <u>546,719</u> | <u>(552,193)</u> | <u>212,083</u> |

Respite Property - building, fixtures and furnishings

- this fund relates to the holiday property purchased to provide respite for the charities families during treatment. The full cost and depreciation charges are set out in note 13.

National Lottery funding -

this balance was spent fully in 2024 on a supported trip for Hugs families to Longleat Safari Park.

Screwfix grant -

- this award was provided to enable the renovation of the bathroom at the respite home. All works were completed and all funds received expended on the project during 2025.

17 Analysis of net assets between funds

| | Unrestricted funds General £ | Restricted funds £ | Total funds at 30 April 2025 £ |
|-----------------------|---------------------------------------|--------------------------|---|
| Tangible fixed assets | 3,158 | 129,841 | 132,999 |
| Current assets | 80,359 | - | 80,359 |
| Current liabilities | (8,621) | - | (8,621) |
| Total net assets | <u>74,896</u> | <u>129,841</u> | <u>204,737</u> |
| | Unrestricted funds General £ | Restricted funds £ | Total funds at 30 April 2024 £ |
| Tangible fixed assets | 3,355 | 132,860 | 136,215 |
| Current assets | 87,366 | - | 87,366 |
| Current liabilities | (11,498) | - | (11,498) |
| Total net assets | <u>79,223</u> | <u>132,860</u> | <u>212,083</u> |

Hugs Children's Cancer Charity CIO

Notes to the Financial Statements for the Year Ended 30 April 2025 (continued)

18 Related party transactions

During the year the charity made the following related party transactions:

Michael Hallam is a trustee and is the husband of the CEO and founder Elsbeth Hallam. Given Michael's role as a trustee, all related party transactions involving Michael are set out in note 10 - Trustees remuneration and expenses.

At the start of the year the charity was operated from Elsbeth and Michael's home. Expenses were paid to reimburse them for a proportion of the utility costs of the property £ 3,115 (2024 £570). During the year all day to day operations were moved to the new Hub property, and all payments to Elsbeth and Michael for use of their home have ceased.

There were no other related party transactions during the year which require disclosure other than those above or disclosed in note 10. At the balance sheet date the amount due to/from was £Nil (2024 - £Nil).

hugs childrens cancer charity

England & Wales - Charity number 1161382

Accounts

Hugs Children's Cancer Charity (CIO)

Annual Report and Financial Statements Year Ended 30 April 2024

Charity registration number: 1161382

Hugs Children's Cancer Charity (CIO)

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Hugs Children's Cancer Charity (CIO)

Reference and Administrative Details

Chief Executive Officer Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity

Trustees Mr Ade Edwards (Chair)

Ms Zoe Edwards

Michael Hallam

Kelly Heatley

Victoria Reeve

Principal Office

PO Box 164

PLYMOUTH

Devon

PL1 9EP

Telephone : 01752 651880 / 07812 346019

Email : enquiries@hugsfromhenry.co.uk

Website: www.hugsfromhenry.co.uk

Charity Registration Number 1161382

Solicitors

G A Solicitors

Gill Akaster House

25 Lockyer Street

PLYMOUTH

Devon

PL1 2QW

Bankers

Barclays Bank

140-146 Armada Way

PLYMOUTH

PL1 1LA

Independent Examiner

Francis Clark LLP

Independent examiner

Melville Building East

Unit 18

23 Royal William Yard

PLYMOUTH

Devon

PL1 3GW

Hugs Children's Cancer Charity (CIO)

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 30 April 2024.

The purpose of the Trustee's Report is to provide a comprehensive overview of Hugs Children's Cancer Charity's activities, our financial health and a strategic direction with the following objectives of accountability, transparency, performance assessment, strategic planning, compliance and engagement.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

| | |
|--------------------------|---|
| Trustees: | Mr Ade Edwards (Chair) |
| | Ms Zoe Edwards |
| | Michael Hallam |
| | Kelly Heatley |
| | Victoria Reeve (appointed 14 January 2024) |
| Chief Executive Officer: | Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity |

Mission Statement

Hugs Children's Cancer charity is a Plymouth based charity which helps families who have/had a child with childhood cancer. Whether emotional support, making a memory or helping families keep in touch, Hugs Children's Cancer charity provides them with a place to turn.

Objectives and activities

The charity is a Charitable Incorporated Organisation (CIO) with its principal office in England. Hugs Children's Cancer Charity is a small non-governmental, non-political, non-religious charity established in 2015. It is registered as a charity with the Charity Commission under registration number 1161382.

The charity objectives are as follows:

- The relief of sickness and the preservation of health of children and young people suffering from Neuroblastoma or childhood cancer, in particular but not exclusively by the provision of a respite/holiday home, and emotional support and the provision of group social events for them and their families.
- To provide relief of sickness and the preservation of health of children and young people suffering with childhood cancer, in particular with the provision of group social events.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Fundraising

The charity runs two charity shops which sell second hand donated goods, provides an outlet for publicity material for the charity and collects donations for the general work of the charity:

Hugs Children's Cancer Charity donation unit
1-3 Unit,
Sugar Mill Retail Park
Plymouth
PL9 7HT

Hugs Children's Cancer Charity shop
The Broadway
Plymstock
Plymouth
PL9 7AU

Telephone: 01752 651880

Fundraising Missions

- Our charity shops continue to be our main source of fundraising. It has become a community in itself with regular customers, volunteers and its own social media platform run by our retail manager, Ryan Jackson. The retail provides job opportunities to adults with learning difficulties.
- We have a charity fundraiser, Laura Riden, who's role is to focus solely on bringing in the vital funds needed to run the charity. We hope to expand this team as the charity grows and the fundraising needs grow with it.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

What have we achieved this year

In summary Hugs Children's Cancer Charity has delivered the following activities for the public benefit which are in accord with our charitable objects and aims:

- The respite home continues to provide unique breaks for families affected with childhood cancer. Families are offered 3/5/7 nights at the respite home free of charge. A significant sum of funds has been spent on the house to ensure the property is well-maintained, safe, accessible, and to provide the families with a relaxing and luxurious break. This includes new double glazing, bi-fold doors, private hot tub and pagoda, new board games and books, and entertainment channels such as Disney, Paramount and Sky. The home is on an exclusive complex with only 9 other cottages that share an indoor swimming pool, play park and gardens, this all provide a perfect place for our families to relax and unwind and make precious memories with their loved ones. This year we have also invested in a new shower room on the ground floor to further support disabled persons.

- Emotional support / Peer to peer support is provided through our CEO Elsbeth Hallam who speaks to many families nationally, providing one to one advice and emotional support. Elsbeth also manages social media groups to support families with childhood cancer in Devon and Cornwall. She also uses social media to connect with families throughout the UK as a reach out service. Her information is also given to newly diagnosed families alongside a voucher. Elsbeth often travels to meet with families in hospital, giving families provided with unique and supportive care, adapted around their own individual treatment plans.

- We have provided emotional support and delivered "care packs" to the families affected by childhood cancer during hospital visits to Plymouth Derriford Hospital, Bristol Children's Hospital, Treliske and Royal Devon and Exeter Hospitals. Our family support worker, Elsbeth, also continues to visit hospitals nationally to support families with neuroblastoma. The care packs generally consist of small treats, pyjamas, toiletries and food vouchers for the family.

- Again, we have provided luxury Hampers and gifts at Christmas to hospitals in the South West of England and hand delivered parcels and presents to families in the community, including our bereaved families. We have provided new toys to the hospital play departments and treasure chest toys for any child having small treatments, procedures and tests.

Our charity shops continue to be our main fundraiser for the charity. It has become a community in itself with regular customers, volunteers and its own social media platform run by our retail manager, Ryan Jackson. The retail provides job opportunity but also volunteering to adults with learning difficulties. As a result of opening the new shop and the charity moving into a larger unit on the Broadway income from the charity shops has more than doubled this year from £164k to £346k, costs have increased from £138k to £240k.

- The charity has organised group events and coffee mornings for families, including the popular family away days to popular sites around the country. This provides families with the opportunity to meet other people who have also been in similar situations, important peer-to-peer support for the whole family. Funded events for individuals and siblings include go karting and air soft, and we hope to continue this into 2025.

- The charity has been nominated for several awards this year including the Charity of the year for both the West Country Women awards and the Great British Community awards.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Use of volunteers

We are lucky to be supported by 30 regular volunteers across all three shopping units. Our retail manager, Ryan, actively encourages supporting people in the community with learning difficulties to work in the units. We also have a number of volunteers who will also help at events, for example the charity balls often sees part volunteers return to support the charity in raising funds through raffles and bucket collecting.

Volunteers continue to be the lifeblood of the charity, a donation of time really makes a massive difference to the amount of money we can raise.

Financial review

Net expenditure for the year was £5,474 (2023: net expenditure £32,810). The balance held in unrestricted funds at 30 April 2024 was £71,223 (2023: £72,235) of which £3,355 (2023: £4,886) is represented by fixed assets and is not therefore readily available. The balance held on restricted funds at the year end was £140,860 (2023: £145,322).

Policy on reserves

The trustees aim to maintain free reserves at a level which equates to approximately six months of unrestricted expenditure. The trustees consider the CIO's exposure to major risks in terms of their likely impact on income sources and planned expenditure in the short to medium term, as well as assessing the best way to manage such risks. The unrestricted funds of the charity are held for the promotion of physical and mental health of sufferers of Neuroblastoma in the UK and to provide support and advice to families of children suffering from Neuroblastoma.

At the year end free reserves were £67,868 which equates to 1.4 months' of expenditure based on the last financial year. The trustees are mindful that the reserves policy is not being met and are looking at ways to increase shop and event income going forward.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Plans for future periods

Our Vision

- In 2025 we hope to open our first “Hugs Wellness Hub”. This will provide a space for families to come and speak to a member of the family support team, provide counselling to those who need it and play therapy for the children in treatment and their siblings. The plan is for the Derriford Oncology nurses will be able to use the space when needed. We want the hub to be a leading support service in the local area for children and youth mental health, linked to childhood cancer.
- We will continue to provide respite to families with childhood cancer, in treatment, post treatment and to those who have been bereaved by childhood cancer. There is currently no limit on time when this support ends as we feel childhood cancer is a long term diagnosis and has lasting effects on not only the child with cancer but the whole family. The home continues to be open all year.
- We will continue to visit hospitals within the South West to provide care packs and emotional support to local families being treated in these areas. We provide emotional support over the phone or email for any family with neuroblastoma nationally. We hope moving into 2025 that this will increase as fundraising pressures are taken off our CEO, Elsbeth, with the new fundraiser.
- We will continue to provide our annual Children’s Cancer Ball / Party free of charge to the local oncology children and their families.
- We will organize various group away days throughout the year for families to spend time with other oncology families, encouraging communication and support in the oncology community.
- We will continue to provide gifts and hampers at Christmas to local hospitals and communities.
- We will continue to provide cooked meals to those in treatment when requested. Vouchers and care packs will hopefully grow as the charity fundraising grows.

How do we fund our missions?

- Charity Shop
- Fundraising events
- Sponsored runs, walks, skydives etc.
- Corporate sponsorship
- Grants from National grant givers ie National Lottery, Comic relief, Red nose day, Global Make Some Noise, St James Place, Livewell Foundation

Structure, governance and management

Nature of governing document

The trust is a registered charity (number 1161382), a charitable incorporated organisation (CIO) (number CE003963) and is constituted under trust deed dated 22 April 2015 in England and Wales. On 23 July 2020 the charity changed its name to Hugs Children's Cancer Charity (formerly known as Hugs From Henry).

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Recruitment and appointment of trustees

The constitution provides for a minimum of three trustees and there is no maximum. Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment regard is given to skills, knowledge and experience. Trustees can serve until they either resign or their term ends without renewal. Overall responsibility for the management of the CIO is vested in the trustees.

Our trustees are unpaid and details of trustee expenses are disclosed in the accounts.

The charity will recruit additional trustees, as and when required by invitation. Trustees must give one month's notice before resigning. Extension of terms will be agreed by the board.

Arrangements for setting key management personnel remuneration

The day to day management of the charity is carried out by the CEO, Elsbeth Hallam, who receives remuneration from the charity for this service. The level of remuneration is set by the trustees, after taking into account the size of the charity and is benchmarked against other charities in the local area.

Organisational structure

The day to day running of the charity is handled by Elsbeth Hallam. She is guided by the trustees when needed, organises trustee meetings quarterly and also runs a Whatsapp group to ease communication between members. The majority of decisions are made by a quorum of three trustees where the financial sums involved are in excess of £1,000.

Trustees all provide regular voluntary help with tasks where they have particular expertise.

Elsbeth Hallam is also the family liaison officer for the charity. She has regular contact with families and ensures that she is available when needed for contact and visits. She organises group events, food deliveries and general management of the respite home.

The charity shop is run by Ryan Jackson, our retail development manager of all three units. With a vast experience of the retail sector, he is a key part of our fundraising mission through the shops. Ryan is dedicated to making a difference to not only the local community but to also the environment, being the first charity shop in Plymouth to recycle all plastics, he is keen on ensuring as little goes to landfill as possible and that recycling of all items is done where possible. This stands Hugs in great stead as we move forward into a more environmentally friendly future.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Trustees

Ade Edwards

Ade works as a senior manager within a drug and alcohol charity in Plymouth and has worked exclusively in the third sector for the last 20 years. Ade brings knowledge and understanding of how charities operate, their legal framework and financial underpinnings to the board of trustees of which he is currently chair.

Michael Hallam

Michael is Henry's father and co-founder of Hugs Children's Cancer Charity. Mike is director of Expedite Building Services and on the Board of Directors of Expedite Holding Group, with over 18 years of electrical engineering experience. He has experience of managing large numbers of staff, engineering projects and running a SME business. He brings relevant leadership, knowledge and experience from his work but most critically the understanding of being a father in the pediatric oncology field.

Zoe Edwards

Zoe has been a long standing support to the charity from its conception in 2015. Zoe is a registered nurse with over 20 years experience, she brings her wealth of medical knowledge and practice nurse experience to the Board.

Kelly Heatley

Kelly first started at the charity as a volunteer helping raise thousands and being a part of the original award winning 'Pride of Plymouth' fundraising teams. Kelly brings this experience and passion to the Board of Trustees and is pivotal in fundraising ideas and campaigns.

Vicky Reeves

Vicky joined us in 2024 and has a vast experience in directly working with children in a charity setting through community sport initiatives at Devon Cricket Foundation. She brings a wealth of compassion and knowledge on disabilities, poverty and mental health of children in all social backgrounds.

Staff

Ryan Jackson - Retail Development Manager
Rebecca case - Volunteer Deputy Manager
Claire Johnson - Shop Supervisor
Jaqueline Young - Shop Supervisor

There are 25 shop assistants working across the three shops working various hours.

Laura Riden - Fundraiser

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

COMPANY DIRECTOR/CEO

Elsbeth Hallam - Elsbeth continues to drive the charity forward with her passion for change and knowledge and personal experience of childhood cancer. She is passionate about supporting families and meeting those who are going through childhood cancer.

As well as winning a Pride of Britain for fundraising, Elsbeth has continued to be nominated and win awards over the last year.

Elsbeth has been nominated this last year for a 'one big thank you' on the BBCs The One show, starring alongside Wayne Rooney. This was a very special moment for Elsbeth but also the families and everyone involved.

Elsbeth was also a runner up in the West Country Women awards for an inspirational leader and shortlisted for a Phoenix award, recognizing growth from unimaginable circumstances.

Elsbeth has recently been made president of BNI Endeavour, where she drives the charity within the business community, raising over £30,000 in the last 12 months in donations and local business people supporting Hugs within running of the charity.

Elsbeth is also a member of the Plymouth Argyle five host table and has raised £6000 for this opportunity.

