

# STARLIGHT CHILDREN'S FOUNDATION

England & Wales · Charity number 296058

## Details

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**Other names** STARLIGHT

**Status** Registered

**Legal form** Charitable company

**Company number** [02038895](#)

**Registered** 1987-02-18

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Starlight Childrens Foundation  
The Ark  
201 Talgarth Road  
London  
W6 8BJ

**Phone** 02072622881

**Email** [talktous@starlight.org.uk](mailto:talktous@starlight.org.uk)

**Website** [www.starlight.org.uk](http://www.starlight.org.uk)

## Activities

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**Objects:** TO RELIEVE SICK AND DISABLED CHILDREN AND YOUNG PEOPLE.

**Activities:** To brighten the lives of seriously and terminally ill children by providing play and distraction in healthcare settings (throughout UK and NI) to help take their minds off the pain, fear and isolation caused by their illness.

## Classification

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- **How:** Other Charitable Activities
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People

## Geography

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- Isle Of Man
- Jersey
- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,988,381	£4,352,259	£1,512,859	37
2024-03-31	£4,575,434	£5,085,594	£1,875,836	43
2023-03-31	£3,743,868	£5,360,608	£2,391,269	43
2022-03-31	£4,958,206	£5,150,997	£4,010,490	38
2021-03-31	£4,032,773	£3,343,679	£4,185,829	34

## Trustees

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Name	Role	Appointed
Abigail Robbins		2025-04-04
Alain Nathaniel Wolffe		2018-06-21
Christopher Kelly		2022-01-26
Hans Christian Pau		2024-07-10
Ian James Harding		2019-10-01
Michael Daniels		2025-07-09
Paul Gathercole		2025-07-09

**STARLIGHT CHILDREN'S FOUNDATION**

England & Wales - Charity number 296058

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# Accounts

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TRANSFORMING CHILDREN'S HEALTH THROUGH PLAY

A small, yellow, circular character with a white dot for an eye and two small black dots for feet, peeking over the top right corner of the first black box.

**ANNUAL**

**REPORT**

A small, pink, character-like shape with a white dot for an eye and two small black dots for feet, positioned to the left of the word "AND".

**AND**

**FINANCIAL STATEMENTS**

**Year ended 31 March 2025**

**Starlight Children's Foundation**

A company limited by guarantee 02038895  
Registered charity 296058 (England and Wales) SC047600 (Scotland)

## **ROYAL PATRON**

HRH Princess Alexandra KG GCVO

## **CO-FOUNDER**

Emma Samms MBE

## **TRUSTEES**

Alain Wolffe (Chair)

Mike Daniels (appointed July 9 2025)

Dr Christopher Evans (resigned July 9 2025)

Paul Gathercole (appointed July 9 2025)

Anna Gawn (resigned 4 April 2025)

Ian Harding

Dr Christopher Kelly

Christian Pau (appointed 10 July 2024)

Abi Robins (appointed 4 April 2025)

Betsabeh Solente (resigned July 9 2025)

## **HONORARY CHAIR OF FUNDRAISING**

Alasdair Hadden-Paton

## **SENIOR MANAGEMENT TEAM**

Cathy Gilman, CEO

Dr Krutika Pau, Director of Children's Services,  
Deputy CEO

James Ronaldson, Director of Finance  
(appointed 1 April 2025)

Sarah Woods, Director of Fundraising  
and Marketing (resigned 25 April 2025)

Nicky Wade, Director of Finance and  
Organisational Effectiveness (resigned 23  
February 2025)

Jonny Wright, Director of Income and  
Engagement (appointed 2 June 2025)

## **REGISTERED OFFICE**

Starlight Children's Foundation  
227 Shepherds Bush Road  
London W6 7AU  
www.starlight.org.uk  
020 7262 2881

## **AUDIT AND RISK COMMITTEE**

Ian Harding (Chair)

Mike Daniels (appointed July 9 2025)

Cathy Gilman

Chris Kelly

James Ronaldson, Director of Finance

Nicky Wade, Director of Finance and  
Organisational Effectiveness (resigned 23  
February 2025)

Alain Wolffe

## **SAFEGUARDING COMMITTEE**

Paul Gathercole (Chair) (appointed July 9  
2025)

Anna Gawn (Chair) (resigned 4 April 2025)

Jane Backlog (joined 25 April 2025)

Dr Krutika Pau

Laura Walsh

Sarah Woods (resigned 25 April 2025)

## **DEVELOPMENT COMMITTEE**

Alasdair Hadden-Paton (Chair of Fundraising)

Oliver Hardcastle

Olivia McCall

Alexandra Spencer-Churchill

Sarah Woods (resigned 25 April 2025)

Jonny Wright (appointed 2 June 2025)

## **BANKERS**

HSBC, Plc 25 Wigmore Street,  
London W1H 0DP

Lloyds Bank, Plc 25 Gresham Street,  
London EC2V 7HN

## **SOLICITORS**

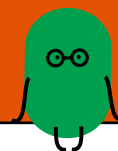
Mayer Brown International LLP  
201 Bishopsgate, London EC2M 3AF

## **AUDITORS**

Sayer Vincent LLP, 110 Golden Lane,  
London EC1Y 0TG



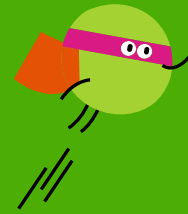
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# A message from our Chair



No one enjoys medical procedures, least of all children.

From facing everyday vaccinations to the most serious of surgeries and chronic conditions, all children experience varying degrees of apprehension and fear. Feeling scared, powerless, or anxious in healthcare settings doesn't just trigger a child's emotions; it can create traumas that impact treatment success and that can have a life-long impact. Starlight exists to empower better healthcare outcomes for children, through better healthcare experiences.

## **We put play at the heart of healthcare.**

Research shows that traumatised children often don't respond so well to medical interventions. The more negative the experience, the more the body resists treatment, the poorer the outcomes, with echoes persisting long into adulthood. The simple answer lies in soothing a young person's nervous system, so that the child no longer feels terrified and confused, but open and engaged, curious and empowered, a hero in their own health story.

## **Our prescription couldn't be simpler or more powerful, it's play.**

For children, play is a powerful tool for healing. Play reduces trauma, builds resilience, and helps children cope with treatment. It transforms sterile hospital rooms into spaces of comfort, courage and personal control. It makes healthcare not just bearable, but better. The science is clear. The impact is undeniable.

## **Play isn't a luxury – it's a necessity.**

Children's healthcare practitioners are giving everything they have to support the health and wellbeing of our children. But they need our help. That's why Starlight exists. We make play possible by providing the toolkits, arts and crafts and technology where there are no budgets for play. We make play better by supporting the development of the health play community and sharing best practice. We make play matter by having the science to lead thinking on the impact of play and the importance of embedding it into the healthcare system to improve experiences and outcomes for children.

## **Quite simply play makes it better.**

It might be surprising to learn that although we support 940 hospitals, hospices and other healthcare settings across the UK we are team of just 35 people seriously punching above our weight. Working in partnership and collaboration, we are tenacious and resourceful, collating evidence to make sure that decisions are made where they matter the most.



For children, play is a powerful tool for healing. Play reduces trauma, builds resilience, and helps children cope with treatment."



We are delighted that a new toolkit of guidelines and standards, produced by Starlight via a joint taskforce, is being prepared for publication by NHS England in the summer of 2025. These official documents will help to raise the profile of health play services with NHS commissioners and leaders. We hope that this will help unlock the vital funding needed for play resources, as well as set clear standards for how they should be delivered to children.

Our purpose drives every choice that we make and there's no doubt that our team have to work harder for every £ we raise. Expenditure is ever more carefully considered. Like many charities, we feel the pressure of a reduced reserves buffer post pandemic, with the double whammy of an enduring cost of living impact that reduces people's ability to give, while operational costs increase. We continue to look at our cost structure, which is already very tight. However, the opportunities to end our office lease and a restructure in our leadership team arising from vacancies, do mean that once again we will be reducing our cost base in the year ahead.

Through influencing decision-makers and by a strategic and determined approach to securing Gift in Kind, we can also ensure that we optimise impact despite inevitable risks around income in the current environment. At such a challenging time for the sector, it's vital that we continue to find new ways to increase resource to our mission that is not limited by our income and expenditure. That said, in a non-Blenheim Ball year, underlying income has held up well and the early signs are positive from the changes that we made in our fundraising team last year.

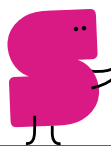
This year, the Trustees have taken time to recognise the significant income that the Blenheim Ball raised in March 2024, thanks to the generous support of **Alexandra Spencer Churchill** and her committee. They have also considered the options for lessening the financial uncertainty for an event that is such a significant proportion of income in those years. To date it has taken place right at the financial year end. The Trustees have taken the decision to extend the next financial year to September 2026. This means that we will know the result of the event well before the year end and have time to respond accordingly.

I hope that you are inspired by this report – the progress we have made is only possible because of you. Together, we can completely transform children's healthcare outcomes and remove unnecessary trauma. With increasing pressure on the healthcare system and a turbulent political and economic environment, there's no doubt your support is more important than ever for Starlight.

Thank you.



**Alain Wolffe**  
Chair, Starlight



Throughout this report, the word children represents an abbreviation of babies, children and young people



**Play relaxes children and takes their mind off why they're in hospital. It helps reduce children's worries, anxiety and trauma and eases how the family is feeling.**

Hamera Elahi, Health Play Specialist, Newham Hospital

# Ending avoidable trauma in healthcare

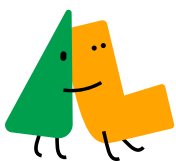


Healthcare is a scary world and feeling scared can make us all less resilient and less receptive to treatment, but it is especially true for children. Children should not have to endure fear, anxiety, loneliness and isolation as part of their healthcare experience.

**It's simply not acceptable for children to suffer avoidable psychological trauma.**

Starlight is the UK's leading charity for children's play in healthcare. We believe it is vital to empower better healthcare outcomes for children, through better healthcare experiences. We uniquely put play at the heart of healthcare to support mental and physical health during treatment and recovery from illness.

It is easy to think that play can only happen once important treatment is taken care of. But for children, play is central to the way they learn and cope with new challenges, and that includes the challenges of treatment. That's why, at Starlight, we're committed to making sure that play becomes an intrinsic part of every child's treatment and care. We want to create a world where it's official policy that play is integral to every child's medical treatment plan.



It's important that Starlight takes a rights-based approach to our work. The United Nations Convention on the Rights of the Child (UNCRC) is the most widely ratified human rights treaty in the world. It sets out the rights of every young person aged 17 and under. These rights include children's freedom from discrimination (article 2), the protection and care necessary for their well-being (article 3), their right to be heard and express their views (article 12), their freedom of expression (article 13), enjoyment of good health and access to health care services (article 24), and their right to play (article 31).

**Of all the rights enshrined in the UNCRC, children's right to play is one of the most commonly overlooked, undervalued and undermined.**

This is especially true in healthcare where **71% of hospitals and hospices have no designated budget for play resources and 85% have no policies or procedures for play**. As a result, traumatic healthcare experiences can have a lifelong impact on our relationship with treatment and care. Starlight estimated in our 2023 *Play in Healthcare Week Report* that **10% of UK adults have mental health problems** because of their negative healthcare experiences as a child.

**We know that play improves children's experience of healthcare.**

We also know that by making treatment less stressful and more efficient, play saves the NHS vital resources and delivers real economic benefit to an overstretched healthcare system.





# Starlight Play Strategy

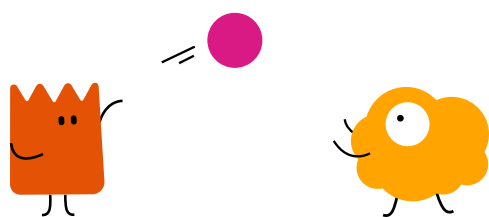


Children, like adults, are complex human beings, shaped by their unique circumstances of life, with their own personalities, preferences, hopes, dreams, flaws and fears. But common to all children, is their instinctive impulse to play.

**Playing is central to their experience and enjoyment of living.**

Seriously ill and hospitalised children are still children with the same rights, needs and wants as any other children, including the right and desire to play.

The importance of play is not valued enough in the UK. We saw during the Covid-19 pandemic and have continued to experience since then, the mental health impact and consequences of children not playing. It's not really surprising then, that the crucial importance of play is often overlooked in healthcare. The current medicalised healthcare model of children's care and treatment consistently neglects the integral role of play to their mental health and wellbeing.





## The importance of play in healthcare

- Reduces **anxiety, fear, stress** and even **pain**.
- Helps children **engage and prepare for their treatment** and cope better with procedures.
- **Minimises trauma** and contributes to a better experience.
- Supports children to have some **sense of control**.
- Creates **continuity** with everyday life.

We know that children have a considerable capacity for coping; often more than adults may initially appreciate. However, **children's capability to cope is conditional on their circumstances and the opportunities available to them**. Seriously ill or hospitalised children need help from adults, but this does not make them helpless; they need hope, but this doesn't make them hopeless. Children in healthcare need our compassion, care and support and central to this is their need for support to play in alien and frightening environments.

**At Starlight we believe in and support children's capacity to be active participants in their own care and treatment.** We recognise that many children want to be involved, listened to and heard. When adults make the effort to communicate with children in more child-centred ways, children have a great capacity to understand and appreciate what is happening to them. They also hold rich, personal and unique knowledge about themselves and their lives which can support adults in their care and treatment. Paying attention to children means we must take the intrinsic and instrumental power of play seriously, not as a nice to have but as integral to a positive experience of healthcare.

Our strategy to end avoidable trauma for children is centred around **insight and active participation from the children themselves**. We also involve the adults who participate in their healthcare experience including parents, play specialists and other health professionals.

By encouraging children to develop their own resilience and coping mechanisms, we can begin to improve individual responsibility for healthcare from an early age, contributing to a more sustainable healthcare system. By supporting adults to rethink their views about children and their childhoods, we influence the value society places on children's play in the healthcare system.

Our strategy is evidence-led and centred around the needs of children which are identified through extensive research and where possible, the participation of children themselves. **The three pillars of our strategy work together to amplify their impact**, to achieve immediate as well as long-term systemic improvements in the experience of children in our healthcare system:



## 1. We Make Play Possible

Starlight supports health systems and organisations to embed effective play practices, as well as producing a range of resources to put play opportunities right at the point of care. From our wealth of online support materials, to our carefully curated preparation, distraction and play boxes,

to our dedicated community of expert health play specialists, we're working tirelessly to be there as an intrinsic resource at the frontline of children's healthcare. **It's our vision to provide play materials and experts for every child, in every hospital and practice in the UK.**

## 2. We Make Play Better

Children's healthcare practitioners are busy, overstretched and can be dealing with life or death decisions every day. Starlight is here for them, every step of the way, helping them incorporate play in ways that make their work easier, not harder. We work with those on the frontline, **building capability and sharing best practice with everyone working within children's healthcare**, building young patients' resilience and receptiveness to treatment.

In this way we:

- **Reduce children's feelings of isolation and anxiety in hospital**, enabling them to experience the everyday joys of childhood in spite of the difficult circumstances and strange environments.
- **Support children's sense of agency and psychological safety**, mitigating the risks of mental trauma from painful and stressful procedures.
- **Offer efficiency savings for the NHS**, resulting from children being more cooperative and engaged in their care and treatment.

## 3. We Make Play Matter

It is easy to think that play happens when important treatment and medical procedures are taken care of. But **for children, play is central to the way they learn and cope with new challenges**. That's why, at Starlight, we're committed to making play matter so much it becomes an intrinsic part of every child's healthcare pathway.

**We want to create a world where it's official policy that play is a prerequisite on every child's medical treatment plan.** We're here to help all decision-makers understand the importance of play, leading thinking on its potential for positive impact, with the science to back it up.



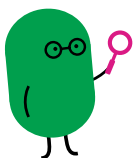
# Insight, evidence and participation

## Insight and evidence

Thought leadership is needed to help all decision-makers understand the importance of play and this requires the science and the evidence to back this up.

Our **Insight and Impact** team evidence the importance, value and reach of health play more broadly and evaluate the impact and outcomes of Starlight's services. They do this in consultation and collaboration with a number of partners, including researchers and academics, to further broaden our knowledge and understanding of health play, health analytics and health economics.

This year we have developed a new health play outcomes monitoring tool for health play professionals to measure the impact of play on children's engagement and wellbeing. This is being trialed by our funded health play professionals. We will continue to monitor the use and effectiveness of this tool next year as well as support Leeds Beckett University in their independent evaluation of this program of work.



Our research, based on Freedom of Information requests to all Health Trusts and Health Boards in the UK, and CQC data shows that:

The health play workforce across the UK comprises only **1,156 people** in a variety of roles, of which **only 571 are registered** health play specialists (HPSs).

An average ratio of only **one full-time HPS for 3,986 child admissions** to hospital per year.

**47%** of HPSs work **part-time** and most do not work weekends.

**71%** of settings have **no designated budget for play resources**.

**ONLY 15%** of Trusts and Health Boards have **policies and procedures** for play.

A core value at Starlight is to share our insight and knowledge. We do this through presentations, forums, webinars, symposia and reports. Fundamental to our assessment of the need for play services is a **comprehensive monitoring of the state of play across the UK**. The evidence from this research enables us to identify gaps and inequalities in play provision across the UK.

In the coming year we will be updating and re-issuing Freedom of Information requests for our next 'State of Health Play' mapping exercise. **We will be monitoring whether there have been any improvements or developments in health play provision across the UK** since the last report in 2023. Also in the year ahead, we plan to deepen our understanding of how, where and when healthcare-related trauma happens to raise awareness and **prioritise services** even further to where they may be most impactful.





## Participation

The UNCRC supports and guides our decisions and choices. Article 12 states that we have an obligation “to engage with children to enable them to form and express their views and to influence our work”. Understanding children’s needs through their participation is central to outcomes from our strategy. We further define participation as children’s agency and active involvement in their care and treatment through everyday play opportunities while they are in hospital and by the support of specialised play practitioners to protect this right during treatment.

While the adults supporting children in healthcare, including play and other health professionals and parents, provide important insight about the experience of children in their care, **it has been our ambition to ensure that children’s own voices are also better represented in our research and insight work, to inform our service offer.**

It was important to intentionally create more opportunities for children to be valued and heard; and to support their agency and build skills, confidence and self-esteem. Armed with this insight we know that **we can create more engaging and accessible services and environments** that will result in better outcomes for children’s health and wellbeing. We can also become more expert advocates on their behalf, representing what truly matters to our young audience.

