

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
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Solicitors	G A Solicitors Gill Akaster House 25 Lockyer Street PLYMOUTH Devon PL1 2QW
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Bankers	Barclays Bank 140-146 Armada Way PLYMOUTH PL1 1LA
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Independent Examiner	Francis Clark LLP Independent examiner Melville Building East Unit 18 23 Royal William Yard PLYMOUTH Devon PL1 3GW
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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 finds 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.

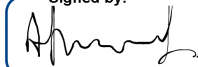
We have 24 spaces for the London Landmarks Half Marathon, this is a great event for participants to take part in a challenge while raising a minimum of £350 on 'Just Giving'. We hope to raise £5k from this yearly event.

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:

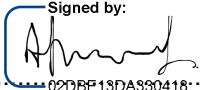
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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:

02D5BE13DAS30418:.....
 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.

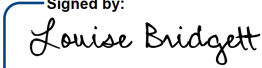
Independent examiner's statement

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	11,498	9,200

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	57,500	94,929
	108,500	157,663
Other		
Within one year	12,326	-
Between one and five years	16,434	-
	28,760	-

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	-	8,000	-	8,000
Total restricted funds	145,322	8,000	(12,462)	140,860
Total funds	217,557	546,719	(552,193)	212,083

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	141,616	8,150	(4,444)	145,322
Total funds	250,367	374,703	(407,513)	217,557

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	71,223	140,860	212,083

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	(9,200)	-	(9,200)
Total net assets	<u>72,235</u>	<u>145,322</u>	<u>217,557</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.