Risk Management

All significant activities undertaken are subject to a risk review prior to implementation. Risks are assessed against their potential impact and likely effect on:

- Operational performance
- Financial sustainability
- Achievement of our aims and objectives
- Meeting the expectations of our beneficiaries / supporters
- Charity integrity

We review these risks on an ongoing basis to satisfy ourselves that adequate measures and procedures have been taken to manage the risks identified. Where appropriate certain mitigations are taken such as insurance or outside professional advice.

Prior to implementation all risks were highlighted and mitigation measures were taken. Legal advice was sought by GA Solicitors regarding employment contracts and Womble Bond Dickenson regarding shop leases, as well as the combined expertise and experience from all our trustees.

Human resource advice is also undertaken and advised by Johnathan Keeble from Business Success. He is able to advise on any staffing issues and give best practice advice when needed as the charity grows.

A staff handbook has been written by our solicitors GA Solicitors and provided to all staff as a part of our ongoing risk management.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The charity uses social media tools to promote events and expand its social media presence.

Collection tins have continued to be utilised and increased across the city, these are being monitored.

The charity has joined the Business Network International (BNI), a networking group that drives those in the group to raise funds for the charity. We also are part of the Devon and Plymouth Chamber increasing our presence in the city and gaining corporate support.

Increased capacity at both shops has led to increased funds being raised and post year end the charity invested in a van for house clearances. Our retail manager Ryan continues to find the best rates for recycling items not sold.

With many plans in place, the trustees consider the charity has a positive way forward.

2025 and onwards

In 2025, the charity celebrates 10 years of being a registered charity with the Charity Commission and with this we have an exciting few years ahead for our charity giving elements and these include the following:

The opening of the first Hugs Wellness Hub is of biggest priority over the next 12 months. This will provide emotional and mental health support to those who need it after a cancer diagnosis of their child/children. This give families a break out space in the privacy of our own space in Plymouth and will be open to anyone in the South West.

A renovation of the Respite home, including changing the ground floor bathroom to a wet room to make the home more accessible.

Family away days are always very popular events in the Hugs calendar and we hope to expand on the amount of these we do each year. These give families the ability to do a fun day out free of costs, bringing the family unit together but also giving families the ability to speak to others who are going through similar circumstances. All planned events are based on amount fundraised.

The children's cancer ball/disco will be taking place in 2025 expanding to allow for more people to attend.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Future fundraising

2025 is a celebratory year for the charity as we celebrate our 10 year anniversary.

Our charity quiz this year is being hosted by celebrity quiz master, Shaun 'the Dark Destroyer' Wallace from the Chase, TV gameshow, with the aim of raising £3-5k.

We are excited to hold our Strictly Hugs Dancing Ball again in 2025. This will be the 7th year we have organised this event and it has become a firm favourite with our patrons. We hope to train 10 novice dancers and raise upwards of £10k at this event.

Our annual golf day in April hopes to be a sell out and raise upwards of £3k.

We are actively looking for participants to tackle on challenges such as Ski diving, running events and asking those people to set to 'Just Giving' pages.

We have 24 spaces for the London Landmarks Half Marathon, this is a great event for participants to take part in a challenge while raising a minimum of £350 on 'Just Giving'. We hope to raise £5k from this yearly event.

Summer/Autumn and Winter events will be finalised with the aim to raise £20k by the end of the year.

We have applied for various grants nationally to help the charity on its missions including the away days and we hope that this will help in funding more events.

10 February 2025

The annual report was approved by the trustees of the charity on and signed on its behalf by:

Signed by:



.....02DBE13DA320418.....

Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

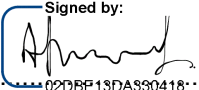
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

10 February 2025

Approved by the trustees of the charity on and signed on its behalf by:

Signed by:

.....02DBE13DAS30418:.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Independent Examiner's Report to the trustees of Hugs Children's Cancer Charity (CIO)

I report to the trustees on my examination of the accounts of Hugs Children's Cancer Charity (CIO) for the year ended 30 April 2024.

Responsibilities and basis of report

As the charity trustees of Hugs Children's Cancer Charity (CIO) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Hugs Children's Cancer Charity (CIO)'s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since Hugs Children's Cancer Charity (CIO)'s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of FCA, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Hugs Children's Cancer Charity (CIO) as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed by:



.....006DF78DEBD3402.....

Louise Bridgett
Independent examiner
FCA

Melville Building East
Unit 18
23 Royal William Yard
PLYMOUTH
Devon
PL1 3GW

10 February 2025
Date:.....

Hugs Children's Cancer Charity (CIO)

Statement of Financial Activities

Year Ended 30 April 2024

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2024 £ |
|------------------------------------|------|----------------------|-----------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 52,246 | 8,000 | 60,246 |
| Charitable activities | 3 | 6,874 | - | 6,874 |
| Other trading activities | 4 | 479,106 | - | 479,106 |
| Investment income | 5 | 493 | - | 493 |
| Total Income | | <u>538,719</u> | <u>8,000</u> | <u>546,719</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (360,640) | - | (360,640) |
| Charitable activities | 7 | <u>(179,091)</u> | <u>(12,462)</u> | <u>(191,553)</u> |
| Total Expenditure | | <u>(539,731)</u> | <u>(12,462)</u> | <u>(552,193)</u> |
| Net movement in funds | | (1,012) | (4,462) | (5,474) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>72,235</u> | <u>145,322</u> | <u>217,557</u> |
| Total funds carried forward | 17 | <u><u>71,223</u></u> | <u><u>140,860</u></u> | <u><u>212,083</u></u> |

The notes on pages 17 to 28 form an integral part of these financial statements.

Hugs Children's Cancer Charity (CIO)

Statement of Financial Activities

Year Ended 30 April 2024 (continued)

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2023 £ |
|------------------------------------|------|----------------------|-----------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 17,287 | 8,150 | 25,437 |
| Charitable activities | 3 | 3,524 | - | 3,524 |
| Other trading activities | 4 | 345,670 | - | 345,670 |
| Investment income | 5 | 72 | - | 72 |
| Total Income | | <u>366,553</u> | <u>8,150</u> | <u>374,703</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (240,386) | - | (240,386) |
| Charitable activities | 7 | <u>(162,683)</u> | <u>(4,444)</u> | <u>(167,127)</u> |
| Total Expenditure | | <u>(403,069)</u> | <u>(4,444)</u> | <u>(407,513)</u> |
| Net movement in funds | | (36,516) | 3,706 | (32,810) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>108,751</u> | <u>141,616</u> | <u>250,367</u> |
| Total funds carried forward | 17 | <u><u>72,235</u></u> | <u><u>145,322</u></u> | <u><u>217,557</u></u> |

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 and 2023 is shown in note 17.

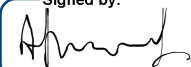
Hugs Children's Cancer Charity (CIO)

Balance Sheet

30 April 2024

| | Note | 2024 £ | 2023 £ |
|---|------|-----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 136,215 | 142,058 |
| Current assets | | | |
| Debtors | 14 | 19,738 | 11,224 |
| Cash at bank and in hand | | <u>67,628</u> | <u>73,475</u> |
| | | 87,366 | 84,699 |
| Creditors: Amounts falling due within one year | 15 | <u>(11,498)</u> | <u>(9,200)</u> |
| Net current assets | | <u>75,868</u> | <u>75,499</u> |
| Net assets | | <u>212,083</u> | <u>217,557</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 140,860 | 145,322 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>71,223</u> | <u>72,235</u> |
| Total funds | 17 | <u>212,083</u> | <u>217,557</u> |

The financial statements on pages 14 to 28 were approved by the trustees, and authorised for issue on 10 February 2025 and signed on their behalf by:

Signed by:

02DBE13DA330418.....
 Mr Ade Edwards (Chair)
 Trustee

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective - January 2019) and the Charities Act 2011.

Basis of preparation

Hugs Children's Cancer Charity (CIO) meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

The charity uses social media tools to promote events and expand its social media presence.

Collection tins continue to be utilised and increased across the city and these are monitored by Sharon Hallam.

The charity has joined the Business Network International (BNI), a networking group that drives those in the group to raise funds for the charity. We also are part of the Devon and Plymouth Chamber increasing our presence in the city and gaining corporate support.

Increased capacity at both shops has led to increased funds being raised and post year end the charity invested in a van for house clearances. Our retail manager Ryan continues to find the best rates for recycling items not sold.

With many plans in place, the trustees consider the charity has a positive way forward.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historically known factors and experience. Therefore, the trustees do not perceive there to be any critical areas of judgement or key sources of estimation uncertainty in the formulation of the financial statements.

Income

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Government grants

Government grants are recognised on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of the grant relating to an asset is deferred, it is recognised as deferred income.

Other trading activities

Money raised from the charity shops is recognised on receipt.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Raising funds

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-------------------------|-------------------------------------|
| Freehold land | not depreciated |
| Freehold property | 2% straight line |
| Furniture and equipment | 25% straight line |
| Computer equipment | 33% straight line |

Stock

Stocks are valued at the lower of cost and net realisable value. Donated goods sold in charity shops are valued at zero cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term other creditors
- Cash and bank balances

All financial instruments are classified as basic.

Recognition and measurement

The charity has chosen to apply the recognition and measurement principles in FRS102. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of the assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

2 Income from donations and legacies

| | Unrestricted General fund £ | Restricted £ | Total 2024 £ | Total 2023 £ |
|-----------------------------------|--------------------------------------|-----------------|--------------------|--------------------|
| Donations and legacies; | | | | |
| Donations from individuals | 52,246 | 8,000 | 60,246 | 17,287 |
| Grants, including capital grants; | | | | |
| National Lottery Funding | - | - | - | 8,150 |
| | <u>52,246</u> | <u>8,000</u> | <u>60,246</u> | <u>25,437</u> |

3 Income from charitable activities

| | Unrestricted General fund £ | Total 2024 £ | Total 2023 £ |
|---------------------------------------|-----------------------------------|--------------------|--------------------|
| Non-investment property rental income | <u>6,874</u> | <u>6,874</u> | <u>3,524</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

4 Income from other trading activities

| | Unrestricted General fund £ | Total 2024 £ | Total 2023 £ |
|---------------------|--------------------------------------|--------------------|--------------------|
| Trading income; | | | |
| Sale of goods | 439,891 | 439,891 | 312,955 |
| Events income; | | | |
| Other events income | 39,215 | 39,215 | 32,715 |
| | <u>479,106</u> | <u>479,106</u> | <u>345,670</u> |

5 Investment income

| | Unrestricted General fund £ | Total 2024 £ | Total 2023 £ |
|---|--------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 493 | 493 | 72 |
| | <u>493</u> | <u>493</u> | <u>72</u> |

6 Expenditure on raising funds

a) Costs of trading activities

| | Unrestricted General fund £ | Total 2024 £ | Total 2023 £ |
|----------------------------|--------------------------------------|--------------------|--------------------|
| Fundraising trading costs; | | | |
| Publicity | 2,043 | 2,043 | 7,224 |
| Shop running expenses | 126,849 | 126,849 | 108,416 |
| Shop staff costs | 231,748 | 231,748 | 124,746 |
| | <u>360,640</u> | <u>360,640</u> | <u>240,386</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

7 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | Total 2024 £ | Total 2023 £ |
|-----------------------------|---|--------------------------------|--------------------|--------------------|
| Event costs | 45,077 | - | 45,077 | 38,884 |
| Donations and gifts | 21,354 | - | 21,354 | 16,216 |
| Respite home costs | 14,665 | - | 14,665 | 23,444 |
| Direct staff costs | 44,754 | - | 44,754 | 29,306 |
| Insurance | 4,239 | - | 4,239 | 2,151 |
| Travel and networking costs | 12,719 | - | 12,719 | 14,926 |
| Stationery and admin | 2,174 | - | 2,174 | 5,468 |
| Sundries | 4,024 | - | 4,024 | 3,529 |
| Depreciation | 6,552 | - | 6,552 | 6,890 |
| Support costs | - | 20,593 | 20,593 | 15,289 |
| Governance costs | - | 15,402 | 15,402 | 11,024 |
| | <u>155,558</u> | <u>35,995</u> | <u>191,553</u> | <u>167,127</u> |

£179,091 (2023: £162,683) of the above expenditure was unrestricted and £12,462 (2023: £4,444) restricted in nature.

8 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Basis of allocation | Other support costs £ | Total 2024 £ | Total 2023 £ |
|------------------------|------------------------|--------------------------------|--------------------|--------------------|
| Direct staff costs | 20% | 7,846 | 7,846 | 7,327 |
| Legal and professional | 100% | 12,747 | 12,747 | 7,962 |
| | | <u>20,593</u> | <u>20,593</u> | <u>15,289</u> |

All support costs are unrestricted expenditure (2023: all unrestricted).

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

Governance costs

| | Unrestricted General fund £ | Total 2024 £ | Total 2023 £ |
|---|--------------------------------------|--------------------|--------------------|
| Independent examiner fees | | | |
| Examination of the financial statements | 6,098 | 6,098 | 5,500 |
| Accountancy underprovided | 44 | 44 | 1,800 |
| Other fees paid to Independent Examiner | 5,400 | 5,400 | 1,900 |
| Other fees unprovided | 3,860 | 3,860 | 1,824 |
| | <u>15,402</u> | <u>15,402</u> | <u>11,024</u> |

All governance costs are unrestricted expenditure (2023: all unrestricted).

9 Net outgoing resources

Net outgoing resources for the year include:

| | 2024 £ | 2023 £ |
|---------------------------------|--------------|--------------|
| Operating leases - other assets | 74,217 | 73,926 |
| Depreciation of fixed assets | <u>6,552</u> | <u>6,890</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

10 Trustees' remuneration and expenses

During the year all of the trustees were gifted Christmas hampers, the total cost to the charity was £124.45.

Ms Zoe Edwards

£338 (2023: £Nil) of expenses were reimbursed to Ms Zoe Edwards during the year.

In respect of a hotel room provided for 3 nights to support a family member and other runners participating in the London Landmarks Half Marathon and raising money for the charity.

Kelly Heatley

£329 (2023: £Nil) of expenses were reimbursed to Kelly Heatley during the year.

In respect of a hotel room provided for 2 nights to support a family member and other runners participating in the London Landmarks Half Marathon and raising money for the charity.

Michael Hallam

Michael Hallam is married to the founder Elsbeth Hallam who is also considered to be the Charity's key management, her remuneration is disclosed in note 11.

During the year the charity paid hotel costs, of £407 for 4 nights, in connection with the family's attendance and support for the runners participating in the London Landmarks Half Marathon raising money for the charity.

Trustee Remuneration and donations made

No trustees, nor any persons connected with them, have received remuneration from the charity during the year other than as disclosed above and in note 19.

Donations made by the trustees without any conditions attached totalled £161 for the year (2023 - £Nil).

11 Staff costs

The aggregate payroll costs were as follows:

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Staff costs during the year were: | | |
| Wages and salaries | 300,234 | 175,037 |
| Social security costs | 11,905 | 5,651 |
| Pension costs | 4,310 | 2,670 |
| | <u>316,449</u> | <u>183,358</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

| | 2024 | 2023 |
|------------------------------|-------------|-------------|
| | No | No |
| Full and part time employees | <u>22</u> | <u>13</u> |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £39,231 (2023 - £36,633).