This year, we went through a consultation process with other UK charities and organisations that have experience of running youth panels, to fast track our learning and avoid possible pitfalls. From this we formed our own approach, which we tested with a focus group of young people and their health professionals.

**In June we brought together four passionate 14-17 year olds from across the UK to help us protect children’s right to play and participation in healthcare.** Every month, we now meet up as a group either online or in-person to hear their views and brainstorm ideas for new projects, to get more young people’s voices embedded into our work.

In a short time, they have interrogated the Directors about Starlight strategy and plans and reviewed the items in our **Play Well Box**. This box offers resources to support the mental health of children from 10 years old. In a ‘Dragons Den-style’ activity, they pitched their own ideas to design a brand new box. These designs are now directly feeding into the service development of the Play Well Box, led by our Health Play Services team.

The panel has also supported the development of a **video** which highlights the experiences of young people in hospital and the importance of play in healthcare. This was showcased at the start of the Starlight Health Play Symposium to ensure that the influential researchers, practitioners, play advocates and policymakers present had children central to their thinking from the start of the day.

In the year ahead the Youth Panel are devising their own **research project** that will give us an insight into children and young people’s ‘day in the life’ in hospital and other healthcare settings. We will also be building a ‘Youth Hub’ on our website, which will be a dedicated space for children and young people to hear about and get involved in Starlight’s work. As we recruit new youth panellists in Spring 2025, we’ll be keeping in touch with our Youth Panel alumni and growing our movement of young advocates for play.



## The economic value of play

For play to really matter in healthcare, we need to create a world where it's official policy that play is a prerequisite on every child's medical treatment plan. Our evidence on the impact of play for children's health outcomes and experiences of healthcare is vital for commissioners and policy makers to **understand the importance of play** being integrated into paediatric healthcare. Equally important in a healthcare system where there is increasing pressure on resources, is to demonstrate the **efficiencies and economic benefits** that the integration of play can bring.

Working with **Pro-Bono Economics**, last year we were able to demonstrate that the use of a Starlight Box could shave off **six minutes** from the average treatment, potentially freeing up the equivalent of **6,500 staff days a year**. This year we have been working closely with healthcare professionals to include simple efficiency measures in our feedback surveys. From the responses that we received, there is convincing evidence of the potential efficiencies that can be achieved with the integration of play into treatment.

The importance of play as a solution to improve healthcare efficiencies, outcomes and experiences cannot be understated. Because of this we are developing a research proposal to conduct **a feasibility study for a randomised control trial** on the economic benefits of play in paediatric dental care. We will be submitting our proposal for funding in the coming year.

As part of developing this proposal, we ran consultations and conducted site visits to different paediatric dental hospitals to understand the need and importance for play in these settings, to inform service development and potential research in this area. Our preliminary findings from our sites concluded that play:

- Helped children refusing treatment to **accept dental treatment**.
- Helped children to **relax and build resilience** in treatment.
- **Avoided the need for general anaesthetic** in a small number of cases.

EFFICIENCIES	Q1: 4 APR 24 - MAR 25		
	n	Agreed	%
It made treatment easier to deliver	164	156	<b>95</b>
Less time was needed to deliver the treatment	164	111	<b>68</b>
Fewer attempts were needed to deliver the treatment	164	125	<b>76</b>
Fewer staff members were needed to deliver the treatment	164	105	<b>64</b>
We did not need to administer sedation as a result	164	68	<b>41</b>

## The Innovation Award

During the year we launched our new **Innovation Award** in an attempt to surface and share other efficiencies achieved through small and large changes that make paediatric healthcare better. This award aims to highlight the expertise and ingenuity that Health Play Specialists bring to improving children's experience of healthcare as well as their contribution to efficiency and effectiveness.

**Tracey Martin**, Health Play Specialist at Leeds Children's Hospital, was the winner of the first Starlight Innovation Award for innovative work tackling hospital-based anxiety in children. Tracey designed and created a **VIP Pass (Very Important Plan Procedural Anxiety Support Scheme)** for children and young people with severe and complex procedural anxiety. The Pass is an immediate visual clue to help staff understand that their patient may need adjustments to help them cooperate with treatments such as blood tests and injections.

Tracey had already been writing personalised plans for anxious young patients that parents or carers could show to staff but this had varying levels of success. She created the Pass as a simple solution to the problem. The Pass can be worn on a lanyard and has a QR code which can be scanned by all healthcare professionals. This alerts the team to review the patient's paperwork to better understand why it is so important to make the individual child more comfortable during procedures. This is supported by play-based sessions to help young patients work through their fears and create their individual procedural plan.

The Pass, which was funded by the hospital charity, is also linked to an alert system on patient records, which ensures every health professional knows if their patient has a personalised plan which needs to be read before commencing treatment.

The Pass has already made a big difference to young people in Leeds and surrounding areas. A 13-year-old patient with severe procedural anxiety had been refusing a blood test to check her rheumatology condition for over a year and was in a lot of pain. After plenty of sessions playing at blood tests with the health play specialist, she agreed to have it if she could have it at home cuddling her dog.

A plan was written for community nurses to follow. It was very specific – no mention of needles, blood or veins and the patient especially wanted to know what stage she was at in the procedure with specific phrases she could cope with. The clinicians were made aware of her plan through the VIP Pass and followed the plan for her care. Following the successful blood test she also went on to have an IV infusion in hospital without her dog present and she used the Pass to have a vaccination at another trust.

**Tracey**, who is based in the Paediatric Psychology Department, was delighted to be selected as the winner.



**Patients who have play sessions with a health play specialist or psychologist often make excellent progress, but it only takes one negative procedural experience to undo all the patient's trust and ability to cooperate in the future.**

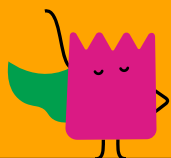
**"Patients are more likely to cooperate when they feel safe, listened to and understood. With the VIP Pass patients have the reassurance that their needs will be incorporated into their care and many have been able to have essential treatments that they had been refusing.**

**"It reduces unsuccessful attempts of procedures, but most importantly it reduces the risk of potential further trauma for a chronically ill patient."**





## We make play possible



By providing the resources, support and training to protect play we aim to ensure that no child suffers avoidable distress or trauma from their healthcare.

We achieve this by:

1. Providing **impactful physical and digital health play resources** and support for children and their families.
2. **Connecting health practitioners** with each other and with opportunities to learn and improve practice.
3. **Promoting, educating and training** on health play.
4. Increasing and widely sharing the body of **impact evaluation** of health play.

The ultimate solution we seek is for systemic change in healthcare where the importance of play is fully recognised and play services are properly funded, designed and managed to the highest standards. While we work towards this goal, we continue to prioritise delivery of services and support to healthcare settings where they are most needed.

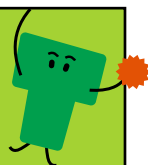


## Health Play Services

Our vital Health Play Services are designed to **support health play specialists, playworkers and other professionals** with the resources and support they need to avoid or mitigate the immediate trauma that can be caused by medical treatments and negative hospital experiences.

We do this by providing resources to support play, including toolkits, technology, toys, books and materials, recognising that many health play professionals have little or no budget. We also provide multi-media resources such as videos or leaflets to guide play delivery.

**In a recent survey 98% of healthcare professionals surveyed said they rely in part or entirely on Starlight services.**



Our boxes of resources support health play professionals to provide everyday play opportunities. They contain toys and activities selected by our experts and increasingly tested with our Youth Panel, to soothe and distract children to ensure

their treatment can be carried out as quickly and effectively as possible. Research informs us that using these resources to support play reduces the stress, anxiety, and trauma of treatment; and can even reduce feelings of pain and reduce the need for unnecessary sedation, creating economic benefits for the NHS.

### **Children tell us hospitals are scary, and play makes it better.**

Applications are received for these planned services and they are allocated based on what we know about the need in that setting, using both self-reported information from mapping data and nationwide population data. All resources are carefully curated through engagement with the sector, children and families and assessed by the Good Play Guide for play value. We evolve these resources in response to the feedback that we receive and the changing needs of the play community. This year we updated the Play Well resource with input from the youth panel, who tested and gave their own feedback on the products.

## Kitty's story



Kitty was just six years old when she was diagnosed with a rare kidney disease. Her happy childhood vanished in a heartbeat. Instead of playing in the park or having sleepovers with friends, she faced years of surgeries, painful treatments, and, eventually, a kidney transplant that didn't go as planned. When she began bleeding internally, doctors told us she might not survive.

Throughout this time, we were desperate to ease Kitty's physical suffering. **But nothing prepared us for the emotional pain she would face.** Seeing the spark fade from our happy, vivacious girl was devastating. Starlight gave Kitty a much-needed escape from scary hospital stays. On her very first visit to the children's ward, Kitty was greeted with a gift from Starlight which made her feel far less afraid. Kitty felt different from her friends and, with each admission, I witnessed another layer of her confidence get stripped away. That's where the play professionals come in. They made such a fuss of Kitty as they built her up and put a smile on her face. **They used Starlight's Distraction Box to turn the ward into a place of fun and laughter.** It truly was the best medicine of all.

Starlight made a huge difference to me, too. Looking after a sick child meant I was constantly on high alert and feeling anxious about Kitty's every symptom. But **Starlight let me put my worries to one side, play with my girl, and enjoy being her mum again.** For Kitty, being able to play in hospital wasn't just a nice way to pass the time – **it was absolutely crucial in helping her to recover.** It distracted her from the horrors she experienced, it soothed her anxiety and helped her to bear many gruelling and painful medical procedures."

**Debbi,** Kitty's mum





## Baby Box

Containing tools and resources to support the first years of development through play. We've developed this selection of activities and interactive toys to support play professionals to build relationships with babies and their families.

## Sensory Toy Box

From stress balls to push poppers, groan tubes to maracas, our Sensory Boxes are designed to encourage children with additional needs to relax with fun, interactive toys and games to support their individual needs.



## Distraction Box

Designed to provide healthcare professionals with a toolkit of resources to help distract and reassure children during procedures and in other stressful situations, including toys, games and puzzles, to help children feel less anxious before, during and after tests and treatments.

## Play Well Box

Play Well offers resources to support the mental health of children aged 10 and up. Each Play Well Box is filled with comforting, calming, and one-time-use items designed to help young people unwind and connect, featuring puzzles, games, and a variety of engaging activities. This box is ideally suited for supporting inpatient care.

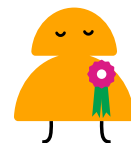
## Preparation Box

This box provides play professionals with the tools they need to help explain scary treatments or procedures to children on their level, to ease anxiety before, during or after.

## Play Essentials Box

Designed to provide the 'must have' resources on wards and in other healthcare settings, the Play Essentials Box includes:

- Ways to enable children to personalise their bed space, e.g. fairy lights.
- Reward charts.
- Arts and crafts.

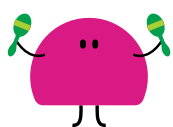


It's important that we recognise key partners who continue to help our resources reach as many health play professionals and children as possible.

**One4Fun** has worked with Starlight for many years to ensure that we get the very best value for the resources that we procure for our services. They are also integral to best value stock storage and resource distribution to healthcare settings.

**Theo Paphitis Retail Group** and **Caran d'Ache** have been generous in their donations of arts and crafts supplies, which are fundamental for the wellbeing of young people of all ages.

In the year ahead we look forward to launching a new service thanks to the support of **LEGO**.





## Our achievements this year

We delivered **5,279** health play services that have been **accessed over 1.3 million times** by children and young people in the UK.



Health professionals have provided an overall average rating of **4.8 out of 5 stars** for our box services.

Most notable impacts for the boxes based on 168 survey responses from health professionals:

- **80%** agreed it helped children to feel less anxious/scared about treatment.
- **86%** agreed it increased children's access to play in healthcare.
- **88%** agreed it created a more positive healthcare experience for children.
- **86%** agreed it was accessible to children with high support needs (e.g. neurodivergent conditions such as autism or learning disabilities).



We estimate that our VR headsets were used **almost 2,000 times**. Children and young people reported feeling **less anxious and more happy and confident** when using our VR in treatment. Children and young people who had used VR before tended to start treatment more confidently and less anxious too.

We delivered **14 training sessions** to health professionals. The total number of attendees across all sessions was **150**.



As part of our training package, this year we **developed and delivered training on playful approaches in healthcare for trainers**, these were lecturers at **Chester University**. All lecturers who fed back stated our training:

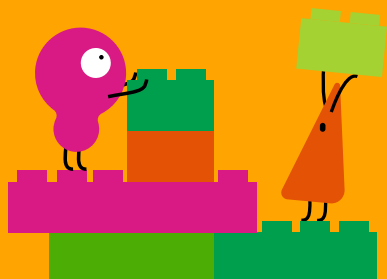
- Helps others to deliver a **more positive experience** for children in healthcare.
- Helps others to **better support children** in healthcare.
- Helps to **equip others with skills** to alleviate children's anxiety through play.



41 families said our **festive tour** made hospital/hospice **more fun**.

Our funded health play professionals delivered approximately **700 play sessions** in FY2425. **Leeds Beckett University** are independently evaluating this work.

**In the first part of the year ahead, we will be focusing on distributing accumulated existing stock** while we procure new product for the second half of the year. This will help us to manage the risk around longer procurement lead-times, reduce storage costs at our warehouse and lessen cash flow risk in the first half of the year.



We plan to merge our sensory and distraction resources into a sensory distraction collection and thanks to Gift in Kind donations from the **LEGO Group** we will be launching a **Build & Feel Play Box**. This will be a curated toolkit with LEGO Group and a digital resource for guidance on using the LEGO® sets to facilitate expressing difficult feelings with sensory resources and craft activities. To support our reach and engagement activity and with the aim of increasing awareness of Starlight, we will also be purchasing **Starlight branded toy boxes** to increase our Starlight physical presence in treatment rooms, wards and clinical spaces.



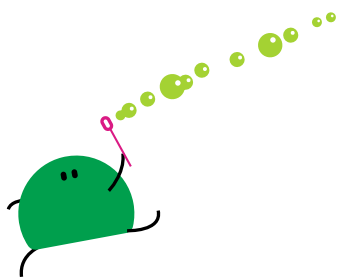


## We make play better

As well as ensuring where possible that health play services are adequately resourced with physical items, we also aim to ensure that our services work to the highest standards.

**To achieve this, we are creating a health play community that is trained, supported and encouraged to share best practice.** We aim to be a voice for this community and the play profession, ensuring that they are recognised for their expertise and vital role in children's healthcare.

This year, we have continued to deepen our understanding of health play professionals and their needs, by working closely with the community in a number of ways. We also value working closely with sector bodies like the **Society of Health Play Specialists**, the **Royal College of Paediatric and Child Health, NHS England** and other relevant partners to ensure that our work is targeted where it is most needed.



We reported last year that we had taken a significant step forward by creating **four Starlight funded health play posts** for a three-year period. These play professionals, each supported by a Starlight mentor, have been supporting the development of centres of excellence in their hospital, hospice and community settings.

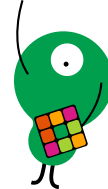
**The evidence shows that when health play specialists are central to the multi-disciplinary team in paediatric care, wellbeing and health outcomes are improved.**



The direct and continuous cycle of feedback from this programme has provided important feedback for the development of our services and especially in understanding the support most needed by play professionals in healthcare settings. In the year ahead, we will be reviewing what next for the programme as the pilot draws to a close.

This year, in a business case to the Department of Health and Social Care, **we estimated that there is a need for at least 1,000 more health play specialists across the UK.** This is not a viable funding option for Starlight. In reviewing our options for workforce support and development, the insight from the funded pilot has been important in informing and developing the Starlight Health Play Champions Network. This is now a more sustainable approach to the support of the play community for us.





## Health Play Champions

Our Health Play Services are designed to support health play specialists, playworkers and other professionals in avoiding or mitigating the immediate trauma that can be caused by medical treatments and negative hospital experiences. We also support the workforce themselves by:

- Creating a community of health play practitioners called **Starlight Champions**.
- Encouraging and facilitating **peer-to-peer support**, sharing best practice and new ideas.
- Offering **specialised training sessions** where play professionals can develop new skills and expertise.

Starlight Health Play Champions play a key role in maintaining relationships between Starlight and other health professionals. They **raise awareness** about the work we do at Starlight and support our mission to use the power of play to make the experience of illness and treatment better for children and their families. There are currently **186 Health Play Champions in the UK** with recruitment ongoing and more targeted recruitment happening among **non-play staff** from disciplines such as nursing, radiography, occupational therapy and from underrepresented regions such as the north and Scotland. These are not funded positions but being a champion enables **a mutual exchange of support, training and best practice**, creating a community of professionals who are equipped to advocate for play in their settings.

### We offer Health Play Champions:

- **Products** to trial within their setting.
- Early access to **training** opportunities.
- Regular **networking** opportunities.
- Enhanced Play In Hospital Week **support**.
- Opportunities to **share ideas** with other play professionals.

### In return they support Starlight by:

- **Trialing products and projects** and supplying prompt feedback to Starlight.
- Supplying **photo evidence** of the impact of our services.
- Attending regular **focus groups**.
- Sharing **stories of Starlight's impact**.



**For me it's about being heard and appreciated for the difference we make on the ward with the families and children."**

Nicola, HPS



**Sometimes [it feels like] the role we implement is 'just to play' ... however being part of the champions gives me the confidence to go to my management team and discuss with them what we have learnt or observed at meetings."**

Anonymous





## Professional resources and training

With the vital expertise and feedback of our Starlight Health Play Champions and broader play community, this year we were able to significantly increase the free tools available on our website. By sharing good ideas and best practice these downloadable tools support the efficiency and effectiveness of individuals and teams across the UK.

- For children there are templates for producing **individualised play programmes, reward charts and celebration certificates.**
- For play professionals there are templates to **document a child's development** when in hospital and to alert other teams to when a play professional should be involved in a procedure.

- There are also resources to help play specialists and healthcare professionals at really difficult times like **end of life** and **bereavement** work.