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

| | Land and buildings | Furniture and equipment | Computer equipment | Total |
|-----------------------|-------------------------------|------------------------------------|-------------------------------|----------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 May 2023 | 150,974 | 18,736 | 8,512 | 178,222 |
| Additions | <u>-</u> | <u>-</u> | <u>709</u> | <u>709</u> |
| At 30 April 2024 | <u>150,974</u> | <u>18,736</u> | <u>9,221</u> | <u>178,931</u> |
| Depreciation | | | | |
| At 1 May 2023 | 15,095 | 14,879 | 6,190 | 36,164 |
| Charge for the year | <u>3,019</u> | <u>2,148</u> | <u>1,385</u> | <u>6,552</u> |
| At 30 April 2024 | <u>18,114</u> | <u>17,027</u> | <u>7,575</u> | <u>42,716</u> |
| Net book value | | | | |
| At 30 April 2024 | <u>132,860</u> | <u>1,709</u> | <u>1,646</u> | <u>136,215</u> |
| At 30 April 2023 | <u>135,879</u> | <u>3,857</u> | <u>2,322</u> | <u>142,058</u> |

14 Debtors

| | 2024 | 2023 |
|---------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 5,863 | - |
| Prepayments | <u>13,875</u> | <u>11,224</u> |
| | <u>19,738</u> | <u>11,224</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

15 Creditors: amounts falling due within one year

| | 2024 £ | 2023 £ |
|----------|---------------|--------------|
| Accruals | <u>11,498</u> | <u>9,200</u> |

16 Obligations under leases and hire purchase contracts

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2024 £ | 2023 £ |
|----------------------------|----------------|----------------|
| Land and buildings | | |
| Within one year | 51,000 | 62,734 |
| Between one and five years | <u>57,500</u> | <u>94,929</u> |
| | <u>108,500</u> | <u>157,663</u> |
| Other | | |
| Within one year | 12,326 | - |
| Between one and five years | <u>16,434</u> | <u>-</u> |
| | <u>28,760</u> | <u>-</u> |

17 Funds

| | Balance at 1 May 2023 £ | Incoming resources £ | Resources expended £ | Balance at 30 April 2024 £ |
|---|-------------------------------|----------------------------|----------------------------|----------------------------------|
| Unrestricted funds | | | | |
| General | | | | |
| Unrestricted fund | 72,235 | 538,719 | (539,731) | 71,223 |
| Restricted funds | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 137,172 | - | (4,312) | 132,860 |
| National Lottery funding | 8,150 | - | (8,150) | - |
| Screwfix donation | <u>-</u> | <u>8,000</u> | <u>-</u> | <u>8,000</u> |
| Total restricted funds | <u>145,322</u> | <u>8,000</u> | <u>(12,462)</u> | <u>140,860</u> |
| Total funds | <u>217,557</u> | <u>546,719</u> | <u>(552,193)</u> | <u>212,083</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

Restricted Funds

Hugs Children's Cancer Charity respite property and furniture fund - this fund relates to a holiday home purchased to provide respite for the sufferers of neuroblastoma and other childhood cancers and their families. The value of assets brought forward was £137,172, a depreciation charge of £4,312 has been made this year, leaving a closing balance of £132,860.

National Lottery funding - the balance of £8,150 brought forward from last year has been fully spent on a trip to Longleat Safari Park.

Screwfix donation - during the year the charity received a donation of £8,000 for works required to the bathroom at the respite home. Works had not commenced at the year end and the balance has been carried forward for use next year.

| | Balance at 1 May 2022 | Incoming resources | Resources expended | Balance at 30 April 2023 |
|---|----------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General | | | | |
| Unrestricted fund | 108,751 | 366,553 | (403,069) | 72,235 |
| Restricted | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 141,616 | - | (4,444) | 137,172 |
| National Lottery funding | - | 8,150 | - | 8,150 |
| Total restricted funds | <u>141,616</u> | <u>8,150</u> | <u>(4,444)</u> | <u>145,322</u> |
| Total funds | <u>250,367</u> | <u>374,703</u> | <u>(407,513)</u> | <u>217,557</u> |

18 Analysis of net assets between funds

| | Unrestricted funds General | Restricted funds | Total funds at 30 April 2024 |
|-------------------------|---|-----------------------------|---|
| | £ | £ | £ |
| Tangible fixed assets | 3,355 | 132,860 | 136,215 |
| Current assets | 79,366 | 8,000 | 87,366 |
| Current liabilities | (11,498) | - | (11,498) |
| Total net assets | <u>71,223</u> | <u>140,860</u> | <u>212,083</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2024 (continued)

| | Unrestricted General fund £ | Restricted funds £ | Total funds at 30 April 2023 £ |
|-----------------------|-----------------------------------|--------------------------|---|
| Tangible fixed assets | 4,886 | 137,172 | 142,058 |
| Current assets | 76,549 | 8,150 | 84,699 |
| Current liabilities | <u>(9,200)</u> | <u>-</u> | <u>(9,200)</u> |
| Total net assets | <u><u>72,235</u></u> | <u><u>145,322</u></u> | <u><u>217,557</u></u> |

19 Related party transactions

During the year ended 30 April 2024 the charity paid £nil (2023: £1,350) to a close family member of Michael Hallam (Trustee) for employment as a shop assistant in the Hugs Children's Cancer charity shop.

During the year the charity's administrative work was carried out in the founder's home and electricity costs of £569.69 were incurred by the charity (2023: £590.05 insurance costs). In future periods the proposed wellbeing centre will be providing office space for administrative purposes.

As disclosed in note 9, the founder, who is also the charity's key management is married to Michael Hallam. Remuneration is disclosed in note 10.

There were no other related party transactions during the year which require disclosure other than those disclosed in note 10.

hugs childrens cancer charity

England & Wales - Charity number 1161382

Accounts

Hugs Children's Cancer Charity (CIO)

**Annual Report and Financial Statements
Year Ended 30 April 2023**

Charity registration number: 1161382

Hugs Children's Cancer Charity (CIO)

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Hugs Children's Cancer Charity (CIO)

Reference and Administrative Details

Chief Executive Officer Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity

Trustees Mr Ade Edwards (Chair)
Ms Zoe Edwards
Michael Hallam
Kelly Heatley
Victoria Reeve

Principal Office PO Box 164
PLYMOUTH
Devon
PL1 9EP

Telephone : 01752 651880 / 07812 346019
Email : enquiries@hugsfromhenry.co.uk
Website: www.hugsfromhenry.co.uk

Charity Registration Number 1161382

Solicitors Nash & Co
Beaumont House
Beaumont Park
PLYMOUTH
Devon
PL4 9BD

GA Solicitors
Gillakaster House
25 Lockyer Street
PLYMOUTH
PL1 2QW

Independent Examiner Francis Clark LLP
Independent examiner
Melville Building East
Unit 18
23 Royal William Yard
PLYMOUTH
Devon
PL1 3GW

Hugs Children's Cancer Charity (CIO)

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 30 April 2023.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- Mr Ade Edwards (Chair)
- Ms Zoe Edwards
- Michael Hallam
- Kelly Heatley
- Victoria Reeve (appointed 14 January 2024)

Chief Executive Officer: Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity

Mission Statement

Hugs Children's Cancer charity is a Plymouth based charity which helps families who have/had a child with childhood cancer. Whether emotional support, making a memory or helping families keep in touch, Hugs Children's Cancer charity provides them with a place to turn.

Objectives and activities

The charity is a Charitable Incorporated Organisation (CIO) with its principal office in England. Hugs Children's Cancer Charity is a small non-governmental, non-political, non-religious charity established in 2015. It is registered as a charity with the Charity Commission under registration number 1161382.

The charity objectives are as follows:

- The relief of sickness and the preservation of health of children and young people suffering from Neuroblastoma or childhood cancer, in particular but not exclusively by the provision of a respite/holiday home, and emotional support and the provision of group social events for them and their families.
- To provide relief of sickness and the preservation of health of children and young people suffering with childhood cancer, in particular with the provision of group social events.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Fundraising

The charity runs two charity shops which sell second hand donated goods, provides an outlet for publicity material for the charity and collects donations for the general work of the charity:

Hugs Childrens Cancer Charity donation unit
1-3 Unit,
Sugar Mill Retail Park
Plymouth
PL9 7HT

Hugs Childrens Cancer Charity shop
The Broadway
Plymstock
Plymouth
PL9 7AU

Telephone: 01752 651880

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

What have we achieved this year

In summary Hugs Children's Cancer Charity has delivered the following activities for the public benefit which are in accord with our charitable objects and aims:

- The respite home continues to provide unique breaks for families affected with childhood cancer. Families are offered 3/5/7 nights at the respite home free of charge. The house has been invested into to ensure that families have a relaxing break, including a private hot tub and pagoda, new board games and books and entertainment channels such as Disney, Paramount and Sky.
- Emotional support / Peer to peer support is provided through our CEO Elsbeth Hallam who speaks to many families nationally, providing one to one advice and emotional support. Elsbeth also manages social media groups to support families with childhood cancer in Plymouth, Cornwall and now Exeter. Elsbeth uses social media to connect with families throughout the UK as a reach out service. Her information is also given to newly diagnosed families alongside a voucher.
- We have provided emotional support and delivered "care packs" to the families affected by childhood cancer during hospital visits to Plymouth Derriford Hospital, Bristol Children's Hospital, Treliste and more recently Royal Devon and Exeter Hospitals and London's GOSH and UCLH. The care packs generally consist of small treats, toiletries and food vouchers for the family. Elsbeth has also carried out a number of individual visits to local families on request.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

- We have again provided luxury Hampers and gifts at Christmas to Derriford Hospital, Bristol Children's Hospital, Royal Devon and Exeter Hospital and Royal Cornwall Hospital and hand delivered to families in the community including our bereaved families.

Our charity shops continue to be our main fundraiser for the charity. It has become a community in itself with regular customers, volunteers and its own social media platform run by our retail manager, Ryan Jackson. The retail provides job opportunity but also volunteering to adults with learning difficulties. As a result of opening the new shop and the charity moving into a larger unit on the Broadway income from the charity shops has more than doubled this year from £164k to £346k, costs have increased from £138k to £240k.

- The charity returned to organizing group events and coffee mornings for families including the popular family away days to popular sights around the country. This year we have taken two groups to the Harry Potter experience, provided zoo visits and coffee mornings at the Egg drop in Plymstock and at Jump childrens play area. Our biggest family away day will be Longleat in November in which we have applied for a National Lottery grant.

- We have employed a charity fundraiser to focus solely on bringing in the vital funds needed to run the charity. We hope to expand this team as our charity grows.

Use of volunteers

We are lucky to be supported by 30 regular volunteers over both the shopping units. Our retail manager, Ryan, actively encourages supporting people in the community with learning difficulties to work in the units. We also have a number of volunteers who will also help at events, for example the charity balls often sees part volunteers return to support the charity in raising funds through raffles and bucket collecting.

Volunteers continue to be the lifeblood of the charity, a donation of time really makes a massive difference to the amount of money we can raise.

Financial review

Net expenditure for the year was £32,810 (2022: net expenditure £29,024). The balance held in unrestricted funds at 30 April 2023 was £72,235 (2022: £108,751) of which £4,886 (2022: £470) is represented by fixed assets and is not therefore readily available. The balance held on restricted funds at the year end was £145,322 (2022: £141,616).

Policy on reserves

The trustees aim to maintain free reserves at a level which equates to approximately six months of unrestricted expenditure. The trustees consider the CIO's exposure to major risks in terms of their likely impact on income sources and planned expenditure in the short to medium term, as well as assessing the best way to manage such risks. The unrestricted funds of the charity are held for the promotion of physical and mental health of sufferers of Neuroblastoma in the UK and to provide support and advice to families of children suffering from Neuroblastoma.

At the year end free reserves were £67,349 which equates to 2 months of expenditure based on the last financial year. The trustees are mindful that the reserves policy is not being met and are looking at ways to increase shop and event income going forward.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Plans for future periods

Our Vision

- We will continue to provide respite to families with childhood cancer, in treatment, post treatment and to those who have been bereaved by childhood cancer. There is currently no limit on time when this support ends as we feel childhood cancer is a long term diagnosis and has lasting effects on not only the child with cancer but the whole family. The home continues to be open all year.
- We will continue to visit hospitals within the South West to provide care packs and emotional support to local families being treated in these areas. We provide emotional support over the phone or email for any family with neuroblastoma nationally. We hope moving into 2024 that this will increase as fundraising pressures are taken off our CEO, Elsbeth, with the new fundraiser.
- We will continue to provide our annual Children's Cancer Ball free of charge to the local oncology children and their families.
- We will organize various group away days throughout the year for families to spend time with other oncology families, encouraging communication and support in the oncology community. We hope to increase the away days from 2 a year to 3 or 4 a year.
- We will continue to provide gifts and hampers at Christmas to local hospitals. We are happy to have expanded this year to support all of Devon and Cornwall's main children's departments with these in 2023.
- We will continue to provide cooked meals to those in treatment when requested. Vouchers and care packs will hopefully grow as the charity fundraising grows.

How do we fund our missions?

- Charity Shop
- Fundraising events
- Sponsored runs, walks, skydives etc.
- Corporate sponsorship
- Grants from National grant givers ie National Lottery, Comic relief, Red nose day, Global Make Some Noise, St James Place

Structure, governance and management

Nature of governing document

The trust is a registered charity (number 1161382), a charitable incorporated organisation (CIO) (number CE003963) and is constituted under trust deed dated 22 April 2015 in England and Wales. On 23 July 2020 the charity changed its name to Hugs Children's Cancer Charity (formerly known as Hugs From Henry).

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Recruitment and appointment of trustees

The constitution provides for a minimum of three trustees and there is no maximum. Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment regard is given to skills, knowledge and experience. Trustees can serve until they either resign or their term ends without renewal. Overall responsibility for the management of the CIO is vested in the trustees.

Our trustees are unpaid and details of trustee expenses are disclosed in the accounts.

The charity will recruit additional trustees, as and when required by invitation. Trustees must give one month's notice before resigning. Extension of terms will be agreed by the board. The charity will be advertising for a new member to join the trustee board in 2023.

Arrangements for setting key management personnel remuneration

The day to day management of the charity is carried out by the CEO, Elsbeth Hallam, who receives remuneration from the charity for this service. The level of remuneration is set by the trustees, after taking into account the size of the charity and is benchmarked against other charities in the local area.

Organisational structure

The day to day running of the charity is handled by Elsbeth Hallam. She is guided by the trustees when needed, organises trustee meetings quarterly and also runs a Whatsapp group to ease communication between members. The majority of decisions are made by a quorum of three trustees where the financial sums involved are in excess of £1,000.

Trustees all provide regular voluntary help with tasks where they have particular expertise.

Elsbeth Hallam is also the family liaison officer for the charity. She has regular contact with families and ensures that she is available when needed for contact and visits. She organises group events, food deliveries and general management of the respite home.

The charity shop is run by Ryan Jackson, our retail development manager of both units. With a vast experience of the retail sector, he is a key part of our fundraising mission through the shops. Ryan is dedicated to making a difference to not only the local community but to also the environment, being the first charity shop in Plymouth to recycle all plastics, he is keen on ensuring as little goes to landfill as possible and that recycling of all items is done where possible. This stands Hugs in great stead as we move forward into a more environmentally friendly future.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Trustees

Ade Edwards

Ade works as a senior manager within a drug and alcohol charity in Plymouth and has worked exclusively in the third sector for the last 20 years. Ade brings knowledge and understanding of how charities operate, their legal framework and financial underpinnings to the board of trustees of which he is currently chair.

Michael Hallam

Michael is Henry's father and co-founder of Hugs Children's Cancer Charity. Mike is director of Expedite Building Services, with over 13 years of electrical engineering experience. He has experience of running large numbers of staff and projects. He brings the knowledge from work to the charity but most critically the knowledge of being a father in the pediatric oncology field.

Zoe Edwards

Zoe has been a long standing support to Hugs from its conception in 2015. Zoe is a registered nurse with over 20 years experience, she brings her wealth of medical knowledge and practice nurse experience to the Board.

Kelly Heatley

Kelly first started at Hugs as a volunteer helping raise thousands and being a part of the original pride of Plymouth fundraising teams. Kelly brings this experience to the Board of Trustees and is pivotal in fundraising ideas and campaigns.

Staff

Ryan Jackson - Retail Development Manager

Hayley Glanfield - Shop Assistant

Jaqueline Young - Shop Assistant

Helen Townsend - Shop Assistant

Sharon Hallam - Shop assistant

Amy Lynn - Shop Assistant

Andrew Richardson - Shop Assistant

Claire Johnson - Shop Assistant

Kath Harvey - Shop Assistant

Linda Spottiswood - Shop Assistant

Zoe Smith - Shop Assistant

Shaun Chin - Van Driver/delivery and pick up

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Risk Management

All significant activities undertaken are subject to a risk review prior to implementation. Risks are assessed against their potential impact and likely effect on:

- Operational performance
- Financial sustainability
- Achievement of our aims and objectives
- Meeting the expectations of our beneficiaries / supporters
- Charity integrity

We review these risks on an ongoing basis to satisfy ourselves that adequate measures and procedures have been taken to manage the risks identified. Where appropriate certain mitigations are taken such as insurance or outside professional advice.

Prior to implementation all risks were highlighted and mitigation measures were taken. Legal advice was sought by GA Solicitors regarding employment contracts and Nash & Co regarding shop leases, as well as the combined expertise and experience from all our trustees.

A staff handbook has been written by our solicitors GA Solicitors and provided to all staff as a part of our ongoing risk management.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The charity uses social media tools to promote events and expand its social media presence.

Collection tins have continued to be utilised and increased across the city, these are being monitored by Sharon Hallam.

The charity has joined the Business Network International (BNI), a networking group that drives those in the group to raise funds for the charity. We also are part of the Devon and Plymouth Chamber increasing our presence in the city and gaining corporate support.

Increased capacity at both shops has led to increased funds being raised and post year end the charity invested in a van for house clearances. Our retail manager Ryan continues to find the best rates for recycling items not sold.

With many plans in place, the trustees consider the charity has a positive way forward.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

2023-2024 and onwards

We have an exciting few years ahead for our charity giving elements and these include the following;

A renovation of the Respite home, including changing the bottom bathroom to wet room to make the home more disability friendly. We will be applying to various grant giving charities for support in this process.

Family away days are always very popular events in the hugs calendar and we hope to expand on the amount of these we do each year. These give families the ability to do a fun day out free of cost, bringing the family unit together but also giving families the ability to speak to others who are going through similar circumstances. In 2022-2023 we organised a trip to Harry Potter studios, Paignton zoo and Longleat safari festival of lights. Next year we would like to offer families a trip to a local attraction, a theme park, a possible London trip and back to Longleat at Christmas. All planned events are based on amount fundraised.

The children's cancer ball/disco will be taking place in 2024 expanding to allow for more people to attend.

Future fundraising

With the exciting start of a fundraiser at the charity, we look forward to expanding our fundraising totals in 2024.

We are excited to hold our Strictly Hugs dancing ball again in 2024. This will be the 6th year we have organized and has become a firm favorite with our patrons. We hope to raise upwards of £10k at this event.

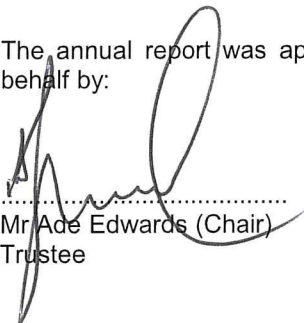
Our Christmas event this year was held at the Boringdon Park and golf club and was a wonderful festive community event. We hope to organise this event again in 2024 and explore other events in this location.

We will be hosting a couple of large scale corporate events throughout the year, hoping to raise upwards of thirty thousand pounds.

We will be holding a Silent disco event this year and hope to raise between £2-£3k. We will also look to hire out the equipment to raise funds.

We have applied for various grants nationally to help the charity on its missions including the away days and we hope that this will help in funding more events.

The annual report was approved by the trustees of the charity on 06/02/2024 and signed on its behalf by:



.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

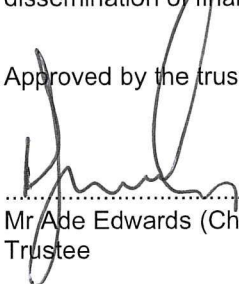
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 06/02/2024 and signed on its behalf by:



.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Independent Examiner's Report to the trustees of Hugs Children's Cancer Charity (CIO)

I report to the trustees on my examination of the accounts of Hugs Children's Cancer Charity (CIO) for the year ended 30 April 2023.

Responsibilities and basis of report

As the charity trustees of Hugs Children's Cancer Charity (CIO) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Hugs Children's Cancer Charity (CIO)'s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since Hugs Children's Cancer Charity (CIO)'s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of FCA, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Hugs Children's Cancer Charity (CIO) as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Duncan Leslie
Independent examiner
FCA

Melville Building East
Unit 18
23 Royal William Yard
PLYMOUTH
Devon
PL1 3GW

Date: 13/02/2024

Hugs Children's Cancer Charity (CIO)

Statement of Financial Activities

Year Ended 30 April 2023

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2023 £ |
|------------------------------------|------|----------------------|-----------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 17,287 | 8,150 | 25,437 |
| Charitable activities | 3 | 3,524 | - | 3,524 |
| Other trading activities | 4 | 345,670 | - | 345,670 |
| Investment income | 5 | 72 | - | 72 |
| Total Income | | <u>366,553</u> | <u>8,150</u> | <u>374,703</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (240,386) | - | (240,386) |
| Charitable activities | 7 | <u>(162,683)</u> | <u>(4,444)</u> | <u>(167,127)</u> |
| Total Expenditure | | <u>(403,069)</u> | <u>(4,444)</u> | <u>(407,513)</u> |
| Net movement in funds | | (36,516) | 3,706 | (32,810) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>108,751</u> | <u>141,616</u> | <u>250,367</u> |
| Total funds carried forward | 17 | <u><u>72,235</u></u> | <u><u>145,322</u></u> | <u><u>217,557</u></u> |

Hugs Children's Cancer Charity (CIO)

Statement of Financial Activities

Year Ended 30 April 2023 (continued)

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2022 £ |
|------------------------------------|------|-----------------------|-----------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 51,250 | - | 51,250 |
| Charitable activities | 3 | 4,098 | - | 4,098 |
| Other trading activities | 4 | 164,216 | (300) | 163,916 |
| Investment income | 5 | 6 | - | 6 |
| Total Income | | <u>219,570</u> | <u>(300)</u> | <u>219,270</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (138,227) | - | (138,227) |
| Charitable activities | 7 | <u>(103,359)</u> | <u>(6,708)</u> | <u>(110,067)</u> |
| Total Expenditure | | <u>(241,586)</u> | <u>(6,708)</u> | <u>(248,294)</u> |
| Net expenditure | | (22,016) | (7,008) | (29,024) |
| Gross transfers between funds | | <u>650</u> | <u>(650)</u> | - |
| Net movement in funds | | (21,366) | (7,658) | (29,024) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>130,117</u> | <u>149,274</u> | <u>279,391</u> |
| Total funds carried forward | 17 | <u><u>108,751</u></u> | <u><u>141,616</u></u> | <u><u>250,367</u></u> |

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 and 2022 is shown in note 17.

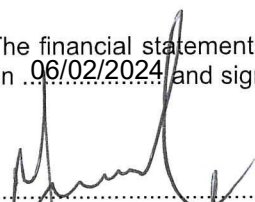
Hugs Children's Cancer Charity (CIO)

Balance Sheet

30 April 2023

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 142,058 | 142,086 |
| Current assets | | | |
| Debtors | 14 | 11,224 | 14,597 |
| Cash at bank and in hand | | <u>73,475</u> | <u>97,644</u> |
| | | 84,699 | 112,241 |
| Creditors: Amounts falling due within one year | 15 | <u>(9,200)</u> | <u>(3,960)</u> |
| Net current assets | | <u>75,499</u> | <u>108,281</u> |
| Net assets | | <u>217,557</u> | <u>250,367</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 145,322 | 141,616 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>72,235</u> | <u>108,751</u> |
| Total funds | 17 | <u>217,557</u> | <u>250,367</u> |

The financial statements on pages 12 to 24 were approved by the trustees, and authorised for issue on 06/02/2024 and signed on their behalf by:


.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective - January 2019) and the Charities Act 2011.

Basis of preparation

Hugs Children's Cancer Charity (CIO) meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

The charity uses social media tools to promote events and expand its social media presence.

Collection tins continue to be utilised and increased across the city and these are monitored by Sharon Hallam.

The charity has joined the Business Network International (BNI), a networking group that drives those in the group to raise funds for the charity. We also are part of the Devon and Plymouth Chamber increasing our presence in the city and gaining corporate support.

Increased capacity at both shops has led to increased funds being raised and post year end the charity invested in a van for house clearances. Our retail manager Ryan continues to find the best rates for recycling items not sold.

With many plans in place, the trustees consider the charity has a positive way forward.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historically known factors and experience. Therefore, the trustees do not perceive there to be any critical areas of judgement or key sources of estimation uncertainty in the formulation of the financial statements.

Income

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Government grants

Government grants are recognised on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of the grant relating to an asset is deferred, it is recognised as deferred income.

Other trading activities

Money raised from the charity shops is recognised on receipt.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Raising funds

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-------------------------|-------------------------------------|
| Freehold land | not depreciated |
| Freehold property | 2% straight line |
| Furniture and equipment | 25% straight line |
| Computer equipment | 33% straight line |

Stock

Stocks are valued at the lower of cost and net realisable value. Donated goods sold in charity shops are valued at zero cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term other creditors
- Cash and bank balances

All financial instruments are classified as basic.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

Recognition and measurement

The charity has chosen to apply the recognition and measurement principles in FRS102. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of the assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

2 Income from donations and legacies

| | Unrestricted General fund £ | Restricted £ | Total 2023 £ | Total 2022 £ |
|--|--------------------------------------|-----------------|--------------------|--------------------|
| Donations and legacies; | | | | |
| Donations from individuals | 17,287 | - | 17,287 | 33,958 |
| Grants, including capital grants; | | | | |
| National Lottery Funding | - | 8,150 | 8,150 | - |
| National Lottery Covid assistance | - | - | - | 10,000 |
| Local Authority Covid 19 assistance | - | - | - | 7,292 |
| | <u>17,287</u> | <u>8,150</u> | <u>25,437</u> | <u>51,250</u> |

3 Income from charitable activities

| | Unrestricted General fund £ | Total 2023 £ | Total 2022 £ |
|---------------------------------------|-----------------------------------|--------------------|--------------------|
| Non-investment property rental income | <u>3,524</u> | <u>3,524</u> | <u>4,098</u> |

4 Income from other trading activities

| | Unrestricted General fund £ | Total 2023 £ | Total 2022 £ |
|---------------------|--------------------------------------|--------------------|--------------------|
| Trading income; | | | |
| Sale of goods | 312,955 | 312,955 | 130,476 |
| Events income; | | | |
| Other events income | <u>32,715</u> | <u>32,715</u> | <u>33,440</u> |
| | <u>345,670</u> | <u>345,670</u> | <u>163,916</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

5 Investment income

| | Unrestricted General fund £ | Total 2023 £ | Total 2022 £ |
|---|--------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 72 | 72 | 6 |

6 Expenditure on raising funds

a) Costs of trading activities

| | Unrestricted General fund £ | Total 2023 £ | Total 2022 £ |
|----------------------------|--------------------------------------|--------------------|--------------------|
| Fundraising trading costs; | | | |
| Publicity | 7,224 | 7,224 | 2,785 |
| Shop running expenses | 108,416 | 108,416 | 72,440 |
| Shop staff costs | 124,746 | 124,746 | 63,002 |
| | <u>240,386</u> | <u>240,386</u> | <u>138,227</u> |

7 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | Total 2023 £ | Total 2022 £ |
|----------------------|---|--------------------------------|--------------------|--------------------|
| Event costs | 38,884 | - | 38,884 | 20,398 |
| Donations and gifts | 16,216 | - | 16,216 | 6,971 |
| Respite home costs | 23,444 | - | 23,444 | 21,541 |
| Direct staff costs | 29,306 | - | 29,306 | 26,876 |
| Insurance | 2,151 | - | 2,151 | 1,410 |
| Travel costs | 14,926 | - | 14,926 | 2,447 |
| Stationery and admin | 5,468 | - | 5,468 | 5,229 |
| Sundries | 3,529 | - | 3,529 | 1,306 |
| Depreciation | 6,890 | - | 6,890 | 7,163 |
| Support costs | - | 15,289 | 15,289 | 12,766 |
| Governance costs | - | 11,024 | 11,024 | 3,960 |
| | <u>140,814</u> | <u>26,313</u> | <u>167,127</u> | <u>110,067</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

£162,683 (2022: £103,359) of the above expenditure was unrestricted and £4,444 (2022: £6,708) restricted in nature.

8 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Basis of allocation | Other support costs £ | Total 2023 £ | Total 2022 £ |
|------------------------|---------------------|--------------------------|--------------------|--------------------|
| Direct staff costs | 20% | 7,327 | 7,327 | 6,719 |
| Legal and professional | 100% | 7,962 | 7,962 | 6,047 |
| | | <u>15,289</u> | <u>15,289</u> | <u>12,766</u> |

All support costs are unrestricted expenditure (2022: all unrestricted).

Governance costs

| | Unrestricted General fund £ | Total 2023 £ | Total 2022 £ |
|---|--------------------------------------|--------------------|--------------------|
| Independent examiner fees | | | |
| Examination of the financial statements | 5,500 | 5,500 | 3,960 |
| Accountancy underprovided | 1,800 | 1,800 | - |
| Other fees paid to Independent Examiner | 1,900 | 1,900 | - |
| Other fees unprovided | 1,824 | 1,824 | - |
| | <u>11,024</u> | <u>11,024</u> | <u>3,960</u> |

All governance costs are unrestricted expenditure (2022: all unrestricted).

9 Net outgoing resources

Net outgoing resources for the year include:

| | 2023 £ | 2022 £ |
|---------------------------------|--------------|--------------|
| Operating leases - other assets | 73,926 | 31,937 |
| Depreciation of fixed assets | <u>6,890</u> | <u>7,163</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

10 Trustees' remuneration and expenses

The founder, who is also considered to be the Charity's key management is married to one of the trustees. Remuneration received is disclosed in note 11. No trustees, nor any persons connected with them, have received any remuneration from the charity during the year other than as disclosed in note 19. No trustees received any reimbursed expenses or any other benefits from the charity during the year (2022: none).

11 Staff costs

The aggregate payroll costs were as follows:

| | 2023 £ | 2022 £ |
|--|----------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | <u>161,379</u> | <u>96,597</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

| | 2023 No | 2022 No |
|------------------------------|------------|------------|
| Full and part time employees | <u>13</u> | <u>7</u> |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £36,633 (2022 - £33,595).

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

13 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|-----------------------|----------------------------|---------------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 May 2022 | 150,974 | 15,317 | 5,069 | 171,360 |
| Additions | - | 3,419 | 3,443 | 6,862 |
| At 30 April 2023 | <u>150,974</u> | <u>18,736</u> | <u>8,512</u> | <u>178,222</u> |
| Depreciation | | | | |
| At 1 May 2022 | 12,076 | 12,599 | 4,599 | 29,274 |
| Charge for the year | 3,019 | 2,280 | 1,591 | 6,890 |
| At 30 April 2023 | <u>15,095</u> | <u>14,879</u> | <u>6,190</u> | <u>36,164</u> |
| Net book value | | | | |
| At 30 April 2023 | <u>135,879</u> | <u>3,857</u> | <u>2,322</u> | <u>142,058</u> |
| At 30 April 2022 | <u>138,898</u> | <u>2,718</u> | <u>470</u> | <u>142,086</u> |

14 Debtors

| | 2023 £ | 2022 £ |
|---------------|---------------|---------------|
| Prepayments | 11,224 | 14,170 |
| Other debtors | - | 427 |
| | <u>11,224</u> | <u>14,597</u> |

15 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|----------|--------------|--------------|
| Accruals | <u>9,200</u> | <u>3,960</u> |

16 Obligations under leases and hire purchase contracts

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2023 £ | 2022 £ |
|----------------------------|----------------|----------------|
| Land and buildings | | |
| Within one year | 62,734 | 62,734 |
| Between one and five years | <u>94,929</u> | <u>157,663</u> |
| | <u>157,663</u> | <u>220,397</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

17 Funds

| | Balance at 1 May 2022 £ | Incoming resources £ | Resources expended £ | Balance at 30 April 2023 £ |
|---|-------------------------------|----------------------------|----------------------------|----------------------------------|
| Unrestricted funds | | | | |
| General | | | | |
| Unrestricted fund | 108,751 | 366,553 | (403,069) | 72,235 |
| Restricted funds | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 141,616 | - | (4,444) | 137,172 |
| National Lottery funding | - | 8,150 | - | 8,150 |
| Total restricted funds | <u>141,616</u> | <u>8,150</u> | <u>(4,444)</u> | <u>145,322</u> |
| Total funds | <u>250,367</u> | <u>374,703</u> | <u>(407,513)</u> | <u>217,557</u> |

Restricted Funds

Hugs Children's Cancer Charity respite property and furniture fund - this fund relates to a holiday home purchased to provide respite for the sufferers of neuroblastoma and other childhood cancers and their families. The value of assets brought forward was £141,616, a depreciation charge of £4,444 has been made this year, leaving a closing balance of £137,172.