Budgets for education and training are not guaranteed to be available in a stretched healthcare system. We continue to focus on how we can further develop the professional expertise of the play community and this year were able to offer training in a number of areas including **youth mental health first aid; guided imagery; Makaton** and **end of life reflective practice.**

## Raising the profile of health play professionals

We believe that health play specialists are extraordinary health professionals who plug vital gaps in treatment and care in hospitals and hospices. They carefully listen to understand the needs of each individual child and make the experience more human and positive for children, young people and their families.

They use play to prepare children for treatment and distract them from stressful and painful procedures. They help them deal with fear and anxiety, cope with pain and regain skills lost through the effects of illness or hospitalisation. They have end of life conversations, calm patients with serious mental health issues, provide snacks for hungry parents and often find themselves trying to raise the money for resources to support their work. They find every way to make all hospital touchpoints with children more friendly and normalise the experience of a hospital stay.

Each year we support **National Play in Healthcare Week** in October, organised by the **Society of Health Play Specialists**, with our **Health Play Awards**. The Awards give much needed recognition for some truly unsung heroes and improve awareness within healthcare and in the national media of the critical role of health play workers and their mentors.



We were delighted that the **Theo Paphitis Retail Group** sponsored the awards again this year and that Theo was able to present the awards himself at a special ceremony in London. **Eloise Lawrence**, from Evelina London Children's Hospital, was awarded Health Play Specialist of the Year 2024 for her dedication to supporting children through hospital procedures. Her work was especially recognised by colleagues in the Paediatric Radiology Department at the hospital.

**Dr Arlen Urquia**, Paediatric Radiology Consultant at Evelina London Children's Hospital, explained that their young patients can struggle with lying still for images which are essential for their diagnosis and treatment. Because Eloise is able to establish a good relationship with the young people before they are taken into the examination rooms, they are better prepared for what is going to happen, because she has explained it to them in a way they can understand. Eloise has supported the efficiency of some really challenging procedures for young people, for example by supporting MRI scans to be performed without the need for a general anaesthetic.



## We make play matter

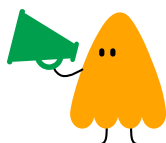


Starlight works across the healthcare system to promote and protect children's play. For this to have the greatest possible impact beyond our direct services, we are increasingly working to inform and influence policy development and implementation at a national level.

This means liaising with ministers, officials and advisors in the **Department of Health and Social Care**, making sure that they have the benefit of our research, knowledge and experience of the importance of play in children's healthcare as they develop future policy and plans for the NHS. We have, for example, met several times with officials who are assisting ministers with the government's new **10-year health plan**; and have also been an influential member of the **Health Policy Influencing Group** hosted by the **National Children's Bureau**, ensuring that health play services were included in its proposed 'roadmap for children's health'. We submitted verbal and written evidence to the **Raising the Nation Play Commission**, which although not a government initiative, is in a position to influence future policy.

To raise awareness of the importance of play with policymakers, ahead of last year's general election we produced a **manifesto** for children's play in healthcare, setting out our policy proposals to grow the health play workforce and increase both the quality and reach of services.

In addition to this work to influence government policy on children's healthcare, we have continued to work closely with the **NHS** and the health play profession to effect systemic change through new guidelines, standards and workforce development. A new **toolkit of guidelines and standards**, produced by Starlight via a joint taskforce, is being prepared for publication by NHS England in the summer of 2025.



Our aim is that these official documents help to **raise the profile of health play services** with NHS commissioners and leaders and therefore help to unlock the vital resources needed to meet the need for them, as well as **setting clear standards** for how they should be delivered to children. In June 2024 we produced our proposals for a strategy to grow and improve the health play workforce to the levels needed to deliver on these new benchmarks.

In the year ahead we plan to promote the new guidelines to NHS commissioners and leaders, aiming to embed play services as an integral component of the design and delivery of paediatric care, and to continue to exercise our influence across Whitehall and Parliament to secure recognition and support for children's play in healthcare from government policy.

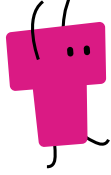
## 'Playing with Children's Health?' – Symposium at the Royal College of Paediatrics and Child Health (RCPCH)

In September, we staged a one-day symposium, supported and hosted by **RCPCH** and in collaboration with the **PEDAL** (Play in Education Development and Learning) play research centre, University of Cambridge. The event involved 20 influential speakers and panellists presenting and debating key issues of research, policy and practice in children's play in healthcare. There was a particular focus, in the context of a new government, on how public policy can be brought to bear on the need for systemic change. The event, chaired by **Kath Evans of Barts NHS Trust** was live-streamed to an online audience of more than 100.

Speakers included senior representatives of **NHS England** and **RCPCH**, practitioners giving case studies from a range of settings, and specialist play researchers from **PEDAL** and the **University of Gloucestershire** each presenting for the first time the findings of their bespoke research projects especially commissioned by Starlight. The keynote was from **Paul Lindley, OBE**, chair of the new Play Commission being hosted by the Centre for Young Lives the think tank/advocacy vehicle established by former children's commissioner, **Anne Longfield, CBE**.



We reviewed our policy campaign (launched before the general election in the summer) setting our policy asks in the context of Labour's historical commitments to children's play, and its ambitious, cross-departmental Play Strategy, launched towards the end of its last period in office. We also set out our broad proposals for a new health-play alliance and the potential for a defining charter for children's play in healthcare. We topped-and-tailed the event with an exposition of Starlight's vision for play and our evolving mission to drive a movement for change in children's healthcare and its culture.



## Prioritising play in areas of deprivation

Building on the insight from our 2023 report *Reducing Trauma for Children in Healthcare*, our *Play in Healthcare Week report* in October this year focused on regional disparities in play provision in England. We continued to demonstrate that all children in hospital are at potential risk of negative experiences, which can lead to trauma and mental health problems. We also showed that children experiencing deprivation are at greater risk of medical-related trauma.

### Out of the 15.1 million admissions and attendances for 0-17 year olds in England (FY2122):

- Nearly **8.7 million** (57%) were for children experiencing deprivation.
- More than **2.2 million** (26%) are experiencing the highest level of deprivation in England.
- These children are at particular risk of trauma because they are more likely to:
  - Experience **health inequalities** and develop **mental health conditions**.
  - **Attend or be admitted** to hospital.
  - Experience **poorer quality** healthcare.

We further expanded this research into Scotland and found similar trends in Scottish levels of deprivation and health play provision.

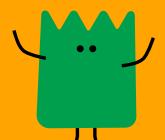
In conclusion, the report reiterated the recommendations from our Play Manifesto produced earlier in the year:

- For health play services to be available **seven days a week**, supported by the creation of **1,000 new posts every three years for nine years** to provide for this.
- Publication and dissemination of **new guidance and standards for health play services across the NHS** should be prioritised, supported by **training** in play for all children's health professionals.
- For **play to be integrated** within the design and commissioning of all children's health services.
- A new role – **cabinet minister for children** – to be created who works closely with the **Department of Health and Social Care** to provide a joint lead on children's play as an essential part of the government's long-term strategy for children's health and wellbeing.

As a result of the findings in the report, we have begun to focus on areas of deprivation that are least well-served by Starlight services as a case for support for Trust funding applications. **The Garfield Weston Foundation** is supporting our work in the North of England.

## Our plans for the year ahead: ending avoidable trauma

1. Update our **State of Play mapping exercise** with new Freedom of Information Requests.
2. Research to **deepen our understanding of when and how** children experience trauma in healthcare.
3. Develop our **Youth Panel** with a research-led project and development of a Youth Hub.
4. Launch the **Build & Feel Play Box**.
5. Evaluate our **Health Play Specialist Funded Programme**.
6. Deliver **training** on how to support children through play to multi-disciplinary teams funded by **Rangoonwala Foundation**.
7. Expand our Starlight **Health Play Champion Network**.
8. Continue to advocate for recognition of play in healthcare with our **awards**.
9. **Support parents** to develop their own understanding of the importance of play in healthcare and simple tools to enable play even in challenging healthcare situations.
10. Publish and disseminate **standards and guidance** for play in healthcare.





# How we fund our work



Fundraising is the powerful engine that drives all of our vital work for children in healthcare. There's no doubt the fundraising environment has put our Starlight value of "responding to the world around us" to the test on more than one occasion in recent years, through periods of great change and uncertainty.

First through the pandemic when we had to completely rewrite our plans in consideration of what was actually possible without social connection. Then more recently we have restructured the fundraising team to resource areas of growth, while also reducing cost in response to the impact of the cost-of-living crisis.

Through this change, our aim has been to be as efficient and effective as possible. This has been and continues to be a real challenge while we respond to an ever-changing environment; invest in nascent income streams and external cost pressures continue. We have found transparency to be our strength, with funders taking time to understand the context of what we are trying to achieve and understanding that improving return on investment in new areas takes time to build.

The donors who have chosen to work with us have deepened their understanding of the importance of our work and the transformation that is possible, ensuring support is mutually beneficial and long-lasting. As a small organisation punching above our weight, there is a lot to do, but we have confidence and optimism thanks to the important relationships that we have built.

There's no doubt that all charities are working in a highly uncertain environment. This means diversity and a risk-based approach to income generation are vital. We create certainty where we can by playing to our strengths within a small team, resisting the temptation to try to do everything, and keeping our approach as simple and clear as possible.

## Our fundraising and marketing strategy

Our fundraising strategy aims to increase income and awareness to ensure that our mission to end trauma for children in healthcare is fulfilled. Across all areas of activity this means that we focus on:

### 1. Reach

Increasing awareness with the most likely to respond audiences. With small budgets this means that we need to be very targeted and tenacious with powerful content and messaging that can't be missed.

### 2. Engagement

Attracting interest and consideration with fundraising propositions, products and journeys.

### 3. Income

Using our powerful ambition and purpose to convince people to support Starlight.

### Our emphasis is on high-value fundraising

– philanthropy, events, corporate, trusts and foundations – as this can deliver higher returns relative to the resource invested. But it takes time to develop relationships that deliver results. Our aim is to secure higher value, multi-year donations and partnerships which simultaneously make a vital contribution to the furtherance of our purpose; help us to forward plan and immediately improve the return on investment of our fundraising activity.

In public fundraising we have well-established income from legacies, Individual Giving and sports events. Our long-standing partnership with **Chris Evans's CarFest** sits in this area and has made a vital contribution to income and awareness in recent years.

## Our Fundraising and MarComms Mission

To increase income and awareness to ensure Starlight's mission of ending trauma for children in healthcare is fulfilled.

### REACH

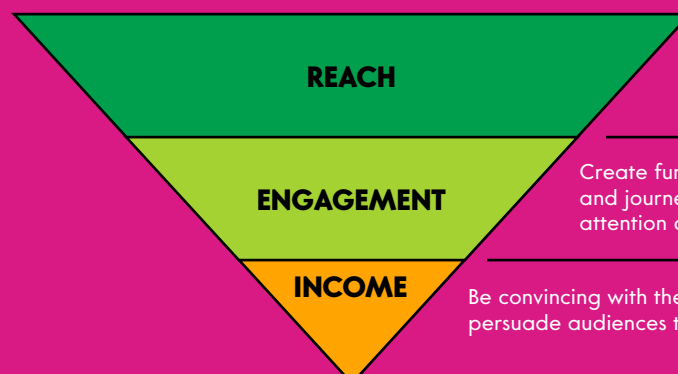
Increase awareness with 'most likely to respond' audiences

### ENGAGEMENT

Attract interest and consideration

### INCOME

Convince to convert = £5 million charity by 2027



### REACH

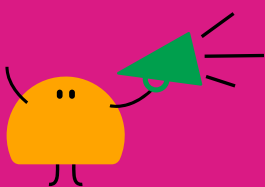
Target our identified market segments with impossible to miss content and messaging

### ENGAGEMENT




Create fundraising propositions, products and journeys to attract and maintain attention and interest

### INCOME

Be convincing with the story of our purpose to persuade audiences to convert into support



# Income risk

 <b>HIGHER RISK</b>
<b>NEW ACTIVITY</b> <ul style="list-style-type: none"> <li>• New events</li> <li>• Development of commercial services</li> </ul>
 <b>MEDIUM RISK</b>
<b>UNCERTAIN</b> <ul style="list-style-type: none"> <li>• New Trusts and Foundations</li> <li>• Philanthropic donations</li> <li>• Evolution of existing events</li> </ul>
 <b>LOWER RISK</b>
<b>RECURRENT INCOME</b> <ul style="list-style-type: none"> <li>• Regular giving, repeat multi-year Trusts and Foundations, London Marathon, confirmed corporate partnerships and events, legacies</li> </ul>

When we view these income streams through the lens of risk, we have a solid base of regular recurrent income, as you would expect risk increases with newer, untested activity. **It is a priority to maintain and grow the recurrent income to enable more long-term planning of our charitable expenditure and enable risk-taking in new areas.**

Through our recent restructure, we also aim to **reduce the uncertainty around medium risk income**. The new, reduced cost, structure enables our Head of Trusts and Foundations to entirely focus on these applications, with an emphasis on high value, multi-year where possible – a significant growth area for Starlight in recent years. The restructure also allowed us to appoint a Head of Corporate New Business to lead development of new corporate relationships and partnerships, supported by a Manager to grow and develop our existing relationships. In addition, we have carved out a philanthropy and events team with a focus on refreshing our portfolio of events to retain existing and attract new audiences as an engagement opportunity for philanthropic support. It's important to note that this was not a Blenheim Ball year, which as a biennial event makes a significant impact on our total income in those years.

By having more certainty and growth in the lower risk areas of income **we aim to create the space to maximise opportunities for developing new partnerships with companies, individuals and trusts** by maximising the potential of our warm networks and creating compelling funding proposals. Our aim is to prioritise game-changing opportunities that could generate significant income.





## Our achievements and learning opportunities

Despite some of the hurdles of the economic environment, we have made good progress across a number of areas this year. This is most notable in Trusts and Foundations where the urgency to reduce the trauma of children in a changing and chaotic NHS has proved to be a compelling proposition. A strong performance from **London Marathon** runners and the great success of **CarFest** this year also saw a strong performance from Community and Challenge. We also had strong legacy receipts and maintain a strong pipeline for the year ahead.

We were too optimistic in seeing returns from our restructured team, not factoring in sufficient time for the recruitment to the new roles. That said, while returns were not seen in year for example in corporate fundraising, we have a very clear line of sight to achieving income in the year ahead. We have also had challenges in Individual Giving where initially appeal response rates seemed to be affected by the impact of cost of living, but by carefully reviewing data and business insight we were able to improve this later in the year.



## High value fundraising

### TRUSTS AND FOUNDATIONS

This year was an exceptional year for Trust and Foundation fundraising at Starlight, with **income 35% over original budget for the year**. Our investment in this area is paying dividends as we begin to build long-term, transformational relationships which can de-risk future years. This year **we have successfully developed multi-year relationships**, with almost £500,000 secured for future years.

We were particularly pleased to secure support from the **Garfield Weston Foundation**, for a project that is continuing into the new financial year. In the Northeast, the insufficient number of health play professionals is compounded by high paediatric hospital admissions, resulting in the highest ratio

of admissions to play professionals. This region also hosts two of the top 10% Acute Trusts with the highest proportion of children from deprived backgrounds admitted to hospitals. To compound the issue, internal data shows the Northeast and Northwest exhibit the lowest average allocation of Starlight services per hospital admission. With the Foundation's support, we are undertaking an important project to work with additional settings across the North of England, equipping more health play professionals with the training and resources they need to improve children's access to play, and improved health outcomes. We are very grateful for their support of this work.

### PHILANTHROPY AND EVENTS

It was a special year for the **Starlight Shooting Challenge**, hosted by **Lord and Lady Carnarvon** at **Highclere Castle**, as we celebrated the 20<sup>th</sup> anniversary of the event. Over the years the event has raised close to £4.5 million which has made a transformational difference for children across the UK. It was also a stand-out **Newbury Race Day** hosted by Nicky Henderson and his committee, thanks to a concerted early focus on sponsorship to cover the costs of the event. Event sponsorship makes a transformational difference to the net result.



Our fundraising restructure enables us now to review our special events portfolio and we are currently shaping plans to improve diversification of our income and increase sustainability. A key element is with our Head of Corporate Partnerships, leading approaches for sponsorship.



It is three years since **Ed Ogden** and his "Team This Way Up" successfully completed the Talisker World Atlantic Challenge for Starlight. This year the intrepid bunch took on the incredible challenge of climbing Kilimanjaro, with True Summit Adventures, accompanied by our Head of Corporate Fundraising **Nic Wilson**. Over a period of eight days, the team climbed 5895m, summiting on 6 February after climbing over eight hours through the night – a challenge of endurance and mental stamina which raised **over £60,000**.



## CORPORATE FUNDRAISING

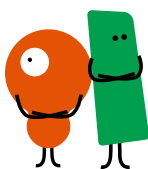
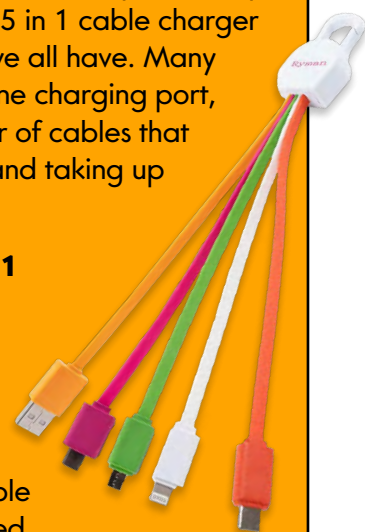
Our partnership with the **Theo Paphitis Retail Group (TPRG)** went from strength to strength with the signing of a new three-year partnership with them. Building on the strong foundations of previous years, through 2024 we actively engaged customers, staff and senior teams with a plethora of fundraising ideas and opportunities. The network of store teams, the backbone of the partnership, stop at nothing to raise an incredible amount of money – with fancy dress, raffles and in store challenges becoming a daily part of their operations.

Despite Christmas being their busiest time in the retail calendar, two dedicated groups of **TPRG** volunteers gave their time to donate, wrap and label Christmas gifts for children in hospitals across the UK in a heart-warming volunteering day. We are also hugely grateful to TPRG for their sponsorship of our annual **Health Play Awards Ceremony** and were delighted when Theo himself joined us for the evening, taking part in a Q&A and presenting one of the awards. We are thrilled the partnership continues into the new financial year and beyond, with exciting new plans already developed. We'd especially like to thank **Sid Raghavan** for his continuing inspirational leadership of this partnership on behalf of TPRG.

**Square Mile** once again hosted a Golf Day and Quiz, with clients, partners and suppliers. A long-standing partner, we are looking forward to new and exciting events and activations throughout 2025 as we build and grow our work together.

During the year, **Ryman** launched their first cause related marketing product in partnership with Starlight. The brilliant 5 in 1 cable charger tackles the problem that we all have. Many devices don't have the same charging port, resulting in a large number of cables that end up tangled together and taking up space.

This brilliant **Starlight 5 in 1 Charging Cable** features multiple connectors for all iOS and Android devices. It's small, lightweight and chargeable and is perfect for charging multiple devices. It has been greeted with 5-star reviews and is a best-seller, while raising money for Starlight.





## Public fundraising

### INDIVIDUAL FUNDRAISING

After an initial set back in appeals income earlier in the year, by using insight to consider audience data selection – which included **reactivating lapsed donors**, more **targeted messaging** to warm donors and a focus on **converting one-time donors into regular givers** – results improved as the year progressed. Our challenge is acquisition of new supporters, when we don't have the budgets for more traditional charity methods of donor acquisition. This emphasises the importance of accelerating our understanding and integration of **digital fundraising** into our fundraising mix. Corporate partners that can raise brand awareness for Starlight will also be a priority.

### COMMUNITY AND CHALLENGE FUNDRAISING

Central to our success in this area is the continued support from **CarFest** and **Chris Evans**. We've worked hard to contribute to the success of the event by securing pro bono billboards around London to promote the event and drive engagement. We have also supported ticket sales and awareness of the festival as well as ensuring our presence at the event is engaging and entertaining for the festival attendees. Our **London Marathon Team** are truly inspirational and year-on-year go above and beyond with their fundraising and telling the story of Starlight.

### LEGACIES

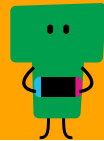
A gift in a will allows supporters to become a permanent part of the Starlight legacy, beyond their own lifetime. Once close family and friends are provided for, every gift to Starlight no matter how big or small, really can help to end avoidable trauma for children in hospital and other healthcare settings. This year we were very fortunate to receive gifts **in excess of £800,000** which really will create a lasting legacy for the families who have lost loved ones. We are especially grateful for these gifts which help to secure the future of our services.



## Gifts in Kind

As well as fundraising, we take a strategic approach to how we can leverage additional resource through Gift in Kind. A cross organisational group lead on securing non-monetary gifts that can help to advance our mission through effective partnerships and one-off gifts of goods, services and discounts.

We are grateful to some very loyal supporters of Starlight including **Nintendo**. Their support has enabled an estimated **2.8 million touchpoints over the past five years**, enabling children to have access to gaming which has so many benefits from distraction to providing home comforts.



This year we were especially delighted to instigate a partnership with the **LEGO Group**, thanks to our new Trustee **Christian Pau**, which will enable us to launch a new service to hospitals across the UK in the forthcoming year. The new **Build & Feel Play Box** highlights the therapeutic power of play, using LEGO® bricks to help children express and navigate emotions during their healthcare journey.

Gifts in Kind is a crucial income stream to complement our offering, and in the year ahead we'll be driving forward more strategic relationships that can amplify our impact.

## Developing Commercial Services

The sector is currently facing the reality that some of the traditional, very reliable forms of fundraising may not continue to be relevant to audiences going forward. This requires a curious and open-minded approach to planning for the future. Last year we reported that we had been exploring opportunities for generating revenue from our charitable activities. This had involved the pilot of some paid-for services. In the latter part of this year we have begun to explore **providing targeted resources, support and training** for organisations that typically would not qualify for resources from us as part of our charitable activity.

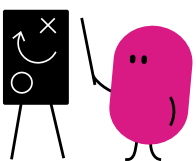
We were fortunate to have some pro-bono support from **Hummingbird Insights** to clarify our understanding of the markets we should prioritise based upon our connections, work we've done and what we already know. We have started to deepen our knowledge of various sectors within the healthcare environment, and our perception of how successful these may be, by opening conversations with key influencers in these markets. Behind the scenes we have taken a light-touch approach to preparing what a paid-for solution may look like. We have also carried out online and in-person training for nursing students with **the University of Chester** – using a train the trainer approach with the tutors, which received excellent feedback.

This approach could expand our impact beyond what we can achieve with our charitable work, taking much-needed play provision to other environments, and progressing child-centred health play with a wider group of people. In the year ahead we will be assessing progress made and the viability of a commercial income stream.



**The training was very engaging, showing evidence of how to help a child with a different conditions."**

Attendee at University of Chester training



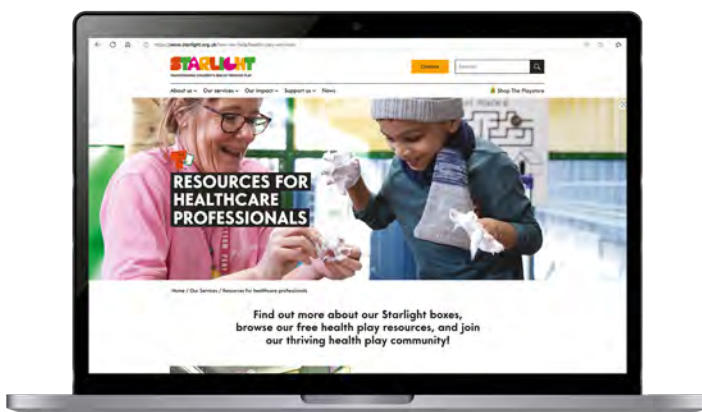


## Reach and engagement

During the pandemic we evolved and repositioned Starlight from a wish-granting charity to **a charity that aims to end avoidable trauma for children in healthcare**. The new visual identity element of our brand has worked very well for us but we knew we needed to develop more clarity on the essence of the brand and the language to complete the picture and create an even more compelling case for support in a challenging fundraising environment. This piece of work was concluded in April 2025 and will really help us to have **more cut through in communications, pitches and presentations** in the year ahead.

An important objective for the year ahead is to **improve our media relationships** as our Play in Healthcare Week report did not achieve the national media coverage of previous years. This, despite a good amount of local coverage for our Health Play Award winners. We have key learnings around the content of the report and have also revised the target media we should be aiming for to reach our priority audiences.

Throughout the year significant improvements were made to the Starlight **website** to ensure it is as accessible and user-friendly as it can be. There are also new sections for **families, policy and public affairs** and a **resource hub for play professionals**. Testing around the optimisation of the donation portal has led us to understand we need to **redevelop the donation platform** to ensure we are converting maximum numbers of visitors to donate.



## Our priorities for the year ahead

1. Appoint new **Director of Income and Engagement**.
2. Focus on **ROI** from new team structure.
3. Strengthen and cherish our **existing partnerships**.
4. Create **new opportunities** for partnerships, events and Gifts in Kind.
5. Grow **multi-year Trust and Foundation partnerships**.
6. Secure **sponsorship for events** to cover their costs.
7. Develop an **event portfolio** for new audiences.
8. Develop **digital engagement** and fundraising.
9. Grow brand awareness through **media and corporate partnerships**.
10. Develop **celebrity relationships** for partnerships, reach and engagement.
11. Develop plans for **Starlight 40<sup>th</sup> anniversary** in 2026.



## Thank you

Our relationships really matter at Starlight, from our Development Committee led by **Alasdair Hadden Paton** and **Lady Alexandra Spencer-Churchill**; to our event partnerships with Champion Trainer **Nicky Henderson** and **Lord and Lady Carnarvon** at Highclere Castle. Our partnerships with **CarFest**, **Story of Christmas** and **Theo Paphitis Retail Group**; to the thousands of people across the UK who support Starlight with regular donations and the Trusts and Foundations that enable us to plan with confidence. Our work would not be possible without you.

Finally special thanks to our **Director of Fundraising and Marketing** who after nearly six years at Starlight, leaves us for her first charity CEO role. Sarah has fearlessly led us through seriously challenging times for the sector, bringing experience, expertise and a lot of fun to her role. We will miss her, but we are proud that we have been part of her career journey to CEO. Thank you.

## Looking after our supporters

Starlight is registered with the Fundraising Regulator and we are committed to meeting the Fundraising Code of Practice. Our fundraising activities are legal, honest, transparent and respectful. We take care of supporter data in line with GDPR and have processes to ensure we only contact those who want to hear from us for fundraising purposes. We also ensure that nobody who appears to be vulnerable is asked to commit to giving. During the year we sent just over 1.5 million communications by mail and email and received two complaints, both of which were resolved without escalation.

Our thanks to our Trust and Foundation funders and our corporate sponsors and partners who have helped make our work possible.

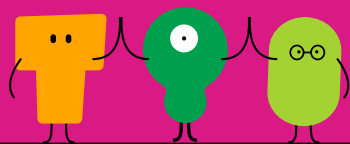
Arcus Infrastructure Partners  
 Caran D'Ache  
 Crucible Foundation  
 Garfield Weston Foundation  
 Greendale Foundation  
 Khoo Teck Puat UK Foundation  
 Lady Rothes Charitable Trust  
 Nintendo  
 One For Fun  
 Red Carnation Hotels  
 Roger Raymond Charitable Trust  
 Square Mile  
 Story of Christmas Appeal  
 The Gosling Foundation  
 The Lindley Foundation  
 The Ogden Trust  
 Theo Paphitis Retail Group  
 Tubz



Registered with  
**FUNDRAISING  
 REGULATOR**



## Our culture and colleague experience



The year has been one of consolidation for the team, following a challenging period of restructure, experienced by many charities in the current economic environment.

This stability has enabled us to focus on strengthening internal relationships, clarifying roles and expectations, and embedding new ways of working. We are now seeing the benefits of this in the form of **stronger collaboration**, **improved communication**, and **greater clarity** across teams.

We have continued to nurture and strengthen a culture rooted in our core values. These values remain the steady foundation of how we approach our work, how we treat each other, and how we navigate the inevitable challenges that come our way.

During periods of complexity or uncertainty, it is our shared values that serve not only as a reference point but as a living part of our day-to-day practice. Colleagues continue to look to them as a blueprint for behaviour, enabling us to face challenges with a sense of unity and purpose.

The consistency of our values-led approach provides reassurance, fosters trust, and empowers individuals to show up authentically in their work, and understand actions we have taken, even when difficult.

## Our values

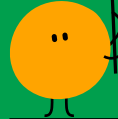
Our standards and the environment we create through our behaviours.

### Responding to the world around us



We are inspired by the changes in the world around us. We have the freedom and courage to try something new, always learning and adapting to people's needs. It means trying stuff out, seeing what happens and pushing our boundaries.

### Working together for our purpose



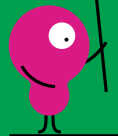
We aim high, think big, are imaginative and curious in everything we do. We celebrate our achievements, and we help and support each other when challenges come. We all play our part in our purpose and have fun along the way.

### Taking the time to understand



We take the time to understand ourselves and our impact. We actively listen, seeking to learn and understand from everyone's experiences in life. We are open to the opportunities and possibilities this awareness brings to ourselves, others and Starlight.

### Trusted to be our best



The trust we have in each other and our purpose guides our decisions, choices, and actions. When we are trusted our confidence grows, we ask for help, and we feel safe to be who we are. In any situation we say 'we' rather than 'they'. Most of all we trust in the Power of Play for children and adults alike.

We think carefully about why people would **choose** Starlight as an employer.

We **take the time to understand** candidates for roles and give them and Starlight the best opportunity to make a conscious decision about alignment of purpose, values, experience and expertise.

We think about what it feels like to **join** Starlight and how we can support and enable colleagues to be their best from day one, living the excitement they felt at interview and feeling valued and having consistency of experience and expectation.

We nurture a **growth** environment enabling colleagues to bring all that they are to our purpose.

We **recognise** and celebrate what matters to ourselves, others and the Starlight culture and we support the desire for **progression** in Starlight and the wider world.

**We value each other and are proud to be Team Starlight.**

We have also continued the evolution in our approach to performance and development through the embedding of our **Growth, Contribution and Impact (GCI)** framework. Moving away from more traditional performance measures, GCI enables deeper and more reflective conversations that centre on the conscious use of individual strengths and an appreciation of others' contributions.

Early evaluation suggests a shift in tone and substance of these discussions – greater honesty, increased ownership, and more strategic focus on development. GCI has also contributed to tangible outcomes of internal promotions and a clearer picture of how we can harness transferable skills across the organisation to meet our evolving needs. Alongside this, our internal development programme continues to play a key role in building capability and confidence within our team.

In the year ahead, we plan to introduce a mechanism for colleagues to have a consistent opportunity to feedback on culture and their experience of working at Starlight.



## Our colleague experience – Moments that matter strategy

In summary, this has been a year where our values have guided us, our people have grown, and our culture has deepened. As we look to the future, we remain committed to an environment where everyone feels supported, developed and connected to a shared purpose.

### EQUITY, DIVERSITY AND INCLUSION

Our commitment to equity, diversity and inclusion (EDI) goes from strength to strength. Partnering with the **ENEI** (Employers Network for Equality and Inclusion) has given us the opportunity to complete an annual benchmarking exercise of all our practices and given a clear direction of actions. This annual report highlighted the priority of policy and the launch of our new **EDI policy**, collaboratively written with contributions from across the organisation, marks an important milestone.

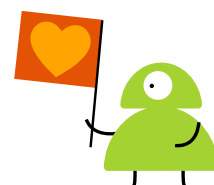
The process itself was as meaningful as the outcome—bringing together different voices, lived experiences and ideas, and ensuring the final policy truly reflects who we are and who we aspire to be. Embedding EDI into our policies, practices and culture is ongoing, but we are proud of the visible steps we have taken and remain committed to continued learning and action.

### A SAFEGUARDING CULTURE

At Starlight we prioritise the creation and maintenance of a **safe workplace culture** that values the physical and mental wellbeing of all those that come into contact with us.

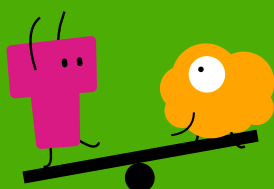
Leading with our values is central to our safeguarding culture, they are the very visible golden thread that runs through all of our decision-making. Our culture must be modelled through action not just words and Trustees and leaders at Starlight are expected to demonstrate behaviours that show what is important rather than expecting colleagues to respond to being told. It is a shared responsibility. We encourage colleagues to challenge the status quo and share areas of disagreement through open and honest conversation. In this way we aim to ensure that all colleagues feel valued and listened to.

Culture comes first, supported by safeguarding policies, processes and training which are regularly reviewed and updated by our internal safeguarding committee and our lead Trustee.





# Financial performance report



It continues to be a challenging environment for the charity sector, with considerable economic uncertainty foreseen in the year ahead. The sector is having to make difficult choices to accommodate income uncertainty and cost increases including the rise in employer national insurance contributions. It is clear there are significant changes in service delivery and an increase in redundancies across the sector in small and large charities.

After long periods of reserve spend down through Covid-19 and the cost of living crisis, this puts further pressure on cash flow management and our projections suggest that this will be true for Starlight in the final quarter of the coming year, before recovering post the Blenheim Ball. At first glance our closing reserves of £1.5m can look significant, it is important to note that in fact this represents just four months of typical expenditure.

Our focus is on even more detailed cash flow modelling to ensure that the timing of expenditure is closely aligned to expected income receipts where possible. We are also aiming to bring more income into the first half of the year as it is typically loaded more to the second half.

That said, our income projections are strong for the year ahead with a reduced exposure to higher risk activity and a higher proportion of income committed at the start of the year through multi-year grants.

## Performance

In terms of the results presented in the Statement of Financial Activities on page 57 of this report, it is important to note that **this was not a Blenheim Ball year**. The ball is a biennial event which typically contributes c£1m to gross income, this also accounts for much of the difference in fundraising costs.

Income for the year totalled £4.0m (23-24: £4.6m). Despite the many challenges across the sector this year, this in fact means that there was an underlying growth in income with donations (including legacies) increasing by 10%. We were also pleased to maintain significant levels of Gift in Kind of £0.34m with the majority directly contributing to service delivery.

Our nascent income stream from charitable activity took a step backwards this year £6.6k (23-24 £56.8k), after a number of successful commercial projects were delivered in the previous year. We have however started to develop training products which have been very well received and with the confirmation of publication of play standards by NHS England we are hopeful that this may create more opportunities for play audit and training in the year ahead.

Despite the lower level of income this year, cost savings across both fundraising and support costs enabled us to maintain our expenditure on impactful service delivery at £2.5m, close to last year's result (£2.6m), while closing with reserves of £1.5m (23-24 £1.9m) within our reserves policy of £1.5m – £1.7m.

Notes to the accounts show the reduction in the size of the Starlight team during the year. Action is already being taken to further reduce costs in the year ahead with a restructure of the leadership team and salary benchmarking made possible by vacancies arising in the Director team; and the opportunity to move to a smaller office space better suited to our established and successful predominantly hybrid working model.

With strong, less risky income plans, effective use of Gift in Kind to support cash flow pinch points and opportunities for cost reductions outlined, we are realistically optimistic about navigating the uncertainties inherent in the year ahead that we recognise are largely out of our control.

During the year the Trustees recognised and celebrated the importance of the income contribution of the Blenheim Ball in March 2024. They also discussed the challenges of having such a significant event falling in the last month of the financial year. The financial year end is only ever a snapshot at one point in time; funding streams and operational activities are a fluid process. The timing of the event means that there is little opportunity to respond to any upside in terms of increasing charitable expenditure or any downside of reducing expenditure, as illustrated with the adjustments that we made and reported on shortly after the year-end last year.

Because of this, the Trustees have made the decision to **extend the forthcoming financial year to an 18-month period** from March 2025 ending in September 2026. This means that we will know the result of the event well before the year end and have time to respond if needed. It also means that the moment we crystallise results in the Report and Accounts, we are likely to show a more realistic picture of the charity's overall financial situation rather than the distortion of a significant 'point in time' that could be very different within a matter of weeks.

## Remuneration policy

The Trustees have overall responsibility for setting the pay and remuneration at Starlight. We are committed to salaries that are fair, transparent, based on market rates within the sector and that enable us to recruit and retain expert colleagues. All salaries are benchmarked every 3 years and again when vacancies arise to allow for different market conditions in the intervening period. The Trustees approve the overall salary budget for the year; any salary uplifts and specifically the remuneration of the Executive Team.