National Lottery funding - during the year the charity received £8,150 towards a trip to Longleat Safari Park for families. These funds have been carried forward towards the future cost of the trip scheduled for November 2023.

| | Balance at 1 May 2021 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 April 2022 £ |
|---|-------------------------------|----------------------------|----------------------------|----------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General | | | | | |
| Unrestricted fund | 130,117 | 219,570 | (241,586) | 650 | 108,751 |
| Restricted | | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 148,324 | - | (6,708) | - | 141,616 |
| Boxing event | 950 | (300) | - | (650) | - |
| Total restricted funds | <u>149,274</u> | <u>(300)</u> | <u>(6,708)</u> | <u>(650)</u> | <u>141,616</u> |
| Total funds | <u>279,391</u> | <u>219,270</u> | <u>(248,294)</u> | <u>-</u> | <u>250,367</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2023 (continued)

18 Analysis of net assets between funds

| | Unrestricted funds General £ | Restricted funds £ | Total funds at 30 April 2023 £ |
|-----------------------|---|-----------------------------------|---|
| Tangible fixed assets | 4,886 | 137,172 | 142,058 |
| Current assets | 76,549 | 8,150 | 84,699 |
| Current liabilities | (9,200) | - | (9,200) |
| Total net assets | <u>72,235</u> | <u>145,322</u> | <u>217,557</u> |

| | Unrestricted General fund £ | Restricted funds £ | Total funds at 30 April 2022 £ |
|-----------------------|--|-----------------------------------|---|
| Tangible fixed assets | 470 | 141,616 | 142,086 |
| Current assets | 112,241 | - | 112,241 |
| Current liabilities | (3,960) | - | (3,960) |
| Total net assets | <u>108,751</u> | <u>141,616</u> | <u>250,367</u> |

19 Related party transactions

During the year ended 30 April 2023 the charity paid £1,350 (2022: £6,785) to a close family member of Michael Hallam (Trustee) for employment as a shop assistant in the Hugs Children's Cancer charity shop.

As disclosed in note 9, the founder, who is also the charity's key management is married to Michael Hallam. Remuneration is disclosed in note 10.

There were no other related party transactions during the year which require disclosure.

hugs childrens cancer charity

England & Wales - Charity number 1161382

Accounts

Hugs Children's Cancer Charity (CIO)

**Annual Report and Financial Statements
Year Ended 30 April 2022**

Charity registration number: 1161382

Hugs Children's Cancer Charity (CIO)

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Hugs Children's Cancer Charity (CIO)

Reference and Administrative Details

Chief Executive Officer Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity

Trustees Mr Ade Edwards (Chair)
Ms Zoe Edwards
Michael Hallam
Kelly Heatley

Principal Office PO Box 164
PLYMOUTH
Devon
PL1 9EP

Telephone : 01752 417736
Email : enquiries@hugsfromhenry.co.uk
Website: www.hugsfromhenry.co.uk

Charity Registration Number 1161382

Solicitors Nash & Co
Beaumont House
Beaumont Park
PLYMOUTH
Devon
PL4 9BD

Independent Examiner Francis Clark LLP
Independent examiner
Melville Building East
Royal William Yard
PLYMOUTH
Devon
PL1 3GW

Hugs Children's Cancer Charity (CIO)

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 30 April 2022.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- Mr Ade Edwards (Chair) (appointed 10 May 2021)
- Ms Zoe Edwards
- Mr Ryan Jackson (resigned 22 June 2021)
- Michael Hallam
- Ms Emma McKay (resigned 26 January 2022)
- Kelly Heatley (appointed 26 January 2022)

Chief Executive Officer: Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity

Mission Statement

Hugs Children's Cancer charity is a Plymouth based charity which helps families who have/had a child with childhood cancer. Whether emotional support, making a memory or helping families keep in touch, Hugs Children's Cancer charity provides them with a place to turn.

Objectives and activities

The charity is a Charitable Incorporated Organisation (CIO) with its principal office in England. Hugs Children's Cancer Charity is a small non-governmental, non-political, non-religious charity established in 2015. It is registered as a charity with the Charity Commission under registration number 1161382.

The charity objectives are as follows:

- The relief of sickness and the preservation of health of children and young people suffering from Neuroblastoma or childhood cancer, in particular but not exclusively by the provision of a respite/holiday home, and emotional support and the provision of group social events for them and their families.
- To provide relief of sickness and the preservation of health of children and young people suffering with childhood cancer, in particular with the provision of group social events.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Fundraising

The charity runs two charity shops which sell second hand donated goods, provides an outlet for publicity material for the charity and collects donations for the general work of the charity:

Hugs Children's Cancer Charity Shop
The Broadway
Plymouth
PL9 7AU
Telephone: 01752 651880

Hugs Children's Cancer Charity Shop and donation unit
Unit 1 & 2
Sugar Mill Retail Park
Plymouth
PL9 7HT

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

What have we achieved this year

In summary Hugs Children's Cancer Charity has delivered the following activities for the public benefit which are in accord with our charitable objects and aims:

- The respite home continues to provide unique breaks for families affected with childhood cancer. Families are offered 7 days at the respite home free of charge. The house has been invested into to ensure that families have a relaxing break, including a private hot tub and pagoda, new board games and books and entertainment channels such as Disney and Sky.
- Emotional support is provided through our CEO Elsbeth Hallam who speaks to many families nationally, providing one to one advice and emotional support. Elsbeth also manages two social media groups to support families with Neuroblastoma and childhood cancer in Plymouth and Cornwall. Elsbeth uses social media to connect with families throughout the UK. Her information is also given to newly diagnosed families alongside a voucher.
- We have provided emotional support and delivered "care packs" to the families affected by childhood cancer during hospital visits to Plymouth Derriford Hospital, Bristol Children's Hospital and London's GOSH and UCLH. The care packs generally consist of small treats, toiletries and food vouchers for the family. Elsbeth has also carried out a number of individual visits to local families on request.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

- After a break due to Covid, the charity provided its Children's Cancer Ball where families affected by childhood cancers were provided with "VIP" treatment which included a meal, entertainment and gifts, all free of charge. This is a well loved event that brings families together all whom have been through the devastating diagnosis of childhood cancer.
- We have again provided gifts at Christmas to Derriford Hospital, Bristol Children's Hospital, Royal Devon and Exeter Hospitals and Royal Cornwall Hospital.
- Our charity shops have expanded and as well as our popular unit in Plymstock Broadway, Plymouth, we have also opened a large furniture and donation station on Billacombe Road, Plymstock. The shop is proving to be profitable and a key asset for fundraising, advertising events and raising the charities profile. The opening of the donation unit was key to moving forward post covid, due to the tight restrictions on holding items before being able to sort through to risk of infection. Opening the large unit meant that staff were protected against possible contamination of items.
- The charity returned to organising group events and coffee mornings for families including the popular family away days to popular sites around the country.

Use of volunteers

We are lucky to be supported by 24 regular volunteers over both the shopping units. Our retail manager, Ryan, actively encourages supporting people in the community with learning difficulties to work in the units. We also have a number of volunteers who will also help at events, for example the charity balls often sees past volunteers return to support the charity in raising funds through raffles and bucket collecting.

Financial review

Net expenditure for the year was £29,024 (2021: net income £25,550). The balance held in unrestricted funds at 30 April 2022 was £108,751 (2021: £130,117) of which £470 (2021: £925) is represented by fixed assets and is not therefore readily available. The balance held on restricted funds at the year end was £141,616 (2021: £149,274).

Policy on reserves

The trustees aim to maintain free reserves at a level which equates to approximately six months of unrestricted expenditure. The trustees consider the CIO's exposure to major risks in terms of their likely impact on income sources and planned expenditure in the short to medium term, as well as assessing the best way to manage such risks. The unrestricted funds of the charity are held for the promotion of physical and mental health of sufferers of Neuroblastoma in the UK and to provide support and advice to families of children suffering from Neuroblastoma.

At the year end free reserves were £108,281 which equates to 5.2 months of expenditure based on the last financial year. Expenditure during the year included additional shop set up costs of £14k, excluding these costs the free reserves would equate to over 5.6 months of expenditure. The trustees are mindful that the reserves policy is not being met and are looking at ways to increase shop and event income going forward.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Plans for future periods

Our Vision

- We will continue to provide respite to families with childhood cancer, in treatment, post treatment and to those who have been bereaved by childhood cancer. There is currently no limit on time when this support ends as we feel childhood cancer is a long term diagnosis and has lasting effects on not only the child with cancer but the whole family.
- We will continue to visit hospitals within the South West to provide care packs and emotional support to local families being treated in these areas. We provide emotional support over the phone or email for any family with neuroblastoma nationally.
- We will continue to provide our annual Children's Cancer Ball free of charge to the local oncology children and their families, (pandemic allowing).
- We will organize various group away days throughout the year for families to spend time with other oncology families, encouraging communication and support in the oncology community.
- We will continue to provide gifts and hampers at Christmas to local hospitals.
- We will continue to provide cooked meals to those in treatment when requested.

How do we fund our missions?

- Fundraising events
- Sponsored runs, walks, skydives etc.
- Corporate sponsorship
- Grants
- Charity shop

Structure, governance and management

Nature of governing document

The trust is a registered charity (number 1161382), a charitable incorporated organisation (CIO) (number CE003963) and is constituted under trust deed dated 22 April 2015 in England and Wales. On 23 July 2020 the charity changed its name to Hugs Children's Cancer Charity (formerly known as Hugs From Henry).

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Recruitment and appointment of trustees

The constitution provides for a minimum of three trustees and there is no maximum. Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment regard is given to skills, knowledge and experience. Trustees can serve until they either resign or their term ends without renewal. Overall responsibility for the management of the CIO is vested in the trustees.

Our trustees are unpaid and details of trustee expenses are disclosed in the accounts.

The charity will recruit additional trustees, as and when required by invitation. Trustees must give one month's notice before resigning. Extension of terms will be agreed by the board. The charity will be advertising for a new member to join the trustee board in 2023.

Arrangements for setting key management personnel remuneration

The day to day management of the charity is carried out by the CEO, Elsbeth Hallam, who receives remuneration from the charity for this service. The level of remuneration is set by the trustees, after taking into account the size of the charity and is benchmarked against other charities in the local area.

Organisational structure

The day to day running of the charity is handled by Elsbeth Hallam. She is guided by the trustees when needed, organises trustee meetings quarterly and also runs a Whatsapp group to ease communication between members. The majority of decisions are made by a quorum of three trustees where the financial sums involved are in excess of £1,000.

Trustees all provide regular voluntary help with tasks where they have particular expertise.

Elsbeth Hallam is also the family liaison officer for the charity. She has regular contact with families and ensures that she is available when needed for contact and visits. She organises group events, food deliveries and general management of the respite home.

The charity shop is run by Ryan Jackson, our retail development manager of both units. With a vast experience of the retail sector, he is a key part of our fundraising mission through the shops. Ryan is dedicated to making a difference to not only the local community but to also the environment, being the first charity shop in Plymouth to recycle all plastics, he is keen on ensuring as little goes to landfill as possible and that recycling of all items is done where possible. This stands Hugs in great stead as we move forward into a more environmentally friendly future.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Trustees

Ade Edwards

Ade is currently the chair of the board of trustees. He has 20 years' experience in working in the 3rd sector and is currently the Head of Operations for a medium size charity with turnover in excess £2.5 million. He brings a mixture of operational experience paired with understanding of charity management, legislation and experience of working with trustees. He has a keen eye for detail and takes a particular interest in the financial sustainability of the charity.

Michael Hallam

Michael is Henry's father and co-founder of Hugs Children's Cancer Charity. Mike is director of Expedite Building Services, with over 13 years of electrical engineering experience. He has experience of running large numbers of staff and projects. He brings the knowledge from work to the charity but most critically the knowledge of being a father in the pediatric oncology field.

Zoe Edwards

Zoe has been a registered nurse for 20 years with a vast experience of various medical conditions. As a nurse practitioner she brings a plethora of support and information for parents who have a child with cancer.

Kelly Heatley

Kelly brings a Human resources role to the panel of trustees. As head of HR for her company she can support both the growing staffing needs when needed but also can provide advise to our families if needed.

Staff

Ryan Jackson - Retail Development Manager
Hayley Glanfield - Shop Assistant
Jaqueline Young - Shop Assistant
Helen Townsend - Shop Assistant
Sharon Hallam - Shop assistant
Amy Lynn - Shop Assistant
Andrew Richardson - Shop Assistant
Claire Johnson - Shop Assistant
Kath Harvey - Shop Assistant
Linda Spottiswood - Shop Assistant
Zoe Smith - Shop Assistant
Shaun Chin - Van Driver/delivery and pick up

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

Risk Management

All significant activities undertaken are subject to a risk review prior to implementation. Risks are assessed against their potential impact and likely effect on:

- Operational performance
- Financial sustainability
- Achievement of our aims and objectives
- Meeting the expectations of our beneficiaries / supporters
- Charity integrity

We review these risks on an ongoing basis to satisfy ourselves that adequate measures and procedures have been taken to manage the risks identified. Where appropriate certain mitigations are taken such as insurance or outside professional advice.

Prior to implementation all risks were highlighted and mitigation measures were taken. Legal advice was sought by GA Solicitors regarding employment contracts and Nash & Co regarding shop leases, as well as the combined expertise and experience from all our trustees.

A staff handbook has been written by our solicitors GA Solicitors and provided to all staff as a part of our ongoing risk management.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Post the Covid pandemic:

Fundraising events have tripled to raise funds, the charity uses social media tools to promote events and expand its social media presence.

Collection tins have been utilised and increased across the city and these are now being monitored by Sharon Hallam.

The charity has joined the Business Network International (BNI), a networking group that drives those in the group to raise funds for the charity. We also are part of the Devon and Plymouth Chamber increasing our presence in the city and gaining corporate support.

Increased capacity at both shops has led to increased funds being raised and post year end the charity invested in a van for house clearances. Our retail manager Ryan continues to find the best rates for recycling items not sold.

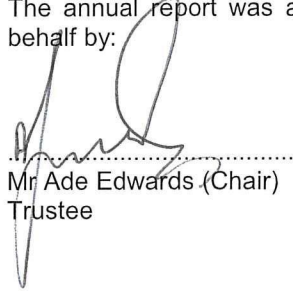
The decision was made in October 2022 that the charity respite home should be closed over the winter to lower running costs during the energy crisis. This excluded Christmas holidays.

With many plans in place, the trustees consider the charity has a positive way forward after the Covid pandemic.

Hugs Children's Cancer Charity (CIO)

Trustees' Report (continued)

The annual report was approved by the trustees of the charity on 12/04/23 and signed on its behalf by:



.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.