## Reserves and reserves policy

As at 31st March 2025, reserves stood at £1.51m (23-24 £1.88m). Expendable reserves (excluding £0.10m tied up in fixed assets used for the operation of the charity) amounted to £1.41m (23-24 £1.78m) of which £0.45m is restricted funding relating to programmes due for delivery after the year end. £0.10m of this restricted funding relates to our Starlight Health Play Specialist programme, with the remainder being to support our other core work in healthcare settings.

We are committed to funding the Health Play Specialist programme until the end of the current financial year and are aiming to raise a further £0.08m of funding for this project. Until these funds are raised the Board has taken a prudent approach and designated reserves to cover the commitment.

All charities are required to consider how much they need to hold in reserves, in light of the scale and nature of the charity's activities. We aim to maintain a prudent reserves level which maximises the funds spent on delivering our purpose whilst ensuring the charity remains viable so it can continue to meet its objectives for years to come. In doing this we consider the funds needed for upcoming plans, taking into account the inherent uncertainties of fundraising, cashflow across the year, and we recognise the need to hold a level of reserves which is sufficient to protect the charity in case of unforeseen circumstances such as the loss of a major event. The Trustees reviewed the Reserves Policy and believe that a reserves level of between £1.5m and £1.7m is appropriate, this currently represents approximately 4 months of expenditure.



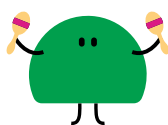
## Going concern

The Trustees have reviewed the accounts as well as the charity's budgets and plans for 2026, reserves position up to the date of signing off these accounts and the charity risk register. They have considered the risks, particularly, around fluctuations in fundraising levels. At the time of writing the impact of Trump's imposition of tariffs and the decline in the value of the US dollar cause particular concern for the world economy, and the impact on organisations and individuals. This coupled with low growth estimates for the UK economy, points to the likelihood of increases in individual taxation which may affect propensity to give to charity.

The Trustees acknowledge that as for many charities, the reduction in reserves in recent years, through the pandemic and cost of living crisis, presents challenges. With strong fundraising plans, more detailed cash flow modelling in place and the ability to pause charitable services if required, the Trustees believe that the charity has sufficient reserves in place to absorb these. In addition, sustainable changes in the cost base of Starlight are being achieved through:

1. Changes to the charity structure arising from redundancies at the start of the year (noted in the previous year's report) and vacant positions during the year, this has included benchmarking of Directors' salaries.
2. Reduction in the cost of premises arising from the Landlord breaking the existing lease in order to sell the building from which Starlight currently operates. The market conditions for tenants, post pandemic, are favourable and a combination of lower prices and less office space required as a result of our hybrid pattern of working mean that there is an opportunity to significantly reduce cost base in a sustainable way.

The flexibility of the charity's expenditure model has been proven to allow it to adjust services to meet changes in fundraising levels and the Trustees are confident that the charity can continue to meet the needs of a significant number of children for the next twelve months and beyond. The Trustees are, therefore, confident that the charity should be considered as a going concern.



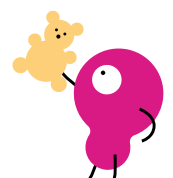


## Investment returns and policy

Starlight reserves are largely held to protect the charity in case of unforeseen circumstances and to support the management of cash flow, including payment for events ahead of realising the income return. As a result, expendable reserves are held as cash and cash equivalents. To mitigate the risk of these holdings, funds are split between two leading UK banks.

In the event of an unforeseen increase in reserves, for example from a legacy receipt, the Trustees have an agreed Investment Policy. The policy states that the charity would take a low risk profile attitude to investment of funds not required for immediate financial needs, recognising the need to diversify risk across institutions and asset classes. High risk investments such as traded options, futures, derivatives, and hedge funds are prohibited for direct investment; however, derivatives may be used at the discretion of a Fund Manager to reduce risk within an Investment Fund accounts.

Deposit amounts may only be held with major UK banks, which have specifically been approved by the Board. Funds over and above those required for operating purposes may be held with fund managers in line with the above risk profile. The charity would not permit its funds to be invested in any organisation which conflicts with our mission and aims to avoid investments which could adversely affect its ability to attract either beneficiaries or supporters. Investments in armaments, tobacco or pornography industries are specifically forbidden under the policy.



## Principal risks and uncertainties

The Audit and Risk Committee is responsible for reviewing the risks faced by the charity and for agreeing the necessary controls to mitigate those risks. The committee meets at regular intervals and reports to the Board of Trustees. Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of our effective governance. In managing risk, the Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that we can make the most of opportunities and develop them with the confidence that any risks have been identified and appropriately managed.

The charity continues to review its Risk Register, identifying in detail risks across the business and ensuring plans are in place to mitigate all major risks as much as possible and to monitor those where mitigation was inherently limited. We recognise that while many of the risks facing the charity remain the same, our ability to absorb the impact should they materialise is reduced as a result of lower reserves. We have therefore increased our focus on forecasting and identifying the materialisation of certain risks at an early stage, allowing us to respond promptly.

The uncertain economic environment presents risks to both our fundraised income and our cost base. The fundraising risk is mitigated to some degree by our focus on long-term, sustainable, high value relationships, partnerships and events and the appointment of an experienced team to manage these areas. The increasing cost risk is mitigated in the year ahead and beyond by the end of the current office lease which affords the opportunity for significant savings in future years; amplified by a restructure and benchmarking of salaries in the leadership team that also provide opportunities for sustainable future cost savings.

During the year, a more strategic approach to the procurement of Gift in Kind that is closely aligned to our service provision requirements, provides a better opportunity to continue to deliver impactful services through cashflow pinch points. This enables the Trustees to make decisions to dial up and down cash procurement of services in response to changing circumstances, while continuing to deliver impactful services that support play professionals and improve children's experience of healthcare.

For all organisations safeguarding must be considered a high risk, irrespective of the likelihood of an incident arising. Our safeguarding responsibility extends to everyone who comes into contact with Starlight including our colleagues. Our focus on culture at Starlight is an important mitigation against the safeguarding risk. We expect that our culture is modelled through actions and behaviours not just words. Our colleagues are encouraged to take ownership for the impact of their own behaviours, discuss areas of disagreement and challenge the status quo. In this way we aim to create a safe environment where our colleagues feel valued and where it is safe to report inappropriate behaviour.

The occasions when we work directly with children without other appropriate adults – parents and health professionals – present are limited. Nonetheless safeguarding management remains high on our agenda, with mandatory safeguarding training at regular intervals, specific training around events and regular oversight by the Safeguarding Committee which reports to the Trustees. We are currently recruiting a new Safeguarding Lead Trustee with the experience and expertise to ensure the Trustees are able to manage their shared responsibility in this regard.

During the year we have introduced new mandatory online training across a number of key risk areas including health and safety; anti-money laundering and anti-bribery and cyber security. We continue to monitor cyber security risks and to work with our IT partner to strengthen our systems, processes and training.





# Governance



Starlight Children's Foundation is a company limited by guarantee (registered number 02038895) and a registered charity in England and Wales (charity number 296058) and Scotland (charity number SC047600).

## Legal structure and purpose

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 2nd December 1986. We empower better healthcare outcomes for children through better healthcare experiences, by putting play at the heart of healthcare.

## Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives, plans and budgets. Starlight's services are designed to support the 2 million admissions of children and young people into hospitals and hospices annually. The evidence of the importance of ending avoidable trauma for children in healthcare; and Starlight's services to achieve; this are set out earlier in this report. We believe children's healthcare services should fully reflect the importance of play to their health, wellbeing, resilience and recovery, and that every child in the healthcare system should have adequate daily play opportunities, appropriate to their condition, supported by dedicated play staff.

## Board of Trustees

The Board of Trustees, who also constitute the Directors for Company Law purposes, are legally responsible for directing the affairs of the charity. They meet as a full Board usually four times a year and are available as needed in intervening months. All trustees undertake safeguarding training on an annual basis, reflecting our commitment to safeguarding across the organisation. We continue to monitor the skills and diversity of the board to ensure that the charity has governance across all key areas. Three trustees stepped down during the year and the Board has welcomed Mike Daniels, Paul Gathercoe, Abi Robins and Christian Pau as new trustees. Paul has taken over from Anna Gawn as Lead Safeguarding Trustee and Mike has also been appointed to the Audit and Risk Committee.



## Committees

Three committees support the work of the Board as a whole, each made up of trustees, the executive and in the case of the Development Committee, external experts.

**The Safeguarding Committee** is responsible for oversight of all safeguarding matters at Starlight. Paul Gathercole has recently been appointed as the Safeguarding Lead Trustee. The committee continues to review and update safeguarding policies and is focussed on monitoring and advising on all safeguarding matters. Day to day safeguarding leadership responsibilities are delegated to three designated safeguarding leads within the charity, who are also members of the committee. All Trustees and Starlight colleagues renewed their safeguarding training in the autumn of 2024.

**The Audit and Risk Committee** is chaired by Ian Harding and works with the executive team to oversee, manage and mitigate risks across the organisation. It is responsible for oversight of the risk register, with key risks being regularly reviewed by the Board of Trustees. The committee reviews and discusses key risks surrounding budgets and plans prior to discussion and approval by the Board. It also meets with the charity's auditors at the end of the annual audit process and both they and the Board have the opportunity to question the auditors with and without the presence of the executive.

**The Development Committee** is headed up by Alasdair Hadden-Paton. Their primary focus is the planning and delivery of the bi-annual Blenheim Ball. Although not a ball year, the committee has started planning in earnest for the 2026 event as well as supporting philanthropic fundraising, generously sharing their networks and making introductions. We are very grateful to the committee members for generously giving their time and expertise.



The Board comprised seven trustees as at 9 July 2025:

**ALAIN WOLFFE** is Starlight Chair and sits on the Audit and Risk Committee. Currently Director of Superbia Group, a financial services company, Alain is experienced in leading significant change and business growth programmes. Alain has a deep interest in improving healthcare outcomes and experiences for children as the father of a teenager with cerebral palsy.

**MIKE DANIELS** is Commercial Director for Wates Residential with Board level responsibility for risk management. He and his family have been long term fundraisers for Starlight, with a deep understanding of the challenges in healthcare for children and their parents. Mike will be joining the Audit & Risk Committee.

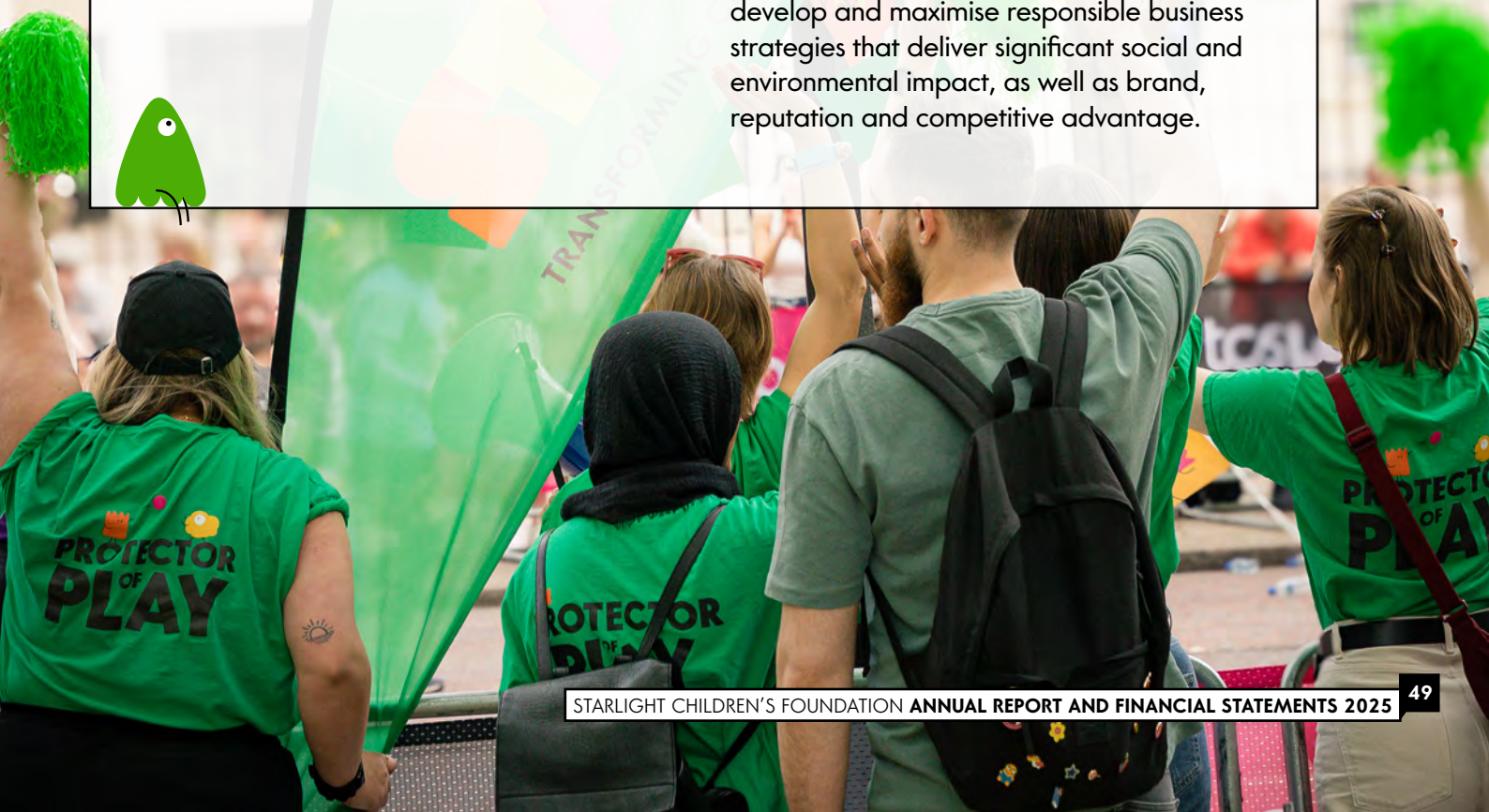
**PAUL GATHERCOLE** is a safeguarding and social care specialist, having led Children's Services in a number of large UK Children's Charities. He has experience leading and managing safe, high-quality services for children, families and young people in the statutory and voluntary sector, and specialises in practice standards, safeguarding governance, policy and procedures. Paul will chair our Safeguarding Committee.

**IAN HARDING** is a Managing Partner at Arcus Infrastructure and is an experienced infrastructure professional with particular expertise in renewable energy assets. He brings fundraising, financial and governance expertise to the Board and currently chairs the Audit and Risk Committee.

**DR CHRIS KELLY** is a clinician research scientist in the health artificial intelligence team at Microsoft, and a paediatrician at the Evelina Children's Hospital in London. He brings experience of children's services in the NHS, combined with an interest in how technology can improve children's experience of healthcare.

**CHRISTIAN PAU** is VP and General Manager of the LEGO Group for UK and Ireland. He brings experience in strategy, marketing and sales and deep knowledge of the power of play in childhood. For Christian play connects people, relieves stress, and allows people to explore new possibilities and be creative, he is inspired by Starlight's purpose.

**ABI ROBINS** is Director of Responsible Business at Centrica. She has extensive experience in driving change and leading high impact programmes, partnerships and campaigns in large organisations. Her passion is to help organisations to develop and maximise responsible business strategies that deliver significant social and environmental impact, as well as brand, reputation and competitive advantage.



## Trustees' declaration of responsibilities

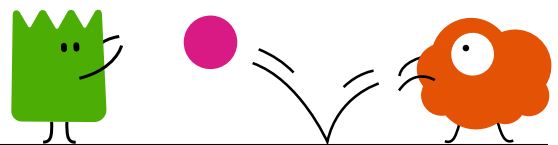
The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. In preparing those 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 judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 requirements of the Companies Act 2006. They 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 charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.



### Statement of Disclosure to our Auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the auditor relating to preparing their report, of which the group's auditor is unaware.
- The trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Board and signed on its behalf:

**Alain Wolffe**  
Chair of Trustees

**Date:** July 9 2025



# Independent auditor's report to the members of Starlight Children's Foundation

## Opinion

We have audited the financial statements of Starlight Children's Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year ended 31 March 2025.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).



## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



## Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Partner Name:** Joanna Pittman

**Date:** July 9 2025

for and on behalf of Sayer Vincent LLP,  
Statutory Auditor, 110 Golden Lane,  
LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as  
auditor in terms of section 1212 of the  
Companies Act 2006





TRANSFORMING CHILDREN'S HEALTH THROUGH PLAY

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 MARCH 2025



# STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)  
For the year ended 31 March 2025

	Note	2025			2024		
		Unrestricted £	Restricted funds £	Total £	Unrestricted £	Restricted funds £	Total £
<b>INCOME FROM:</b>							
Donations	2	2,283,702	535,593	<b>2,819,295</b>	3,010,023	434,937	<b>3,444,960</b>
Value of goods and services donated	2	5,815	336,514	<b>342,329</b>	100,713	238,546	<b>339,259</b>
Legacies	2	807,681	-	<b>807,681</b>	696,626	-	<b>696,626</b>
Charitable activities	4	6,624	-	<b>6,624</b>	56,810	-	<b>56,810</b>
Investments		12,452	-	<b>12,452</b>	37,779	-	<b>37,779</b>
<b>Total income</b>		<b>3,116,274</b>	<b>872,107</b>	<b>3,988,381</b>	<b>3,901,951</b>	<b>673,483</b>	<b>4,575,434</b>
<b>EXPENDITURE ON:</b>							
Raising funds	5	1,884,837	-	<b>1,884,837</b>	2,489,793	-	<b>2,489,793</b>
Charitable activities							
Provision of children's services	5	1,765,758	701,664	<b>2,467,422</b>	1,911,800	684,001	<b>2,595,801</b>
<b>Total expenditure</b>		<b>3,650,595</b>	<b>701,664</b>	<b>4,352,259</b>	<b>4,401,593</b>	<b>684,001</b>	<b>5,085,594</b>
<b>Surplus / (deficit) before net gains / (losses) on investments</b>		<b>(534,321)</b>	<b>170,443</b>	<b>(363,878)</b>	<b>(499,642)</b>	<b>(10,518)</b>	<b>(510,160)</b>
Net gains/(losses) on investments		901	-	<b>901</b>	(5,273)	-	<b>(5,273)</b>
Surplus/(deficit) for the year		(533,420)	170,443	<b>(362,977)</b>	(504,915)	(10,518)	<b>(515,433)</b>
Transfers between funds		-	-	-	-	-	-
<b>Net expenditure for the year and movement in funds</b>		<b>(533,420)</b>	<b>170,443</b>	<b>(362,977)</b>	<b>(504,915)</b>	<b>(10,518)</b>	<b>(515,433)</b>
<b>RECONCILIATION OF FUNDS:</b>							
Total funds brought forward		1,594,771	281,065	<b>1,875,836</b>	2,099,686	291,583	<b>2,391,269</b>
<b>Total funds carried forward</b>		<b>1,061,351</b>	<b>451,508</b>	<b>1,512,859</b>	<b>1,594,771</b>	<b>281,065</b>	<b>1,875,836</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

# BALANCE SHEET

as at 31 March 2025

Company number: 02038895

		2025		2024	
	Note	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	11		99,501		105,124
Investments	12		2		4,682
			<b>99,503</b>		<b>109,806</b>
<b>CURRENT ASSETS:</b>					
Debtors	13	139,758		560,215	
Stock	14	224,783		215,678	
Short term deposits		284,225		911,164	
Cash at bank and in hand		1,042,640		571,118	
		<b>1,691,406</b>		<b>2,258,175</b>	
<b>LIABILITIES:</b>					
Creditors: amounts falling due within one year	15	(278,050)		(492,145)	
<b>Net current assets</b>			<b>1,413,356</b>		<b>1,766,030</b>
<b>Total net assets</b>			<b>1,512,859</b>		<b>1,875,836</b>
<b>THE FUNDS OF THE CHARITY:</b>					
	17				
<b>Restricted income funds</b>			<b>451,508</b>		<b>281,065</b>
<b>UNRESTRICTED INCOME FUNDS:</b>					
<b>Designated funds</b>		34,580		124,000	
<b>General funds</b>		1,026,771		1,470,771	
<b>Total unrestricted funds</b>			<b>1,061,351</b>		<b>1,594,771</b>
<b>Total charity funds</b>			<b>1,512,859</b>		<b>1,875,836</b>

Approved by the trustees on July 9 2025 and signed on their behalf by Alain Wolffe, Chair of Trustees.

# STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025		2024	
	£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net (expenditure) for the reporting period (as per the statement of financial activities)	(362,977)		(515,433)	
Depreciation charges	35,421		27,515	
(Gains)/losses on investments	(901)		5,273	
Dividends and interest from investments	(12,452)		(37,779)	
(Profit)/loss on the disposal of fixed assets	-		544	
(Increase)/decrease in stock	(9,105)		(80,540)	
(Increase)/decrease in debtors	420,457		(252,908)	
Increase/(decrease) in creditors	(214,095)		(28,383)	
<b>Net cash provided by / (used in) operating activities</b>		<b>(143,909)</b>		<b>(881,711)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Dividends and interest from investments	12,452		37,779	
Purchase of fixed assets	(29,798)		(10,111)	
Proceeds from sale of property, plant and equipment	-		-	
Proceeds from sale of investments	5,581		225,766	
<b>Net cash provided by / (used in) investing activities</b>		<b>(11,508)</b>		<b>253,434</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(155,417)</b>		<b>(628,277)</b>
Cash and cash equivalents at the beginning of the year	1,482,282		2,110,559	
<b>Cash and cash equivalents at the end of the year</b>		<b>1,326,865</b>		<b>1,482,282</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS AND OF NET DEBT:</b>				
	At 1 April 2024	Cash flows	31 March 2025	
	£	£	£	
Cash at bank and in hand	571,118	471,522	1,042,640	
Money market deposits	911,164	(626,939)	284,225	
<b>Total cash and cash equivalents</b>	<b>1,482,282</b>	<b>(155,417)</b>	<b>1,326,865</b>	

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 1 ACCOUNTING POLICIES

### a) Statutory information

Starlight Children's Foundation is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 227 Shepherd's Bush Road, London, W6 7AU.

### B) Basis of preparation

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) – (Charities SORP FRS 102), and the Companies Act 2006.

The charity also has a wholly owned subsidiary, Starlight General Trading Limited, a company incorporated and registered in the United Kingdom. The company was dormant in this and the previous financial year and therefore consolidated accounts have not been prepared as the difference between parent and group is immaterial.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### C) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

### D) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, they consider the charity's budget and plans together with the risk register and levels of reserves, to form a view that the charity can continue to meet its charitable objectives for a period of at least twelve months from the date of signature of the accounts.

### E) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Donations are recognised on receipt or when the charity has received a documented pledge or other formal confirmation which creates a constructive obligation to pay, whichever is earlier.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income derived from charges for charitable services is recognised at the time the service is delivered.

## **F) Donations of gifts, services and facilities**

Donated goods, facilities, and services in the financial statements comprise the provision of services and other gifts to carry out charitable activities, including support and administration services, and include discounts given for such goods and services where these are over and above normal commercial discount terms. These are included in the Statement of Financial Activities at the value of the gift to the charity; a corresponding amount is then recognised in expenditure in the period of receipt or, in the case of stock items donated, in the period of distribution. Goods, facilities, and services donated for charitable activities are treated as restricted in nature, while those donated for support activities are treated as unrestricted.

In accordance with the Charities SORP (FRS 102), volunteer time, including that of the trustees, is not recognised.

## **G) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

## **H) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor or have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the furtherance of the general objects of the Charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

## **I) Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the expenses incurred by the charity in generating voluntary income from third parties, along with the costs of activities carried out with the intention of raising funds
- Expenditure on charitable activities to further the purposes of the charity and their associated support costs

## **J) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Salaries and associated staff costs are allocated on the basis of time spent on charitable activities, generating funds, and governance. Costs of support staff are shown separately and allocated to each activity based on estimates of the amount of time spent.

Where information about the aims, objectives and projects of the charity is provided to potential service users, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements.

## **K) Operating leases**

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

## **L) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Office improvements: 15 years
- Furniture: 10 years
- Office equipment: 5 years
- Computers: 3 years

## **M) Listed investments**

Investments are a form of basic financial instrument. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments are included at the higher of their market value using the current bid price at the year end and guaranteed minimum value. Investment income is included, gross of applicable taxation, when receivable. Realised and unrealised gains and losses arising on revaluation of investments are included in the Statement of Financial Activities.

Starlight Children's Foundation does, from time to time, receive donated shares which are listed on the AIM market and which are subject to certain time restrictions. Until these restrictions are met the shares cannot be actively traded on the market. The Charity's policy, due to the volatility of these shares is to dispose of them as soon as the time restriction has passed and the shares can be actively traded and sold.

Where such shares are donated and can be valued they are included in the financial statements as fixed asset investments from such time as they can be sold. Shares held by the Charity which cannot be valued owing to the absence of an active market in which to sell them are disclosed in note 12 to the financial statements.

## **N) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## **O) Stock**

Stock represents goods held pending distribution to service users.

## **P) Short term deposits**

Short term deposits includes cash balances invested in a 32-day notice account.

## **Q) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with at maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **R) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## **S) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## **T) Pensions**

The Charity contributes an agreed percentage of the salary to the personal pension plans of permanent employees. For employees who have chosen to join the company pension scheme the pension provider is selected by the employer. Other employees have chosen to select their own pension scheme. All pension schemes are independently administered by, and the funds held by, a recognised pension company. The pension cost charge represents contributions payable by the Charity to the pension funds.

## 2 INCOME FROM DONATIONS AND LEGACIES

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations	1,874,347	535,593	2,409,940	1,766,675	434,937	2,201,612
Fundraising events	409,355	-	409,355	1,243,348	-	1,243,348
Value of other goods and services donated (note 3)	5,815	336,514	342,329	100,713	238,546	339,259
Legacies	807,681	-	807,681	696,626	-	696,626
	<b>3,097,198</b>	<b>872,107</b>	<b>3,969,305</b>	<b>3,807,362</b>	<b>673,483</b>	<b>4,480,845</b>

A total of £839,146 (2024: £533,128) of legacy pipeline which does not meet the legacy criteria is, however, treated by the charity as a contingent asset at March 2025.

## 3 VALUE OF GOODS AND SERVICES DONATED

	2025	2024
	Total	Total
	£	£
Charitable activities	336,514	238,546
Fundraising	1,785	86,170
Support services	4,030	14,543
	<b>342,329</b>	<b>339,259</b>

As at 31st March £89,029 of donated goods were held in stock (2024: £28,411)

## 4 INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	Total	Total
	£	£
Income from charitable activities	6,624	56,810
	<b>6,624</b>	<b>56,810</b>

Income from charitable activities comprises monies received in respect of services provided.

## 5A ANALYSIS OF EXPENDITURE (CURRENT YEAR)

	Raising funds	Charitable activities	Governance costs	2025 Total
	£	£	£	£
Staff costs (Note 7)	629,460	705,062	-	<b>1,334,522</b>
Direct costs	289,676	604,397	-	<b>894,073</b>
Fundraising event costs	251,576	-	-	<b>251,576</b>
Donated goods and services	3,800	277,989	-	<b>281,789</b>
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	391,272	489,078	13,495	<b>893,845</b>
Rent and services	106,414	125,332	4,730	<b>236,476</b>
IT and connectivity	82,284	96,912	3,658	<b>182,854</b>
Marketing and communications	39,599	59,275	17	<b>98,891</b>
Depreciation	15,939	18,773	709	<b>35,421</b>
Other office costs	55,882	65,817	21,113	<b>142,812</b>
	1,865,902	2,442,635	43,722	<b>4,352,259</b>
Governance costs	18,935	24,787	(43,722)	-
<b>Total expenditure 2025</b>	<b>1,884,837</b>	<b>2,467,422</b>	<b>-</b>	<b>4,352,259</b>

## 5B ANALYSIS OF EXPENDITURE (PRIOR YEAR)

	Raising funds	Charitable activities	Governance costs	2024 Total
	£	£	£	£
Staff costs (Note 7)	702,580	666,081	-	<b>1,368,661</b>
Direct costs	295,762	669,041	-	<b>964,803</b>
Fundraising event costs	495,025	-	-	<b>495,025</b>
Donated goods and services	93,442	248,999	-	<b>342,441</b>
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	461,355	506,054	15,182	<b>982,591</b>
Rent and services	155,435	168,664	6,614	<b>330,713</b>
IT and connectivity	89,396	97,004	3,803	<b>190,203</b>
Marketing and communications	86,249	123,655	467	<b>210,371</b>
Depreciation	12,932	14,033	550	<b>27,515</b>
Other office costs	60,336	63,401	49,534	<b>173,271</b>
	2,452,512	2,556,932	76,150	<b>5,085,594</b>
Governance costs	37,281	38,869	(76,150)	-
<b>Total expenditure 2024</b>	<b>2,489,793</b>	<b>2,595,801</b>	<b>-</b>	<b>5,085,594</b>

## 6 NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging/(crediting):

	2025	2024
	Total	Total
	£	£
Depreciation	35,421	27,515
Loss on disposal of tangible fixed assets	-	544
<b>Operating lease rentals payable:</b>		
Property	124,642	211,731
Other	7,848	7,848
<b>Auditor's remunerations:</b>		
Audit (excluding VAT, which is irrecoverable)	15,300	14,600

## 7 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2025	2024
	Total	Total
	£	£
Salaries and wages	1,893,228	2,000,185
Social security costs	215,932	223,942
Employer's contribution to defined contribution pension schemes	100,983	104,402
Termination payments	18,225	31,723
	2,228,368	2,360,252
Agency and temporary staff costs	10,484	-
<b>Total</b>	<b>2,238,852</b>	<b>2,360,252</b>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025	2024
	No.	No.
£60,000 - £69,999	5	6
£70,000 - £79,999	1	-
£80,000 - £89,999	-	-
£90,000 - £99,999	1	2
£100,000 - £109,999	2	1
£110,000 - £119,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £506,365 (2024: £500,132).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2024: £295) relating to attendance at meetings of the trustees. Trustees' indemnity insurance was purchased during the year for £1,318 (2024: £1,318).

## 8 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 37 (2024: 43).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2025	2024
	No.	No.
Children's services	12	14
Raising funds	10	12
Support staff	13	15
	<b>35</b>	<b>41</b>

## 9 RELATED PARTY TRANSACTIONS

A total of £28,400 (2024: £15,000) of donated funds without conditions were received from related parties. No restricted donations from related parties were received.

## 10 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 11 TANGIBLE FIXED ASSETS

	Fixtures and fittings	Office furniture and equipment	Total
	£	£	£
<b>COST:</b>			
At the start of the year	223,143	100,946	324,089
Additions in year	-	29,798	29,798
Disposals in year	-	(9,878)	(9,878)
<b>At the end of the year</b>	<b>223,143</b>	<b>120,866</b>	<b>344,009</b>
<b>DEPRECIATION:</b>			
At the start of the year	133,885	85,080	218,965
Charge for the year	14,876	20,545	35,421
Eliminated on disposal	-	(9,878)	(9,878)
<b>At the end of the year</b>	<b>148,761</b>	<b>95,747</b>	<b>244,508</b>
<b>NET BOOK VALUE:</b>			
<b>At the end of the year</b>	<b>74,382</b>	<b>25,119</b>	<b>99,501</b>
<b>At the start of the year</b>	<b>89,258</b>	<b>15,866</b>	<b>105,124</b>

All of the above assets are used for charitable purposes.

## 12 LISTED INVESTMENTS

	2025	2024
	£	£
Fair value at the start of the year	4,680	235,719
Disposal: 20.07.23 32,497.165 units – Charishare Common Investment Fund	-	(225,766)
Disposal: 27.08.24 2,000 ordinary shares – Tesco	(5,581)	-
Net gain/(loss) on change in fair value	901	(5,273)
	-	4,680
Investment in trading subsidiary	2	2
<b>Fair value at the end of the year</b>	<b>2</b>	<b>4,682</b>

### INVESTMENTS COMPRISE:

	2025	2024
	£	£
32,497.165 units – Charishare Common Investment Fund	-	-
2,000 ordinary shares – Tesco	-	4,680
	-	4,680

## 13 DEBTORS

	2025	2024
	£	£
Trade debtors	15,000	46,723
Amounts due from associated undertakings	790	790
Prepayments and accrued income	104,269	431,300
Gift Aid debtor	19,699	81,402
	139,758	560,215

## 14 STOCK

	2025	2024
	£	£
Stock held for distribution	224,783	215,678
	224,783	215,678

## 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Taxation and social security	55,949	72,949
Creditors	93,675	125,188
Accruals	113,426	200,508
Deferred income	15,000	93,500
	<b>278,050</b>	<b>492,145</b>

Deferred income relates to income received for future fundraising events.

## 16A ANALYSIS OF NET ASSETS BETWEEN FUNDS (CURRENT YEAR)

	Unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	99,501	-	-	99,501
Investments	2	-	-	2
Net current assets	927,268	34,580	451,508	1,413,356
<b>Net assets at 31 March 2025</b>	<b>1,026,771</b>	<b>34,580</b>	<b>451,508</b>	<b>1,512,859</b>

## 16B ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	General Unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	105,124	-	-	105,124
Investments	4,682	-	-	4,682
Net current assets	1,360,965	124,000	281,065	1,766,030
<b>Net assets at 31 March 2024</b>	<b>1,470,771</b>	<b>124,000</b>	<b>281,065</b>	<b>1,875,836</b>

## 17A MOVEMENTS IN FUNDS (CURRENT YEAR)

	At 1 April 2024	Income and gains	Expenditure and losses	Transfers	At 31 March 2025
	£	£	£	£	£
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital programmes</b>					
Health Play Box and equipment provision	14,390	86,768	(104,491)	8,110	4,777
Starlight health play specialists	106,148	171,825	(174,699)	-	103,274
Technology programmes	20,210	6,000	(22,847)	1,890	5,253
Other hospital programmes	101,906	271,000	(141,260)	-	231,646
<b>Family and Community Health Play Services programmes</b>	10,000	-	-	(10,000)	-
<b>Total donated restricted funds</b>	<b>252,654</b>	<b>535,593</b>	<b>(443,297)</b>	<b>-</b>	<b>344,950</b>
<b>Gifts in Kind</b>					
Health Play Box and equipment provision	28,411	290,166	(212,019)	-	106,558
Insights and Impact initiatives	-	46,348	(46,348)	-	-
<b>Total Gifts in Kind held as restricted funds</b>	<b>28,411</b>	<b>336,514</b>	<b>(258,367)</b>	<b>-</b>	<b>106,558</b>
<b>Total restricted funds</b>	<b>281,065</b>	<b>872,107</b>	<b>(701,664)</b>	<b>-</b>	<b>451,508</b>
<b>UNRESTRICTED FUNDS:</b>					
<b>Designated funds:</b>					
Hospital programmes	124,000	-	(124,000)	34,580	34,580
<b>Total designated funds</b>	<b>124,000</b>	<b>-</b>	<b>(124,000)</b>	<b>34,580</b>	<b>34,580</b>
<b>General funds:</b>					
General funds	1,365,647	3,117,175	(3,491,174)	(64,378)	927,270
Fixed Asset Reserve	105,124	-	(35,421)	29,798	99,501
	1,470,771	3,117,175	(3,526,595)	(34,580)	1,026,771
<b>Total unrestricted funds</b>	<b>1,594,771</b>	<b>3,117,175</b>	<b>(3,650,595)</b>	<b>-</b>	<b>1,061,351</b>
<b>Total funds</b>	<b>1,875,836</b>	<b>3,989,282</b>	<b>(4,352,259)</b>	<b>-</b>	<b>1,512,859</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17B MOVEMENTS IN FUNDS (PRIOR YEAR)

	At 1 April 2023	Income and gains	Expenditure and losses	Transfers	At 31 March 2024
	£	£	£	£	£
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital programmes</b>					
Health Play Box and equipment provision	28,000	27,480	(43,090)	2,000	14,390
Starlight health play specialists	131,657	188,050	(213,559)	-	106,148
Technology programmes	55,000	5,210	(40,000)	-	20,210
Other hospital programmes	11,968	204,197	(112,259)	(2,000)	101,906
<b>Family and Community Health Play Services programmes</b>	18,209	10,000	(18,209)	-	10,000
<b>HealthPlay Taskforce</b>	10,000	-	(10,000)	-	-
<b>Total donated restricted funds</b>	<b>254,834</b>	<b>434,937</b>	<b>(437,117)</b>	-	<b>252,654</b>
<b>Gifts in Kind</b>					
Health Play Box and equipment provision	36,749	156,117	(164,455)	-	28,411
Family Services programmes	-	18,750	(18,750)	-	-
Insights and impact initiatives	-	63,679	(63,679)	-	-
Other activities	-	-	-	-	-
<b>Total Gifts in Kind held as restricted funds</b>	<b>36,749</b>	<b>238,546</b>	<b>(246,884)</b>	-	<b>28,411</b>
<b>Total restricted funds</b>	<b>291,583</b>	<b>673,483</b>	<b>(684,001)</b>	-	<b>281,065</b>
<b>UNRESTRICTED FUNDS:</b>					
<b>Designated funds:</b>					
Hospital programmes	237,000	-	(237,000)	124,000	124,000
<b>Total designated funds</b>	<b>237,000</b>	-	<b>(237,000)</b>	<b>124,000</b>	<b>124,000</b>
<b>General funds:</b>					
General funds	1,739,614	3,896,678	(4,136,534)	(134,111)	1,365,647
Fixed Asset Reserve	123,072	-	(28,059)	10,111	105,124
	1,862,686	3,896,678	(4,164,593)	(124,000)	1,470,771
<b>Total unrestricted funds</b>	<b>2,099,686</b>	<b>3,896,678</b>	<b>(4,401,593)</b>	-	<b>1,594,771</b>
<b>Total funds</b>	<b>2,391,269</b>	<b>4,570,161</b>	<b>(5,085,594)</b>	-	<b>1,875,836</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## Purposes of restricted funds

### HOSPITAL PROGRAMMES

Donated funds restricted to the various activities within Starlight's Hospital Programme.