The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 13/04/23, and signed on its behalf by:


.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Independent Examiner's Report to the trustees of Hugs Children's Cancer Charity (CIO)

I report to the trustees on my examination of the accounts of Hugs Children's Cancer Charity (CIO) for the year ended 30 April 2022.

Responsibilities and basis of report

As the charity trustees of Hugs Children's Cancer Charity (CIO) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Hugs Children's Cancer Charity (CIO)'s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Hugs Children's Cancer Charity (CIO) as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Duncan Leslie
Independent examiner
FCA

Melville Building East
Royal William Yard
PLYMOUTH
Devon
PL1 3GW

Date: 17/04/2023

Hugs Children's Cancer Charity (CIO)

Statement of Financial Activities

Year Ended 30 April 2022

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2022 £ |
|------------------------------------|------|-----------------------|-----------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 51,250 | - | 51,250 |
| Charitable activities | 3 | 4,098 | - | 4,098 |
| Other trading activities | 4 | 164,216 | (300) | 163,916 |
| Investment income | 5 | 6 | - | 6 |
| Total Income | | <u>219,570</u> | <u>(300)</u> | <u>219,270</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (138,227) | - | (138,227) |
| Charitable activities | 7 | <u>(103,359)</u> | <u>(6,708)</u> | <u>(110,067)</u> |
| Total Expenditure | | <u>(241,586)</u> | <u>(6,708)</u> | <u>(248,294)</u> |
| Net expenditure | | (22,016) | (7,008) | (29,024) |
| Gross transfers between funds | | <u>650</u> | <u>(650)</u> | <u>-</u> |
| Net movement in funds | | (21,366) | (7,658) | (29,024) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>130,117</u> | <u>149,274</u> | <u>279,391</u> |
| Total funds carried forward | 17 | <u><u>108,751</u></u> | <u><u>141,616</u></u> | <u><u>250,367</u></u> |

Hugs Children's Cancer Charity (CIO)

Statement of Financial Activities

Year Ended 30 April 2022 (continued)

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2021 £ |
|------------------------------------|------|-----------------------|-----------------------|-----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 111,512 | 5,000 | 116,512 |
| Charitable activities | | 2,286 | - | 2,286 |
| Other trading activities | 4 | 49,758 | - | 49,758 |
| Investment income | 5 | 38 | - | 38 |
| Total Income | | <u>163,594</u> | <u>5,000</u> | <u>168,594</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (60,241) | - | (60,241) |
| Charitable activities | 7 | <u>(70,490)</u> | <u>(12,313)</u> | <u>(82,803)</u> |
| Total Expenditure | | <u>(130,731)</u> | <u>(12,313)</u> | <u>(143,044)</u> |
| Net income/(expenditure) | | 32,863 | (7,313) | 25,550 |
| Gross transfers between funds | | <u>(5,174)</u> | <u>5,174</u> | - |
| Net movement in funds | | 27,689 | (2,139) | 25,550 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>102,428</u> | <u>151,413</u> | <u>253,841</u> |
| Total funds carried forward | 17 | <u><u>130,117</u></u> | <u><u>149,274</u></u> | <u><u>279,391</u></u> |

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 and 2021 is shown in note 17.

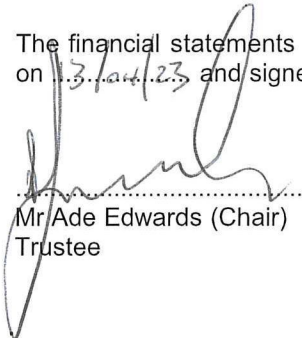
Hugs Children's Cancer Charity (CIO)

Balance Sheet

30 April 2022

| | Note | 2022 £ | 2021 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 142,086 | 149,249 |
| Current assets | | | |
| Debtors | 14 | 14,597 | 12,847 |
| Cash at bank and in hand | | <u>97,644</u> | <u>120,895</u> |
| | | 112,241 | 133,742 |
| Creditors: Amounts falling due within one year | 15 | <u>(3,960)</u> | <u>(3,600)</u> |
| Net current assets | | <u>108,281</u> | <u>130,142</u> |
| Net assets | | <u>250,367</u> | <u>279,391</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 141,616 | 149,274 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>108,751</u> | <u>130,117</u> |
| Total funds | 17 | <u>250,367</u> | <u>279,391</u> |

The financial statements on pages 12 to 24 were approved by the trustees, and authorised for issue on 30 April 2023 and signed on their behalf by:


.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective - October 2019) and the Charities Act 2011.

Basis of preparation

Hugs Children's Cancer Charity (CIO) meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

Post the Covid pandemic:

Fundraising events have tripled to raise funds, the charity uses social media tools to promote events and expand its social media presence.

Collection tins have been utilised and increased across the city and these are now being monitored by Sharon Hallam.

The charity has joined the Business Network International (BNI), a networking group that drives those in the group to raise funds for the charity. We also are part of the Devon and Plymouth Chamber increasing our presence in the city and gaining corporate support.

Increased capacity at both shops has led to increased funds being raised and post year end the charity invested in a van for house clearances. Our retail manager Ryan continues to find the best rates for recycling items not sold.

The decision was made in October 2022 that the charity respite home should be closed over the winter to lower running costs during the energy crisis. This excluded Christmas holidays.

With many plans in place, the trustees consider the charity has a positive way forward after the Covid pandemic.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historically known factors and experience. Therefore, the trustees do not perceive there to be any critical areas of judgement or key sources of estimation uncertainty in the formulation of the financial statements.

Income

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Government grants

Government grants are recognised on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of the grant relating to an asset is deferred, it is recognised as deferred income.

Other trading activities

Money raised from the charity shops is recognised on receipt.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Raising funds

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-------------------------|-------------------------------------|
| Freehold land | not depreciated |
| Freehold property | 2% straight line |
| Furniture and equipment | 25% straight line |
| Computer equipment | 33% straight line |

Stock

Stocks are valued at the lower of cost and net realisable value. Donated goods sold in charity shops are valued at zero cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term other creditors
- Cash and bank balances

All financial instruments are classified as basic.

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

Recognition and measurement

The charity has chosen to apply the recognition and measurement principles in FRS102. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of the assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

2 Income from donations and legacies

| | Unrestricted General fund £ | Total 2022 £ | Total 2021 £ |
|-------------------------------------|--------------------------------------|--------------------|--------------------|
| Donations and legacies; | | | |
| Donations from individuals | 33,958 | 33,958 | 29,773 |
| Grants, including capital grants; | | | |
| Grants from companies | - | - | 5,000 |
| National Lottery Covid assistance | 10,000 | 10,000 | 10,000 |
| Covid 19 assistance | - | - | 25,000 |
| Local Authority Covid 19 assistance | 7,292 | 7,292 | 29,465 |
| Furlough income | - | - | 17,274 |
| | <u>51,250</u> | <u>51,250</u> | <u>116,512</u> |

3 Income from charitable activities

| | Unrestricted General fund £ | Total 2022 £ | Total 2021 £ |
|---------------------------------------|-----------------------------------|--------------------|--------------------|
| Non-investment property rental income | <u>4,098</u> | <u>4,098</u> | <u>2,286</u> |

4 Income from other trading activities

| | Unrestricted General fund £ | Restricted £ | Total 2022 £ | Total 2021 £ |
|---------------------|--------------------------------------|-----------------|--------------------|--------------------|
| Trading income; | | | | |
| Sale of goods | 130,476 | - | 130,476 | 42,316 |
| Events income; | | | | |
| Other events income | <u>33,740</u> | <u>(300)</u> | <u>33,440</u> | <u>7,442</u> |
| | <u>164,216</u> | <u>(300)</u> | <u>163,916</u> | <u>49,758</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

5 Investment income

| | Unrestricted General fund £ | Total 2022 £ | Total 2021 £ |
|---|--------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 6 | 6 | 38 |

6 Expenditure on raising funds

a) Costs of trading activities

| | Note | Unrestricted General fund £ | Total 2022 £ | Total 2021 £ |
|----------------------------|------|--------------------------------------|--------------------|--------------------|
| Fundraising trading costs; | | | | |
| Publicity | | 2,785 | 2,785 | - |
| Shop running expenses | | 72,440 | 72,440 | 35,455 |
| Shop staff costs | | 63,002 | 63,002 | 24,786 |
| | | <u>138,227</u> | <u>138,227</u> | <u>60,241</u> |

7 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | Total 2022 £ | Total 2021 £ |
|----------------------|---|--------------------------------|--------------------|--------------------|
| Event sales | 20,398 | - | 20,398 | 1,833 |
| Donations and gifts | 6,971 | - | 6,971 | 17,667 |
| Respite home costs | 21,541 | - | 21,541 | 12,652 |
| Direct staff costs | 26,876 | - | 26,876 | 24,489 |
| Insurance | 1,410 | - | 1,410 | 1,368 |
| Travel costs | 2,447 | - | 2,447 | 1,581 |
| Stationery and admin | 5,229 | - | 5,229 | 3,583 |
| Sundries | 1,306 | - | 1,306 | 566 |
| Depreciation | 7,163 | - | 7,163 | 7,309 |
| Support costs | - | 12,766 | 12,766 | 7,915 |
| Governance costs | - | 3,960 | 3,960 | 3,840 |
| | <u>93,341</u> | <u>16,726</u> | <u>110,067</u> | <u>82,803</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

£103,359 (2021: £70,490) of the above expenditure was unrestricted and £6,708 (2021: £12,313) restricted in nature.

8 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Basis of allocation | Other support costs £ | Total 2022 £ | Total 2021 £ |
|------------------------|---------------------|--------------------------|--------------------|--------------------|
| Direct staff costs | 20% | 6,719 | 6,719 | 6,122 |
| Legal and professional | 100% | 6,047 | 6,047 | 1,793 |
| | | <u>12,766</u> | <u>12,766</u> | <u>7,915</u> |

All support costs are unrestricted expenditure (2021: all unrestricted).

Governance costs

| | Unrestricted General fund £ | Total 2022 £ | Total 2021 £ |
|-----------------------------|--------------------------------------|--------------------|--------------------|
| Independent examiner's fees | 3,960 | 3,960 | 3,840 |
| | <u>3,960</u> | <u>3,960</u> | <u>3,840</u> |

All governance costs are unrestricted expenditure (2021: all unrestricted).

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

| | 2022 £ | 2021 £ |
|------------------------------|--------------|--------------|
| Depreciation of fixed assets | <u>7,163</u> | <u>7,309</u> |

10 Trustees' remuneration and expenses

The founder, who is also considered to be the Charity's key management is married to one of the trustees. Remuneration received is disclosed in note 10. No trustees, nor any persons connected with them, have received any remuneration from the charity during the year other than as disclosed in note 19. No trustees received any reimbursed expenses or any other benefits from the charity during the year (2021: five trustees received a Christmas hamper costing £25 each).

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

11 Staff costs

The aggregate payroll costs were as follows:

| | 2022 £ | 2021 £ |
|--|---------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | <u>96,597</u> | <u>55,397</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

| | 2022 No | 2021 No |
|------------------------------|------------|------------|
| Full and part time employees | <u>7</u> | <u>5</u> |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £33,595 (2021 - £32,216).

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|-----------------------|----------------------------|---------------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 May 2021 | <u>150,974</u> | <u>15,317</u> | <u>5,069</u> | <u>171,360</u> |
| At 30 April 2022 | <u>150,974</u> | <u>15,317</u> | <u>5,069</u> | <u>171,360</u> |
| Depreciation | | | | |
| At 1 May 2021 | 9,057 | 8,910 | 4,144 | 22,111 |
| Charge for the year | <u>3,019</u> | <u>3,689</u> | <u>455</u> | <u>7,163</u> |
| At 30 April 2022 | <u>12,076</u> | <u>12,599</u> | <u>4,599</u> | <u>29,274</u> |
| Net book value | | | | |
| At 30 April 2022 | <u>138,898</u> | <u>2,718</u> | <u>470</u> | <u>142,086</u> |
| At 30 April 2021 | <u>141,917</u> | <u>6,407</u> | <u>925</u> | <u>149,249</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

14 Debtors

| | 2022 £ | 2021 £ |
|---------------|---------------|---------------|
| Prepayments | 14,170 | 12,370 |
| Other debtors | 427 | 477 |
| | <u>14,597</u> | <u>12,847</u> |

15 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|----------|--------------|--------------|
| Accruals | <u>3,960</u> | <u>3,600</u> |

16 Obligations under leases and hire purchase contracts

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2022 £ | 2021 £ |
|----------------------------|----------------|------------|
| Land and buildings | | |
| Within one year | 62,734 | 600 |
| Between one and five years | <u>157,663</u> | <u>-</u> |
| | <u>220,397</u> | <u>600</u> |

17 Funds

| | Balance at 1 May 2021 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 April 2022 £ |
|---|-------------------------------|----------------------------|----------------------------|----------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General | | | | | |
| Unrestricted fund | 130,117 | 219,570 | (241,586) | 650 | 108,751 |
| Restricted funds | | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 148,324 | - | (6,708) | - | 141,616 |
| Boxing event | 950 | (300) | - | (650) | - |
| Total restricted funds | <u>149,274</u> | <u>(300)</u> | <u>(6,708)</u> | <u>(650)</u> | <u>141,616</u> |
| Total funds | <u>279,391</u> | <u>219,270</u> | <u>(248,294)</u> | <u>-</u> | <u>250,367</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

Restricted Funds

Hugs Children's Cancer Charity respite property and furniture fund - this fund relates to a holiday home purchased to provide respite for the sufferers of neuroblastoma and other childhood cancers and their families. The value of assets brought forward was £148,324, a depreciation charge of £6,708 has been made this year, leaving a closing balance of £141,616.

Boxing event fund - The fund balance of £950 brought forward was to cover the costs of holding a boxing event. Due to the COVID 19 pandemic this event has not been able to take place. During the year £300 was returned to the donor and the unrefundable element of £650 has been transferred to unrestricted funds.

| | Balance at 1 May 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 April 2021 £ |
|---|-------------------------------|----------------------------|----------------------------|----------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General | | | | | |
| Unrestricted fund | 102,428 | 163,594 | (130,731) | (5,174) | 130,117 |
| Restricted | | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 149,863 | - | (6,713) | 5,174 | 148,324 |
| Boxing event | 1,550 | - | (600) | - | 950 |
| CAF funding | - | 5,000 | (5,000) | - | - |
| Total restricted funds | <u>151,413</u> | <u>5,000</u> | <u>(12,313)</u> | <u>5,174</u> | <u>149,274</u> |
| Total funds | <u>253,841</u> | <u>168,594</u> | <u>(143,044)</u> | <u>-</u> | <u>279,391</u> |

18 Analysis of net assets between funds

| | Unrestricted General fund £ | Restricted funds £ | Total funds at 30 April 2022 £ |
|-------------------------|-----------------------------------|--------------------------|---|
| Tangible fixed assets | 470 | 141,616 | 142,086 |
| Current assets | 112,241 | - | 112,241 |
| Current liabilities | (3,960) | - | (3,960) |
| Total net assets | <u>108,751</u> | <u>141,616</u> | <u>250,367</u> |

Hugs Children's Cancer Charity (CIO)

Notes to the Financial Statements

Year Ended 30 April 2022 (continued)

| | Unrestricted General fund £ | Restricted funds £ | Total funds at 30 April 2021 £ |
|-----------------------|-----------------------------------|--------------------------|---|
| Tangible fixed assets | 925 | 148,324 | 149,249 |
| Current assets | 132,792 | 950 | 133,742 |
| Current liabilities | <u>(3,600)</u> | <u>-</u> | <u>(3,600)</u> |
| Total net assets | <u>130,117</u> | <u>149,274</u> | <u>279,391</u> |

19 Related party transactions

During the year ended 30 April 2022 the charity paid £6,785 (2021: £8,368) to a close family member of Michael Hallam (Trustee) for employment as a shop assistant in the Hugs Children's Cancer charity shop. The charity also paid Michael Hallam's home insurance of £455 in relation to the charity's business address.

As disclosed in note 9, the founder, who is also the charity's key management is married to Michael Hallam. Remuneration is disclosed in note 10.

There were no other related party transactions during the year which require disclosure.

hugs childrens cancer charity

England & Wales - Charity number 1161382

Accounts

**Hugs Children's Cancer Charity (CIO) formerly known as Hugs
From Henry**

**Annual Report and Financial Statements
Year Ended 30 April 2021**

Charity registration number: 1161382



Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

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| Statement of Financial Activities | 12 to 13 |
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Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Reference and Administrative Details

Chief Executive Officer Mrs Elsbeth Hallam - co founder of Hugs Children's Cancer Charity

Trustees Mr Ade Edwards (Chair)

Ms Zoe Edwards

Michael Hallam

Ms Emma McKay

Principal Office

PO Box 164

PLYMOUTH

Devon

PL1 9EP

Telephone : 01752 417736

Email : enquiries@hugsfromhenry.co.uk

Website: www.hugsfromhenry.co.uk

Charity Registration Number 1161382

Solicitors

Woolcombe Yonge

63/65 Bretonside

PLYMOUTH

Devon

PL4 0BD

Independent Examiner

Francis Clark LLP

Independent examiner

North Quay House

Sutton Harbour

PLYMOUTH

Devon

PL4 0RA

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 30 April 2021.

Trustees

Mr Ade Edwards (Chair)
(appointed 10 May 2021)

Ms Zoe Edwards

Mr Ryan Jackson (resigned 22
June 2021)

Michael Hallam

Ms Emma McKay

Jade Nicholson (resigned 15 July
2020)

Mission Statement

Hugs Children's Cancer charity (formerly Hugs from Henry) is a Plymouth based charity which helps families who have a child with childhood cancer Neuroblastoma, and supports local families with childhood cancer. Whether emotional support, making a memory or helping families keep in touch, Hugs Children's Cancer charity provides them with a place to turn.

Objectives and activities

The charity is a Charitable Incorporated Organisation (CIO) with its principal office in England. Hugs Children's Cancer Charity is a small non-governmental, non-political, non-religious charity established in 2015. It is registered as a charity with the Charity Commission under registration number 1161382.

The charity objectives are as follows:

- The relief of sickness and the preservation of health of children and young people suffering from Neuroblastoma or childhood cancer, in particular but not exclusively by the provision of a respite/holiday home, and emotional support and the provision of group social events for them and their families.

Fundraising

The charity also runs a shop which sells second hand donated goods, provides an outlet for publicity material for the charity and collects donations for the general work of the charity:

Hugs Charity Shop
13-15 The Broadway
Plymouth
PL9 7AU
Telephone: 01752 651025

Hugs Donation Station
Sugar Mill Retail Park
Plymouth
PL9 7HT

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

What have we achieved this year

In summary Hugs Children's Cancer Charity has delivered the following activities for the public benefit which are in accord with our charitable objects and aims:

During the Covid-19 pandemic, the charity stepped up and provided food parcels and cooked meals to the most vulnerable families with childhood cancer in our area. We also provided emergency grants of £50 to those travelling to Bristol for treatment during this time. Due to the complexities of lockdown and travel during the pandemic, Hugs also stepped in and provided overnight accommodation for a family who had been recently diagnosed.

We worked with Plymouth City Council, who provided the charity with £10k to support their Winter Grant Scheme. We used these funds to provide vulnerable families with a £250 grant during the Covid pandemic.

The respite home continues to provide unique breaks for families affected with childhood cancer. Families are offered 7 days at the respite home FOC and are provided food shopping and gifts on arrival. The house has been invested into to ensure that families have a relaxing break. The home now has a hot tub to enhance the stays of the families who visit. Breaks have unfortunately been limited this year due to the pandemic.

Emotional support is provided through our CEO Elsbeth Hallam who speaks to many families nationally, providing one-to-one advice and emotional support. Elsbeth also manages two social media groups to support families with Neuroblastoma and childhood cancer in Plymouth and Cornwall. She also uses social media to connect with families throughout the UK.

We have provided emotional support and delivered 'care packs' to the families affected by childhood cancer during hospital visits in Plymouth Derriford Hospital and Bristol Children's Hospital. The care packs generally consist of small treats, toiletries and food vouchers for the family. We continue to work closely with local entertainment businesses who visit Bristol Children's Hospital and Derriford Hospital to provide special entertainment and 'magic' to the poorly children, many of whom have been in hospital for long periods of time. Elsbeth has also carried out a number of individual visits to local families on request. This has been limited due to Covid over the last 24 months and Elsbeth has ensured that all precautions have been taken. Food delivery services such as Just Eat have been used for those in for hospital stays.

We have again provided gifts at Christmas to Derriford Hospital, Bristol Children's Hospital, CLIC House, Children's Hospice South West and St. Luke's Hospice. In 2020 we provided over 1,000 presents to children who were in hospital over Christmas. We also arranged visits with local entertainers to the hospitals. Due to the pandemic, we were unable to visit the hospitals in person, however all gifts were distributed by the oncology team. We also provided Christmas hampers to families in both the Plymouth and Treliiske Hospitals.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

- This Easter we provided over 1,000 Easter eggs to Derriford Hospital.
- Our charity shop on Plymstock Broadway, Plymouth, is a significant and popular retail unit. It has been a challenging time with the closure of retail units during the pandemic however once opened it has continued to be successful. During the year the charity took on a new unit to accept donations to allow us to process these safely. The retail sector has its own social media page which is increasing daily after the staff share donations on the page with the public. The page helps increase footfall and also connects collectors with the charity. The shop is proving to be profitable and a key asset for fundraising, advertising events and raising the charity's profile.

Post year end

In February 2022 the charity shut the donation station and took out a new lease at Sugar Mill for a larger donation station and attached retail unit for a period of six years. The charity commencing selling furniture and larger donated goods to the public. A Retail Development Manager was appointed to manage the set up and maximise income potential. Plans are also progressing to change the retail unit at Plymstock Broadway to a larger one with the aim of increasing income from the sale of donated goods.

Financial review

Net income for the year was £25,550 (2020: net income £10,871). The balance held in unrestricted funds at 30 April 2021 was £130,117 (2020: £102,428) of which £925 (2020: £141) is represented by fixed assets and is not therefore readily available. The balance held on restricted funds at the year end was £149,274 (2020: £151,413).

Policy on reserves

The trustees aim to maintain free reserves at a level which equates to approximately six months of unrestricted expenditure. The trustees consider the CIO's exposure to major risks in terms of their likely impact on income sources and planned expenditure in the short to medium term, as well as assessing the best way to manage such risks. The unrestricted funds of the charity are held for the promotion of physical and mental health of sufferers of Neuroblastoma in the UK and to provide support and advice to families of children suffering from Neuroblastoma. At the year end free reserves were £129,192 which equates to over ten months of expenditure in the last financial year.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

Plans for future periods

Our Vision

- we will continue to provide respite to families with childhood cancer, those with Neuroblastoma nationally and locally with childhood cancer (within the 'PL' area).
- we will continue to visit hospitals within the South West to provide care packs and emotional support to local families being treated in these areas. We provide emotional support over the phone or email for any family with neuroblastoma nationally.
- we continue to provide our annual Children's Cancer Ball free of charge to the local oncology children and their families. Although, due to Covid-19 the 2020 and 2021 events were postponed.
- we will organise a group away day for families to spend time with other oncology families.
- we will continue to provide gifts at Christmas and Easter to local hospitals.
- we will continue to provide cooked meals to those in treatment and isolating due to Covid-19.

How do we fund our missions?

- The expansion of our retail sector
- Fundraising events
- Sponsored runs, walks, skydives etc.
- Corporate sponsorship
- Grants

Structure, governance and management

Nature of governing document

The trust is a registered charity (number 1161382), a charitable incorporated organisation (CIO) (number CE003963) and is constituted under trust deed dated 22 April 2015 in England and Wales. On 23 July 2020 the charity changed its name to Hugs Children's Cancer Charity (formerly known as Hugs From Henry).

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

Recruitment and appointment of trustees

The constitution provides for a minimum of three trustees and there is no maximum. Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment regard is given to skills, knowledge and experience. Trustees can serve until they either resign or their term ends without renewal. Overall responsibility for the management of the CIO is vested in the trustees.

Our trustees are unpaid and details of trustee expenses are disclosed in the accounts.

The charity will recruit additional trustees as and when required. Trustees must give one month's notice before resigning. Extension of terms will be agreed by the board.

Arrangements for setting key management personnel remuneration

The day to day management of the charity is carried out by the CEO, Elsbeth Hallam, who receives remuneration from the charity for this service. The level of remuneration is set by the trustees, after taking into account the size of the charity and is benchmarked against other charities in the local area.

Organisational structure

The board of trustees are clear about the charity's aims and ensures these are being delivered effectively and sustainably. As a small charity the board and individual trustees take collective responsibility for its decisions but the Chair provides leadership to the board and takes responsibility for ensuring the board has agreed priorities, appropriate structures and processes in place.

The day to day running of the charity is handled by Elsbeth Hallam. She is guided by the trustees when needed, organises trustee meetings quarterly and also runs a messenger group to ease communication between members. The majority of decisions are made by a quorum of three trustees where the financial sums involved are in excess of £1,000.

Trustees all provide regular voluntary help with tasks where they have particular expertise.

Elsbeth Hallam is also the family liaison officer for the charity. She has regular contact with families and ensures that she is available when needed for contact and visits. She organizes group events, food deliveries and general management of the respite home.

The charity shop is run by volunteer, Rebecca Case, who has vast experience in retail. She organises the rotas, end of day takings and book keeping. She reports to Elsbeth when needed. The shop has 4 employees who share hours over the open periods, they report to Rebecca. The shop also has volunteers who donate their time over the shop openings.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

Trustees

Emma McKay (Chair)

Emma is an 'Oncology Mum' who has a vast experience of care and treatment for children with cancer from her own journey. Emma is a HR manager for a firm of solicitors.

Michael Hallam

Michael is Henry's father and co-founder of Hugs Children's Cancer Charity. Mike is a professionally registered electrical design engineer and director of his own building services business. He brings not only compassion and first-hand experience of caring for a child with cancer but also his professional experience and business acumen.

Zoe Edwards

Zoe is a nurse manager at a local GP practice with vast nursing experience in primary and emergency care.

Ade Edwards

Ade is Head of Operations at a local charity which supports people with drug and alcohol rehabilitation. He brings years of experience in running a charity to the board.

Ryan Jackson

Ryan has thirty years retail experience, recently working as the retail manager for the British Red Cross in the Southwest. Ryan stepped down as a Trustee in June 2021 and became our Retail Development Manager in October 2021.

Staff and Volunteers

Ryan Jackson - Retail Development Manager (start October 21)

Rebecca Case - Volunteer Shop Manager

Sharon Hallam - Shop Assistant (paid)

Amy Lynn - Shop Assistant (paid) (now departed)

Andrew Richardson - Shop Assistant (paid)

Lydia Whiting - Shop Assistant (paid)

Claire Bryant - Shop Assistant (paid) (now departed)

Helen Townsend - Shop Assistant (paid)

Hayley Glanfield - Shop Assistant (paid)

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

Risk Management

All significant activities undertaken are subject to a risk review prior to implementation. Risks are assessed against their potential impact and likely effect on:

- Operational performance
- Financial sustainability
- Achievement of our aims and objectives
- Meeting the expectations of our beneficiaries / supporters
- Charity integrity

We review these risks on an ongoing basis to satisfy ourselves that adequate measures and procedures have been taken to manage the risks identified. Where appropriate certain mitigations are taken such as insurance or outside professional advice.

All risks were highlighted and mitigation measures were taken. Legal advice was sought from GA Solicitors regarding employment contracts and Woolcombe Yonge regarding shop leases, as well as the combined expertise and experience from all of our trustees.

Covid 19 and the charity

The Covid-19 pandemic took the world by surprise with the fast pace in which it took hold. Hugs Children's Cancer charity was affected immediately, with the closure of our retail unit and postponement of our events between March 2020 and July 2020. Our staff were sent home and the unit was closed and all 4 shop staff were furloughed. Further closures have been enforced on the charity including the two week 'National Circuit Breaker' in November 2020 and a further National lockdown between January 2021 and March 2021. During the lockdown periods all of our fundraising income stopped, including the income from people who had planned personal fundraisers and challenges.

Throughout the period the charity has stepped up and supported those vulnerable and shielding families in our community. We did this by providing cooked meals delivered to people's houses, food parcels and where needed vouchers for those in treatment. Funding has been of a major concern to the charity throughout this period, with the charity postponing large scale events and having already paid substantial deposits from last year, we needed to find support to keep us going.

Unfortunately our shop rent was not decreased and therefore we paid in full during the lockdown periods, we have however been able to benefit from the government's business rates relief and grants. This depleted quickly so we felt immense pressure to open when safe to do so. We also tried to bring sales online in 2020 to help with funding, these continued until September 2021 when we agreed that they were not generating enough funds.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Trustees' Report

The respite home has been closed during the national lockdown periods and after completing all safety checks and ensuring that the home was covid safe, we were able to open the doors again in August 2021 to our first family.

Our annual children's cancer ball has been postponed until 2022 due to safety concerns and group events at this time. Our plans for an away day in the summer was side lined but we hope to organise something in 2022.

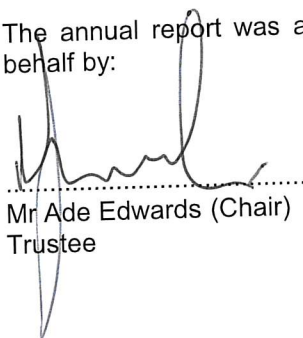
The charity has been successful in obtaining a grant from the National Lottery and CAF. We have also launched a crowd funder with Aviva Community Funding.

We worked with Plymouth City Council with the Winter Grant Scheme to provide money and vouchers to the most vulnerable in the Plymouth area.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The annual report was approved by the trustees of the charity on 24/2/22 and signed on its behalf by:



.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

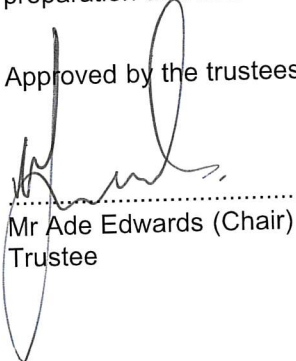
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees of the charity on 24/2/22 and signed on its behalf by:


.....
Mr Ade Edwards (Chair)
Trustee

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Independent Examiner's Report to the trustees of Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 April 2021 which are set out on pages 12 to 26.

Respective responsibilities of trustees and examiner

As the charity's trustees of Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Duncan Leslie
Independent examiner
FCA

North Quay House
Sutton Harbour
PLYMOUTH
Devon
PL4 0RA

Date: 08/03/2022
.....