### FAMILY SERVICES

Donations for our Family Services programme, which provides opportunities for seriously ill children and their families to enjoy time together, with other families, in a safe and fun environment.

### GIFTS IN KIND FUNDS

The cost value of items donated to us for use in providing our services. The fund balance represents items received in the year but not yet distributed; these items are held in stock on the balance sheet.

## Purposes of designated funds

### HOSPITAL PROGRAMMES

The charity has committed to the funding of a number of Health Play Specialists within healthcare organisations for a period of three years (subject to an annual review of impact against objectives). Restricted funds have been raised for much of the project and whilst it is the intention to aim for further restricted funding, the Trustees are designating reserves to cover the full remaining commitment.

### FIXED ASSET RESERVE

Some of the charity's reserves are tied up in fixed assets which are used for the purposes of the charity. These reserves are not, therefore, available for use and the charity has now recognised this by the creation of a Fixed Asset Reserve, within its General Reserves. Depreciation is charged to this reserve and fixed asset additions are added to it, with the reserve balance always being equal to the net book value of fixed assets.

## 18 OPERATING LEASE COMMITMENTS

Amounts payable under non-cancellable operating leases are as follows for each of the following periods.

	PROPERTY		OTHER	
	2025	2024	2025	2024
	£	£	£	£
Less than one year	64,806	216,306	7,848	7,848
One to five years	-	865,224	10,464	18,312
Over five years	-	307,124	-	-
	64,806	1,388,654	18,312	26,160

## 19 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.



TRANSFORMING CHILDREN'S HEALTH THROUGH PLAY

**Starlight Children's Foundation**

Third Floor  
227 Shepherds Bush Road  
London W6 7AU

[starlight.org.uk](http://starlight.org.uk)  
020 7262 2881



**STARLIGHT CHILDREN'S FOUNDATION**

England & Wales - Charity number 296058

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# Accounts

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**STARLIGHT**

TRANSFORMING CHILDREN'S HEALTH THROUGH PLAY

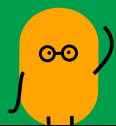
**ANNUAL**

**REPORT**

**AND**

**FINANCIAL STATEMENTS**

**STARLIGHT CHILDREN'S FOUNDATION**



**YEAR ENDED 31 MARCH 2024**

A company limited by guarantee 02038895  
Registered charity 296058 (England & Wales) SC047600 (Scotland)



**ROYAL PATRON**

HRH Princess Alexandra KG GCVO

**CO-FOUNDER**

Emma Samms MBE

**TRUSTEES**

Alain Wolffe (Chair)

Dr Christopher Evans

Anna Gawn

Alasdair Hadden-Paton ACA (Vice Chair)  
– Resigned November 2023

Ian Harding

Dr Christopher Kelly

Hina Patel – Resigned November 2023

Betsabeh Solente – Appointed November 2023

Mark Tasker – Resigned November 2023

**HONORARY CHAIR OF FUNDRAISING**

Alasdair Hadden-Paton

**SENIOR MANAGEMENT TEAM**

Cathy Gilman, CEO

Dr Krutika Pau, Director of Children's Services

Nicky Wade, Director of Finance  
and Organisational Effectiveness

Sarah Woods, Director of Fundraising  
and Marketing

**REGISTERED OFFICE**

Starlight Children's Foundation

227 Shepherds Bush Road

London W6 7AU

[www.starlight.org.uk](http://www.starlight.org.uk)

020 7262 2881

**AUDIT AND RISK COMMITTEE**

Ian Harding (Chair)

Chris Kelly

Alain Wolffe

Cathy Gilman

Nicky Wade

**SAFEGUARDING COMMITTEE**

Anna Gawn (Chair)

Kevin Mounce

Krutika Pau

Laura Walsh

**DEVELOPMENT COMMITTEE**

Alasdair Hadden-Paton (Chair of Fundraising)

Oliver Hardcastle

Olivia McCall

Alex Spencer-Churchill

Sarah Woods

**BANKERS**

HSBC, Plc 25 Wigmore Street,  
London W1H 0DP

Lloyds Bank, Plc 25 Gresham Street,  
London EC2V 7HN

**SOLICITORS**

BDB Pitmans, One Bartholomew Close,  
London EC1A 7BL

**AUDITORS**

Sayer Vincent LLP, 110 Golden Lane,  
London EC1Y 0TG



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# A MESSAGE



# FROM OUR CHAIR

Starlight is the national charity for children's play in healthcare. We support children to experience the power of play to boost their wellbeing and resilience during treatment, care and recovery from illness.

As parents and carers, many of us will have experienced the trauma of taking a child to hospital. Hopefully, it was a brief interlude, quickly forgotten. For many families, especially if a child has a chronic, serious, or terminal illness, hospital can sadly become a way of life.

**Children tell us that hospitals are scary, isolating places, that procedures are upsetting, and that being able to play can help to make it better.**

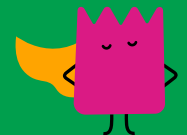
There is a growing understanding of the importance of play for mental health and wellbeing in all aspects of children's lives at home, in education, and in healthcare. However, our [report](#) "Reducing Trauma for Children in Healthcare" produced for Play in Hospital Week in October 2023 shows that children's right to play in healthcare is not adequately protected and provided for.

The healthcare system in the UK is complex, and finding solutions to a problem of this scale requires a collaborative and multi-targeted approach.

As the leading providers of resources to play professionals across the UK, it has continued to be a priority this year to distribute toolkits, toys, technology and training to healthcare settings in most need. These essential resources help children to better understand, be less anxious, and more engaged in their own care and treatment. They are also proven to distract from difficult procedures, improve recovery, reduce anxiety, and even feelings of pain.

We know that the ultimate solution requires systemic change in the healthcare system. Following the conclusion of the work of our joint Taskforce with NHS England, we hope to publish play standards and guidance later this year. We will also work to ensure that they are disseminated, understood and applied.

Building on the work of the Taskforce, we have established a national cross-sector group to initiate a workforce development strategy for health play. Our aim is to provide a road map towards a clear and transparent professional training and qualifications framework, and a consistent approach to job descriptions and banding for health play practitioners.



Using Starlight services has blown me away. It is so difficult to see children in pain and some of the things we have to do are scary and painful, so using these toys at no extra cost to us is amazing. I now have resources to help children feel at ease, learn, play and grow and all because of Starlight. I really can't describe how helpful everything is in our work."

Health Play Specialist

We have also started work to develop a policy campaign that will address the need for children's space, time, opportunity and permission to play to be central to policies and practices for their healthcare.

We believe our strategy will influence children's health. "Top down" through policy changes and influencing decision-makers. "Bottom-up" through evidence-led services that are proven to impact children's engagement and recovery through treatment.

**Our collaborative efforts really are on the cusp of driving huge change.**

However, after a strong fundraising performance in the first half of the year, our major challenge has been the impact of the economic environment and cost of living crisis on income in the second half. There have been many successes. We have developed some new sources of income from partnerships, events and activities including the pilot of some commercial service contracts and the Blenheim Ball also raised nearly £1 million. But like many organisations, we found the fundraising environment increasingly tough as the year progressed.

Towards the end of the year, with little sign of the outlook improving, we took the difficult decision to reduce the size of the Starlight team, to protect our service delivery by reducing our cost base. The priority has to be financial sustainability but we are sad to lose much-valued members of our small team. We do not underestimate the impact on the team of these changes and our focus will be to continue to support engagement, development, and motivation through a difficult period of change.

In November Alasdair Hadden-Paton retired from the Board to become our Honorary Chair of Fundraising; and Mark Tasker and Hina Patel came to the end of their terms as Trustees. Their dedication and passion for the Starlight purpose is appreciated by everyone. We were also delighted to welcome Betsabeh Solente to the Board. With global marketing experience, Betsabeh will support the team with reach, engagement and strategic partnerships, helping us to navigate the income challenges. There will be further Trustee recruitment in the year ahead.

We are very grateful for the loyal support we continue to receive in so many different ways, especially at a challenging time for many, it really is appreciated. Our work depends upon it.

Thank you.



**Alain Wolffe**  
Chair, Starlight





# OUR STRATEGY FOR PLAY IN HEALTHCARE



Children say that hospitals are a very scary place to be and play makes it better for them. There are about 5,000 children admitted to hospital every day in this country, so the need to improve their experiences is huge, and that is why the work that Starlight does is so important."

Dr Nick Richens, Paediatrician, Southampton Hospital



Starlight is a UK-wide charity that aims to transform children's health through play. We have been supporting seriously ill children for nearly 40 years and now work in partnership with more than 600 healthcare settings, enabling 2m+ touchpoints annually.

Over the last 5 years we have evolved the primary focus of our work from wish-granting to supporting children to experience the power of play during treatment, care and recovery from illness in hospitals, hospices and other healthcare settings. This evolution of strategic direction was in response to research showing the importance of play in healthcare settings for children to have a positive experience; and also for the efficiency of their treatment and care.

#### IMPORTANCE OF PLAY IN HEALTHCARE

- Reduces anxiety, fear, stress and even pain
- Helps children engage and prepare for their treatment and cope better with procedures
- Minimises trauma and contributes to a better experience
- Supports children to have some sense of control
- Creates continuity with everyday life

Evidence shows the highest attainable standard of health can only be realised if children are supported to engage in play throughout their treatment journey. It helps improve resilience and physical recovery, whilst reducing anxiety, fear and even feelings of pain. Play improves children's engagement with treatment, reducing the need for medication and additional staff time. As a result it can also create efficiencies and economic benefit for the NHS.

In October 2023 Starlight released a new report *Reducing Trauma for Children in Healthcare*. The report shows that:

**71%** of healthcare settings have **no designated budget for play resources**

**85%** of Trusts and Health Boards have **no policies and procedures for play**

There is an average ratio of only **one full-time HPS for 3,986 child admissions** to hospital per year

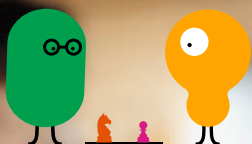
These statistics are despite the fact that Excellence (NICE) (2021) has stated that children's play, supported by specialist teams, should be integral to children's healthcare. The UN Committee on the Rights of the Child (UNCRC) also says that appropriate provision for children to enjoy their right to play when they are ill, will play an important role in facilitating recovery. We know that if we create the right conditions to support children's capability to play, they can play an important part in creating their own wellbeing.

Our strategy for play is built on the principles set out in our play policy, which we developed through a collaborative process this year:

- All children have the right to play
- Playing is the joy of childhood
- Play is a top priority for children and should be integral to their healthcare
- Playing is how children participate and communicate
- Playing makes things better and safeguards children against trauma
- Children who are sick need extra support to play
- We work across the healthcare system to promote and protect children's play

**The United Nations Convention on the Rights of the Child (UNCRC)** is the most widely ratified human rights treaty in the world. It states that every child has a right to play and a right to express their views, feelings and wishes in all matters affecting them. They have a right to have their views considered and taken seriously and a right to the best possible health.





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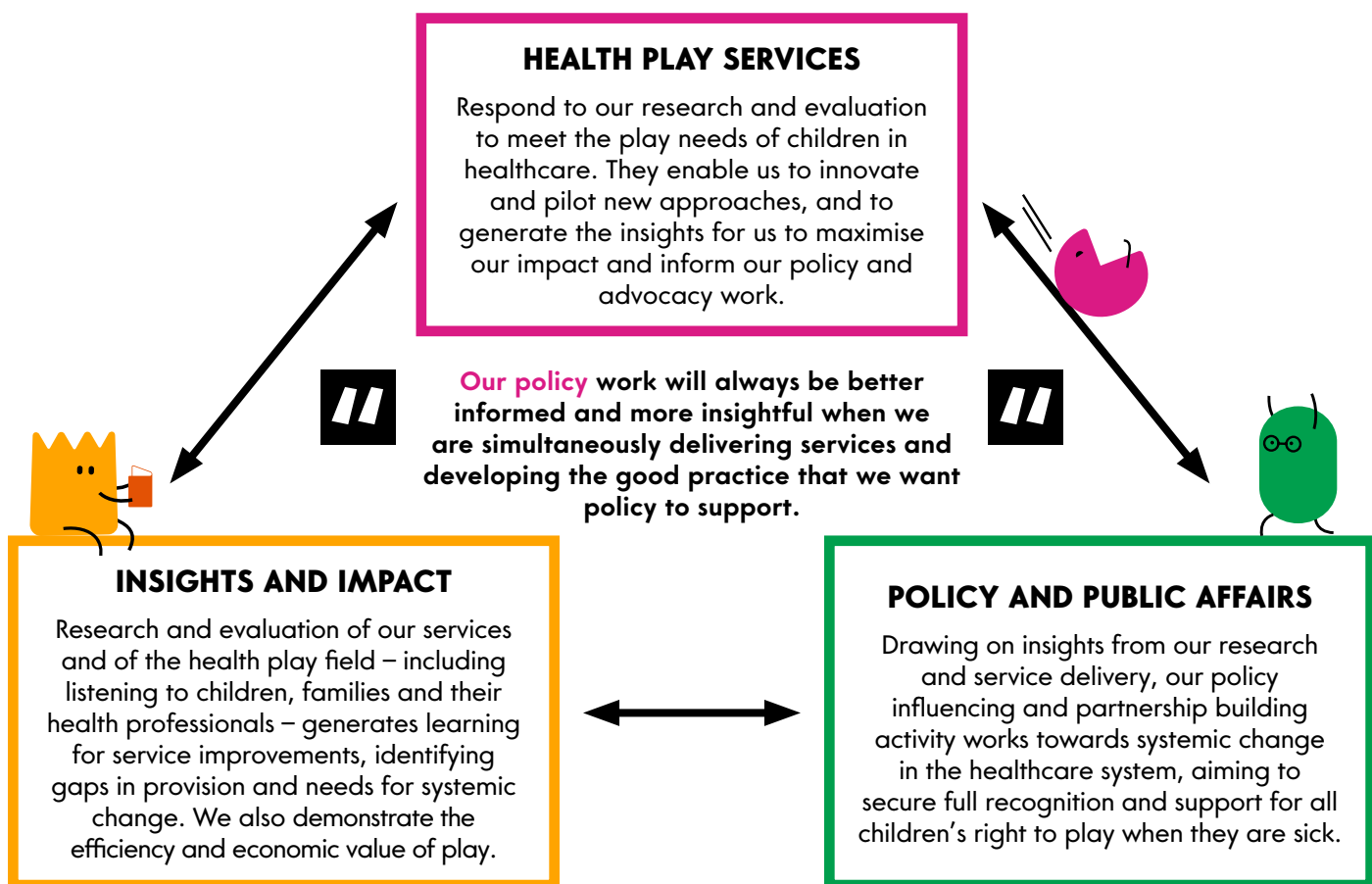
## OUR STRATEGY

The aim of our strategy is to enable all children to enjoy their right to play when they are receiving healthcare – in or out of hospital – supported by health play professionals and resources according to their need.

We work to ensure all children can experience the power of play to support their mental and physical health during treatment and recovery from illness. We aim to ensure that every child's right to play is protected and provided for as an integral part of their healthcare. We want them to be safeguarded and protected from avoidable distress and trauma through the support of specialised, properly resourced play services working to recognised national standards.

There are three elements of our strategy that uniquely place Starlight as the charity leader of play in healthcare. Nearly 40 years of health play service delivery, supported by a unique dataset of research and evaluation, together provide a platform for evidence-led policy and advocacy work to amplify the impact that we can achieve.





## HEALTH PLAY SERVICES

We support play specialists and their colleagues with specialised play resources to help children to better understand, be less anxious, and more engaged in their own care and treatment. Our services respond to our research and evaluation to meet the play needs of children in healthcare. They enable us to innovate and pilot new approaches, and to generate the insights for us to maximise our impact and inform our policy and advocacy work.

Through this work we aim to:

### 1. Understand health play

To grow and share our knowledge and understanding of health play provision through active engagement with the sector supporting it in all healthcare settings.

### 2. Provide evidence informed support

To provide resources and multi-media which support and guide the delivery of health play, to practitioners and families.

### 3. Create communities of practice

To build and facilitate networks of health play champions, making space for peer-to-peer support, knowledge sharing and best practice.

### 4. Provide training and advice

To deliver training, consultation and provide up to date resources which facilitate improved health play, advocacy.





Through our insights and impact work we aim to:

### **1. Improve understanding of the impact of play**

We evidence the importance, value, reach and impact of Starlight's services and health play more broadly.

### **2. Amplify children and young people's voices**

Where relevant and possible, we embed children and young people's voices and integrate them at the core of Starlight's work and decision-making.