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Statement of Financial Activities

Year Ended 30 April 2021

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2021 £ |
|------------------------------------|------|-------------------|-----------------|-----------------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 111,512 | 5,000 | 116,512 |
| Other trading activities | 3 | 52,044 | - | 52,044 |
| Investment income | 4 | 38 | - | 38 |
| Total Income | | <u>163,594</u> | <u>5,000</u> | <u>168,594</u> |
| Expenditure on: | | | | |
| Raising funds | 5 | (60,241) | - | (60,241) |
| Charitable activities | 6 | <u>(70,490)</u> | <u>(12,313)</u> | <u>(82,803)</u> |
| Total Expenditure | | <u>(130,731)</u> | <u>(12,313)</u> | <u>(143,044)</u> |
| Net income/(expenditure) | | 32,863 | (7,313) | 25,550 |
| Gross transfers between funds | | <u>(5,174)</u> | <u>5,174</u> | - |
| Net movement in funds | | 27,689 | (2,139) | 25,550 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>102,428</u> | <u>151,413</u> | <u>253,841</u> |
| Total funds carried forward | 17 | <u>130,117</u> | <u>149,274</u> | <u>279,391</u> |
| | | | | Total 2020 £ |
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 51,236 | 1,550 | 52,786 |
| Other trading activities | 3 | 92,776 | 800 | 93,576 |
| Investment income | 4 | 147 | - | 147 |
| Total Income | | <u>144,159</u> | <u>2,350</u> | <u>146,509</u> |
| Expenditure on: | | | | |
| Raising funds | 5 | (53,544) | - | (53,544) |
| Charitable activities | 6 | <u>(58,078)</u> | <u>(24,016)</u> | <u>(82,094)</u> |
| Total Expenditure | | <u>(111,622)</u> | <u>(24,016)</u> | <u>(135,638)</u> |
| Net income/(expenditure) | | 32,537 | (21,666) | 10,871 |
| Gross transfers between funds | | <u>(10,633)</u> | <u>10,633</u> | - |
| Net movement in funds | | 21,904 | (11,033) | 10,871 |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Statement of Financial Activities

Year Ended 30 April 2021

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2020 £ |
|--------------------------------|------|-----------------------|-----------------------|-----------------------|
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>80,524</u> | <u>162,446</u> | <u>242,970</u> |
| Total funds carried forward | 17 | <u><u>102,428</u></u> | <u><u>151,413</u></u> | <u><u>253,841</u></u> |

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 and 2020 is shown in note 17.

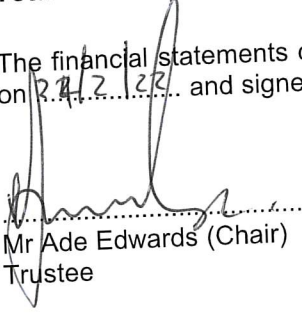
Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Balance Sheet

30 April 2021

| | Note | 2021 £ | 2020 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 12 | 149,249 | 150,004 |
| Current assets | | | |
| Stocks | 13 | - | 216 |
| Debtors | 14 | 12,847 | 12,370 |
| Cash at bank and in hand | | 120,895 | 94,011 |
| | | <u>133,742</u> | <u>106,597</u> |
| Creditors: Amounts falling due within one year | 15 | <u>(3,600)</u> | <u>(2,760)</u> |
| Net current assets | | <u>130,142</u> | <u>103,837</u> |
| Net assets | | <u>279,391</u> | <u>253,841</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 149,274 | 151,413 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>130,117</u> | <u>102,428</u> |
| Total funds | 17 | <u>279,391</u> | <u>253,841</u> |

The financial statements on pages 12 to 26 were approved by the trustees, and authorised for issue on 24/2/22 and signed on their behalf by:


 Mr Ade Edwards (Chair)
 Trustee

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), and the Charities Act 2011.

Basis of preparation

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry 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 notes.

Covid- 19 and Going concern

The Covid-19 pandemic took the world by surprise with the fast pace in which it took hold. Hugs Children's Cancer charity was affected immediately, with the closure of our retail unit and postponement of our events between March 2020 and July 2020. Our staff were sent home and the unit was closed and all 4 shop staff were furloughed. Further closures have been enforced on the charity including the two week 'National Circuit Breaker' in November 2020 and a further National lockdown between January 2021 and March 2021. During the lockdown periods all of our fundraising income stopped, including the income from people who had planned personal fundraisers and challenges.

Throughout the period the charity has stepped up and supported those vulnerable and shielding families in our community. We did this by providing cooked meals delivered to people's houses, food parcels and where needed vouchers for those in treatment. Funding has been of a major concern to the charity throughout this period, with the charity postponing large scale events and having already paid substantial deposits from last year, we needed to find support to keep us going.

Unfortunately our shop rent was not decreased and therefore we paid in full during the lockdown periods, we have however been able to benefit from the government's business rates relief and grants. This depleted quickly so we felt immense pressure to open when safe to do so. We also tried to bring sales online in 2020 to help with funding, these continued until September 2021 when we agreed that they were not generating enough funds.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

The respite home has been closed during the national lockdown periods and after completing all safety checks and ensuring that the home was covid safe, we were able to open the doors again in August 2021 to our first family.

Our annual children's cancer ball has been postponed until 2022 due to safety concerns and group events at this time. Our plans for an away day in the summer was side lined but we hope to organise something in 2022.

The charity has been successful in obtaining a grant from the National Lottery and CAF. We have also launched a crowd funder with Aviva Community Funding.

We worked with Plymouth City Council with the Winter Grant Scheme to provide money and vouchers to the most vulnerable in the Plymouth area.

Going concern

After making appropriate enquiries and due consideration, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historically known factors and experience. Therefore, the trustees do not perceive there to be any critical areas of judgement or key sources of estimation uncertainty in the formulation of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Government grants

Government grants are recognised on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of the grant relating to an asset is deferred, it is recognised as deferred income.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

Other trading activities

Shops income
Money raised from the charity shops is recognised on receipt.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Raising funds

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant expenditure

Grants awarded to recipients are recognised as expenditure once the award is communicated to beneficiaries.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-------------------------|-------------------------------------|
| Freehold land | not depreciated |
| Freehold property | 2% straight line |
| Furniture and equipment | 25% straight line |
| Computer equipment | 33% straight line |

Stock

Stocks are valued at the lower of cost and net realisable value. Donated goods sold in charity shops are valued at zero cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term other creditors
- Cash and bank balances

All financial instruments are classified as basic.

Recognition and measurement

The charity has chosen to apply the recognition and measurement principles in FRS102. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of the assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements Year Ended 30 April 2021

2 Income from donations and legacies

| | Unrestricted General fund £ | Restricted £ | Total 2021 £ | Total 2020 £ |
|--|--------------------------------------|-----------------|--------------------|--------------------|
| Donations and legacies; | | | | |
| Donations from individuals | 29,773 | - | 29,773 | 32,786 |
| Grants, including capital grants; | | | | |
| Grants from companies | - | 5,000 | 5,000 | - |
| National Lottery Covid assistance | 10,000 | - | 10,000 | - |
| Covid 19 assistance | 25,000 | - | 25,000 | 20,000 |
| Local Authority Covid 19 assistance | 29,465 | - | 29,465 | - |
| Furlough income | 17,274 | - | 17,274 | - |
| | <u>111,512</u> | <u>5,000</u> | <u>116,512</u> | <u>52,786</u> |

3 Income from other trading activities

| | Unrestricted General fund £ | Total 2021 £ | Total 2020 £ |
|------------------------|--------------------------------------|--------------------|--------------------|
| Trading income; | | | |
| Sale of goods | 42,316 | 42,316 | 55,699 |
| Events income; | | | |
| Other events income | 7,442 | 7,442 | 30,291 |
| Sponsorship income | - | - | 6,010 |
| Property rental income | 2,286 | 2,286 | 1,576 |
| | <u>52,044</u> | <u>52,044</u> | <u>93,576</u> |

4 Investment income

| | Unrestricted General fund £ | Total 2021 £ | Total 2020 £ |
|---|--------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 38 | 38 | 147 |
| | <u>38</u> | <u>38</u> | <u>147</u> |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

5 Expenditure on raising funds

a) Costs of trading activities

| | Unrestricted General fund £ | Total 2021 £ | Total 2020 £ |
|----------------------------|--------------------------------------|--------------------|--------------------|
| Fundraising trading costs; | | | |
| Publicity | - | - | 1,700 |
| Shop running expenses | 35,455 | 35,455 | 32,108 |
| Lotteries and competitions | - | - | 853 |
| Shop staff costs | 24,786 | 24,786 | 18,883 |
| | <u>60,241</u> | <u>60,241</u> | <u>53,544</u> |

6 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | Total 2021 £ | Total 2020 £ |
|----------------------|---|--------------------------------|--------------------|--------------------|
| Event sales | 1,833 | - | 1,833 | 17,176 |
| Donations and gifts | 17,667 | - | 17,667 | 5,580 |
| Respite home costs | 12,652 | - | 12,652 | 13,350 |
| Direct staff costs | 24,489 | - | 24,489 | 23,985 |
| Insurance | 1,368 | - | 1,368 | 1,274 |
| Travel costs | 1,581 | - | 1,581 | 2,735 |
| Stationery and admin | 3,583 | - | 3,583 | 1,753 |
| Sundries | 566 | - | 566 | 992 |
| Depreciation | 7,309 | - | 7,309 | 5,822 |
| Support costs | - | 7,915 | 7,915 | 6,639 |
| Governance costs | - | 3,840 | 3,840 | 2,788 |
| | <u>71,048</u> | <u>11,755</u> | <u>82,803</u> | <u>82,094</u> |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

7 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Basis of allocation | Other support costs £ | Total 2021 £ | Total 2020 £ |
|------------------------|---------------------|--------------------------|-----------------|-----------------|
| Direct staff costs | 20% | 6,122 | 6,122 | 5,996 |
| Legal and professional | 100% | 1,793 | 1,793 | 643 |
| | | <u>7,915</u> | <u>7,915</u> | <u>6,639</u> |

All support costs are unrestricted expenditure (2020: all unrestricted).

Governance costs

| | Unrestricted General fund £ | Total 2021 £ | Total 2020 £ |
|-----------------------------|--------------------------------|-----------------|-----------------|
| Independent examiner's fees | 3,840 | 3,840 | 2,788 |
| | <u>3,840</u> | <u>3,840</u> | <u>2,788</u> |

All governance costs are unrestricted expenditure (2020: all unrestricted).

8 Net incoming/outgoing resources

Net incoming resources for the year include:

| | 2021 £ | 2020 £ |
|------------------------------|--------------|--------------|
| Depreciation of fixed assets | <u>7,309</u> | <u>5,822</u> |

9 Trustees' remuneration and expenses

Other

The founder, who is also considered to be the Charity's key management is married to one of the trustees. Remuneration received is disclosed in note 10.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year other than as disclosed in note 19.

During the year five trustees received a Christmas hamper amounting to £25 each. No trustees received any reimbursed expenses or any other benefits from the charity during the year (2020: nil).

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements Year Ended 30 April 2021

10 Staff costs

The aggregate payroll costs were as follows:

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | <u>55,397</u> | <u>48,864</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

| | 2021 No | 2020 No |
|------------------------------|------------|------------|
| Full and part time employees | <u>5</u> | <u>5</u> |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £32,216 (2020 - £32,238).

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|-----------------------|----------------------------|---------------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 May 2020 | 150,974 | 10,143 | 3,689 | 164,806 |
| Additions | - | 5,174 | 1,380 | 6,554 |
| At 30 April 2021 | <u>150,974</u> | <u>15,317</u> | <u>5,069</u> | <u>171,360</u> |
| Depreciation | | | | |
| At 1 May 2020 | 6,038 | 5,081 | 3,683 | 14,802 |
| Charge for the year | 3,019 | 3,829 | 461 | 7,309 |
| At 30 April 2021 | <u>9,057</u> | <u>8,910</u> | <u>4,144</u> | <u>22,111</u> |
| Net book value | | | | |
| At 30 April 2021 | <u>141,917</u> | <u>6,407</u> | <u>925</u> | <u>149,249</u> |
| At 30 April 2020 | <u>144,936</u> | <u>5,062</u> | <u>6</u> | <u>150,004</u> |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements Year Ended 30 April 2021

13 Stock

| | 2021 £ | 2020 £ |
|--------|-----------|------------|
| Stocks | <u>-</u> | <u>216</u> |

14 Debtors

| | 2021 £ | 2020 £ |
|---------------|---------------|---------------|
| Prepayments | 12,370 | 12,370 |
| Other debtors | <u>477</u> | <u>-</u> |
| | <u>12,847</u> | <u>12,370</u> |

15 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|----------|--------------|--------------|
| Accruals | <u>3,600</u> | <u>2,760</u> |

16 Obligations under leases and hire purchase contracts

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2021 £ | 2020 £ |
|--------------------|------------|---------------|
| Land and buildings | | |
| Within one year | <u>600</u> | <u>11,250</u> |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

17 Funds

| | Balance at 1 May 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 April 2021 £ |
|---|-------------------------------|----------------------------|----------------------------|----------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General | | | | | |
| Unrestricted fund | 102,428 | 163,594 | (130,731) | (5,174) | 130,117 |
| Restricted funds | | | | | |
| Hugs Children's Cancer Charity - respite property and furniture | 149,863 | - | (6,713) | 5,174 | 148,324 |
| Boxing event | 1,550 | - | (600) | - | 950 |
| CAF funding | - | 5,000 | (5,000) | - | - |
| Total restricted funds | <u>151,413</u> | <u>5,000</u> | <u>(12,313)</u> | <u>5,174</u> | <u>149,274</u> |
| Total funds | <u>253,841</u> | <u>168,594</u> | <u>(143,044)</u> | <u>-</u> | <u>279,391</u> |
| | Balance at 1 May 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 30 April 2020 £ |
| Unrestricted funds | | | | | |
| General | | | | | |
| Unrestricted fund | 80,524 | 144,159 | (111,622) | (10,633) | 102,428 |
| Restricted | | | | | |
| Hugs Children's Cancer Charity fund | 7,164 | - | (17,797) | 10,633 | - |
| Hugs Children's Cancer Charity - respite property and furniture | 155,282 | - | (5,419) | - | 149,863 |
| Respite home launch | - | 800 | (800) | - | - |
| Boxing event | - | 1,550 | - | - | 1,550 |
| Total restricted funds | <u>162,446</u> | <u>2,350</u> | <u>(24,016)</u> | <u>10,633</u> | <u>151,413</u> |
| Total funds | <u>242,970</u> | <u>146,509</u> | <u>(135,638)</u> | <u>-</u> | <u>253,841</u> |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

Restricted Funds

Hugs Children's Cancer Charity respite property and furniture fund - this fund relates to a holiday home purchased to provide respite for the sufferers of neuroblastoma and other childhood cancers and their families. During the year assets costing £5,174 were purchased and a depreciation charge of £6,713 has been made, this leaves a closing balance of £148,324.

Boxing event fund - last year the charity received £1,550 from Itec Connect towards the costs of holding a boxing event. Due to the COVID 19 pandemic this event has not yet taken place. During the year £600 was returned to the donor and the balance of £950 will be carried forward towards future costs of the event which is planned to be rescheduled.

CAF grant - during the year the charity received £5,000 towards core funding, this amount has been fully spent during the year.

18 Analysis of net assets between funds

| | Unrestricted funds General £ | Restricted funds £ | Total funds at 30 April 2021 £ |
|-----------------------|---------------------------------------|--------------------------|---|
| Tangible fixed assets | 925 | 148,324 | 149,249 |
| Current assets | 132,792 | 950 | 133,742 |
| Current liabilities | (3,600) | - | (3,600) |
| Total net assets | 130,117 | 149,274 | 279,391 |
| | Unrestricted funds General £ | Restricted funds £ | Total funds at 30 April 2020 £ |
| Tangible fixed assets | 141 | 149,863 | 150,004 |
| Current assets | 105,047 | 1,550 | 106,597 |
| Current liabilities | (2,760) | - | (2,760) |
| Total net assets | 102,428 | 151,413 | 253,841 |

Hugs Children's Cancer Charity (CIO) formerly known as Hugs From Henry

Notes to the Financial Statements

Year Ended 30 April 2021

19 Related party transactions

Related party transactions

During the year ended 30 April 2021 the charity paid £8,638 (2020: £8,567) to a close family member of Michael Hallam (Trustee) for employment as a shop assistant in the Hugs Children's Cancer charity shop.

As disclosed in note 9, the founder, who is also the charity's key management is married to Michael Hallam. Remuneration is disclosed in note 10.

There were no other related party transactions during the year which require disclosure.

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| | | | | | | | |
|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| BRISTOL | EXETER | PLYMOUTH | POOLE | SALISBURY | TAUNTON | TORQUAY | TRURO |
| 0117 403 9800 | 01392 667000 | 01752 301010 | 01202 663600 | 01722 337661 | 01823 275925 | 01803 320100 | 01872 276477 |