### **3. Demonstrate the efficiency and economic value of play**

The argument for play in healthcare is strengthened by demonstrating the efficiency of treating and caring for children who are less traumatised when play is properly provided for.

### **4. Share knowledge and learning**

We use our insight collaboratively to galvanise a collective effort, sharing evidence, data and learning to transform children's experience of play in healthcare across the sector.

## **INSIGHTS AND IMPACT**

Research and evaluation of our services and of the health play field more broadly generates learning for service improvements, identifying gaps in provision and the need for systemic change. Central to our play in healthcare intelligence is understanding the experiences of children and young people and taking time to find different ways to involve them in our research activities. We respect their right to an opinion and to have agency in their own health and wellbeing and have a participation strategy which includes a Youth Panel.

## **POLICY AND PUBLIC AFFAIRS**

We amplify the impact of our service delivery and research insight by advocating for children's right to play and working in partnership for systemic change in the healthcare system. Our policy influencing and partnership building activity aims to secure full recognition and support for all children's right to play when they are sick. Through our policy and public affairs work we aim to:

### **1. Improve understanding of the system**

To grow our knowledge and understanding of the children's healthcare system and the public policy that guides it.

### **2. Advocate for change**

To lead our strategic advocacy for systemic and policy change.

### **3. Grow our advocacy network**

To build and lead a network of collaborators and allies for children's play in healthcare, to collectively champion this change.

### **4. Engage policymakers**

To actively seek to engage with and influence policymakers with our proposals.

### **5. Campaign for change**

To share and amplify our proposals to the media and multiple audiences to galvanise collective support and momentum around our campaign for change.

For systemic change to happen, and for children to receive equitable and appropriate access to play, it needs to reach and affect the behaviour of the entire healthcare system. We will be calling on the Government to take a lead on a comprehensive policy for children's health and healthcare, with play as an integral component of its plans. We will also continue to work with NHS England to adopt and implement new standards and guidance for health play services and to review commissioning contracts for paediatric services in this light. Central to all that we do, is ensuring that the immediate trauma of children undergoing treatment is prevented or alleviated through our core hospital services.



A young girl with dark hair in a ponytail, wearing a grey hoodie, is looking intently at a vertical interactive panel with glowing blue lights. The panel is part of a play structure. In the background, there is a hospital bed with a white sheet and a green and orange play structure. The word 'STARLIGHT' is visible in large, colorful letters on a green wall to the right.

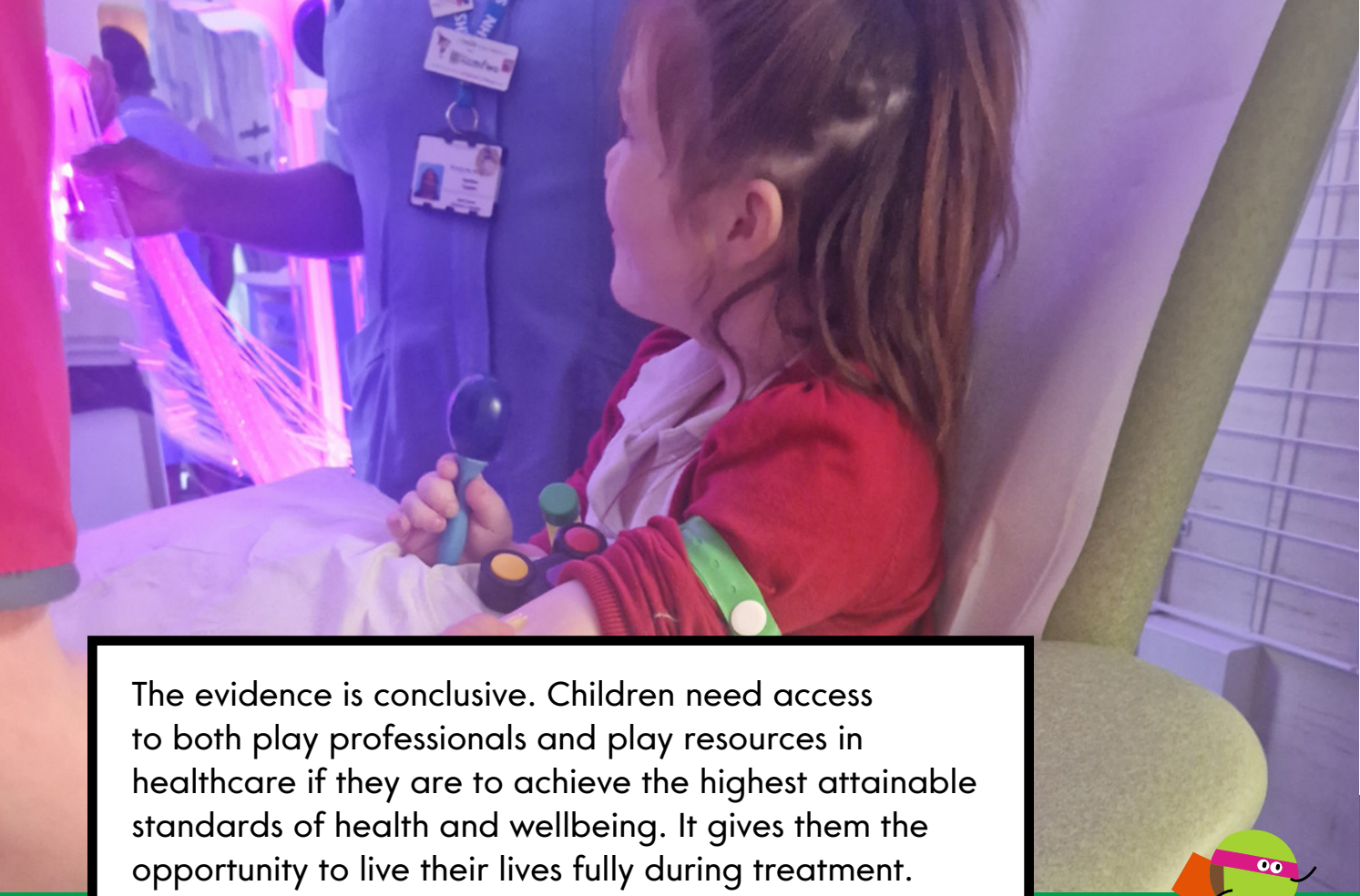
# THE STATE OF PLAY IN HOSPITAL

## AN EVIDENCE BASED APPROACH



Provide easily accessible, age-appropriate play and recreation for children and young people, to reduce the fear and anxiety about pain that may be experienced ... during healthcare interventions by ... using therapeutic play and distraction techniques and creating a calm environment before, during and after interventions or procedures”

NICE (National Institute for Health and Care Excellence) guideline: Babies, children and young people’s experience of healthcare (2021)

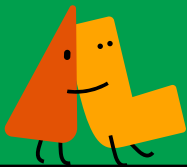


The evidence is conclusive. Children need access to both play professionals and play resources in healthcare if they are to achieve the highest attainable standards of health and wellbeing. It gives them the opportunity to live their lives fully during treatment. The UN Committee on the Rights of the Child (2013), the Department for Health (2003), and the National Institute for Health and Care Excellence (NICE) (2021) have each unambiguously stated that children’s play, supported by specialist teams, should be integral to children’s healthcare.

Evidence also shows the efficiencies that a playful approach can create in terms of shorter treatment times, fewer interventions and faster recoveries. Despite this, health play services remain widely under resourced and undervalued. Our 2022 research into the state of play in hospitals across the UK revealed substantial gaps and inequalities in the availability and quality of play provision.

The research showed that there is not a culture of play integrated into healthcare. Most hospitals do not have policies or designated budgets for play and there are insufficient play professionals for the number of children admitted to hospital. We found that despite almost 2 million hospital admissions for babies, children and young people each year, there are **fewer than 1,200 health play staff in the NHS. Only 50% of those are Health Play Specialists, 47% of those work part-time and most do not work weekends.**

In 2023 we expanded our research to consider the link between negative childhood healthcare experiences and trauma and how trauma could be mitigated through play. This culminated in our 2023 report *Reducing Trauma for Children in Healthcare*. We found studies have shown that prolonged or repeated periods of hospitalisation or treatment in childhood can increase the risk of trauma and increase risk factors for mental health conditions such as anxiety and depression. There is also well-documented evidence that therapeutic play and health play services, facilitated by skilled play practitioners, can significantly mitigate these risks. Parents and children have told us too about their negative experiences and the impact on their mental health.



This year we have gained additional detailed insight from our four Starlight funded Health Play Professionals. We have found that they are often the chief advocates for the child, representing their voice, championing their needs and working to represent their best interests in clinical interventions. They are highlighting that early play intervention can reduce or prevent trauma, making future interventions easier.

Our evaluation of the impact of this first year of our funded Health Play professionals also highlighted barriers they face in their work. A lack of understanding of their role and recognition of its importance. A lack of communication from other health staff and often exclusion from early stages of a medical intervention. A lack of resources and funding is cited by all.

The year ahead is about being relentless in our mission to enable all children in the UK to have their right to play protected and provided for when they are receiving healthcare – in or out of hospital. We will continue to be evidence-led, driven by research and insights into what works best; provide direct support to children and their families; and to the health professionals working with them. We will continue to advocate for more and better health play services and promote the full recognition of health play practitioners as an integral component of the children’s health workforce.

As we work to drive systemic change across children’s healthcare, it is vital that we continue to alleviate the trauma experienced by children in healthcare now, by supporting and promoting the Health Play community and by providing them with much needed resources.





## OUR HEALTH PLAY SERVICES

Health Play Specialists are extraordinary health professionals who plug vital gaps in treatment and care in hospitals and hospices. They listen to understand the needs of each individual child and make the experience more human and positive for children, young people and their families.

They use play to prepare children for treatment and distract them from stressful and painful procedures. They help them deal with fear and anxiety, cope with pain and regain skills lost through the effects of illness or hospitalisation. They have end of life conversations, calm patients with serious mental health issues, provide snacks for hungry parents and often find themselves trying to raise the money for resources to support their work. They find every way to make all hospital touchpoints with children more friendly and normalise the experience of a hospital stay.



## FUNDING HEALTH PLAY PROFESSIONALS

Critical to our work is a cycle of continuous feedback, where we gather insight from health play professionals and use it to inform our services. Last year we took a significant step forward in understanding the full impact of excellence in play provision by creating four Starlight funded Health Play posts. These play professionals, each supported by a Starlight mentor, are developing centres of excellence in their hospital, hospice and community settings. They are demonstrating that when health play specialists are central to the Multi-Disciplinary Team responsible for the care of a child, wellbeing and health outcomes are improved.

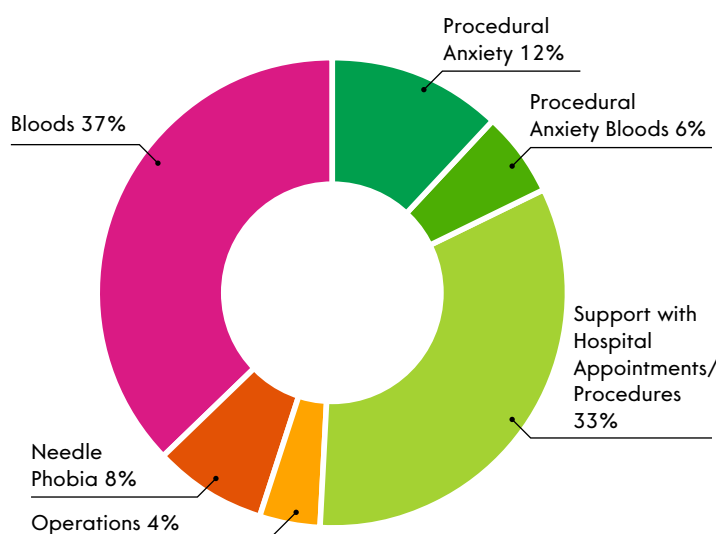
In one setting our funding has allowed the building of a completely new service, bridging the gap between hospital and community healthcare settings. Access to this service provides critical support for children with anxiety around procedures such as blood tests and prepares them for hospital visits (see chart).

We have worked with these play professionals to build confidence in advocating for their roles and have seen them become pivotal to the multi-disciplinary teams surrounding each child. Each post is funded for three years, allowing time for long-term change to be created and impact measured within the settings. As part of this programme, in the coming year we will be completing the development of a tool for measurement of the impact of play and working with one of the settings on an economic analysis of play for children undergoing blood tests and MRI scans.

Our Health Play services are designed to support Health Play Specialists, Play Workers and other professionals in avoiding or mitigating the immediate trauma which can be caused by medical treatments and negative hospital experiences. We do this by:

- **Providing resources to support play** (including technology, toys, books and materials) recognising that many health play professionals have little or no budget
- **Providing multi-media resources** such as videos or leaflets to guide play delivery
- **Creating a community of Health Play practitioners** for peer-to-peer support, sharing best practice and new ideas
- Offering **specialised training sessions** where play professionals can develop new skills and expertise

## HEALTH PLAY IN THE COMMUNITY: REASONS FOR REFERRAL





## RESOURCING HEALTH PLAY IN HOSPITALS

Health play specialists are creative and imaginative but need resources, yet our research shows that **71% of healthcare settings have no dedicated budget** to provide them. This year we supported play professionals in 627 different healthcare settings, sending out more than 3,600 boxes and resource packs.

Starlight Boxes are packed with toys, games, arts & crafts, books and other play-related items, all carefully chosen to support health play staff in their work. We use the insight Health Play professionals give us to continuously review and improve our services. This year we have made two new selections available – the **Baby Box** and the **Prep Box**. The Baby Box was developed in response to feedback from Health Play Specialists that there were few resources available to support mental wellbeing and developmental play in 0-3 year olds. The Prep Box was designed in close consultation with Health Play Specialists who needed specialist resources to support them in making sure that children were as prepared as possible for medical procedures.

**93%** of health professionals found our Distraction Box made treatment easier to complete

### BABY BOX



The baby box focuses on the importance of play in the first 1,000 days of life. Each item is chosen to stimulate senses and encourage resilience through play. It saves time and cost of procedures and gives play professionals the tools they need to build special bonds with babies and their families.

### PREP BOX



A specially designed toolkit to help children feel more confident and prepared for their medical procedures. Filled with playful educational tools like dolls to be used to demonstrate what a child can expect and clay to make body parts. There are also videos to help medical teams know how best to explain things to children.



Our pilot of **Virtual Reality** combined with distraction therapy, in the hands of an experienced Health Play Specialist, has continued to reduce anxiety and stress for children in the Leeds area. **97% of children taking part said they felt little or no pain** while undergoing potentially painful procedures. We have expanded the pilot to 8 settings and continue to gather insight about its impact.

Children from ethnic minority backgrounds, with long-term complex conditions, younger children, and children living in households in areas of higher deprivation are more likely to be admitted to hospital. Once there they are more likely to have a negative experience. As the cost-of-living crisis further worsens poverty in the UK, hospital admissions for the most disadvantaged children are rising. Our State of Play in Hospital mapping data gathered last year has allowed us to identify and prioritise requests for resources from areas of most need. We also recognise that the better resourced hospitals are more likely to be aware of and apply for our services and look to pro-actively offer support to those in areas of highest deprivation.

Two key partners continue to help our resources reach as many Health Play professionals and children as possible. The generosity of **One4Fun** helps to stock our boxes. Our partners at **Amazon** have helped 62 healthcare settings across the UK to help alleviate healthcare related trauma for children by providing 12,000 play packs with a theme of “therapeutic play and creativity.”

During the year we sent hospitals, hospices, community healthcare settings and ambulance crews...

**12,000**

Amazon Therapeutic Play & Creativity packs

**991**

**Distraction Boxes** – to distract children from the distress of treatment

**749**

**Sensory Toy Boxes** – to encourage play where children have additional needs

**345**

**Play Essential Boxes** – with toys and games, arts and crafts

**336**

**Baby Boxes** – with resources to support developmental play

**308**

**Preparation Boxes** – to help prepare children for treatment

**235**

**Play in Hospital Week Boxes** – with a science, tech, engineering & maths theme

**200**

**Panto Boxes** – to go with our Starlight Panto

**198**

**Play Well Boxes** – to support wellbeing in older children

**145**

**Story Boxes** – to inspire the imagination

**117**

**Gaming Bundles** – for those gamers to keep their skills honed



## RESOURCING HEALTH PLAY IN THE COMMUNITY – A PILOT

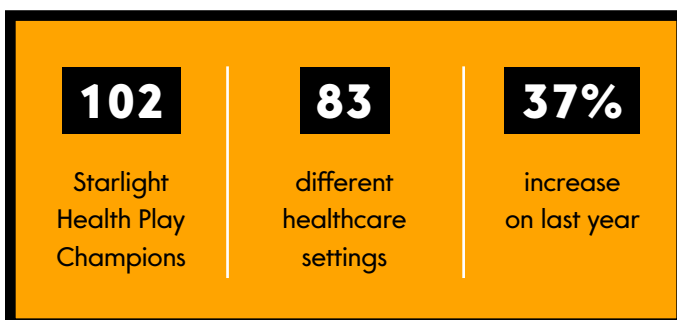
Many seriously ill children have healthcare touchpoints in community settings, where better experiences mean less trauma and better engagement with healthcare in later life. This year we ran a short pilot of bringing a playful approach to community healthcare settings. We discovered that although there were clear benefits to the children involved, the footfall of children and young people through these settings was too small for an impactful programme to be maintained.

This pilot was therefore ended shortly after the year end as part of the changes made to focus resources where they would have most impact and strengthen the financial sustainability of the charity. Pilot work outside of healthcare settings, with seriously ill children and their families meeting regularly to benefit from meaningful activities and connection, ceased at the same time. This allowed us to focus fully on improving the experience within healthcare.

## CREATING COMMUNITIES OF PRACTICE – OUR HEALTH PLAY CHAMPIONS

Play professionals often work in isolation, with limited opportunities to share ideas or hear about new practices. They are often undervalued by other health professionals, lacking confidence in advocating for the importance of their work and can be the last to be involved in a child's care.

Our Health Play Champions network has been created to provide vital support, with access to training and the chance to learn from and share best practice with one another. We support them in finding the confidence to speak out for the importance of play to every child and the impact they can have in reducing trauma. They are also a critical link between Starlight and the healthcare settings, providing insight about needs on the ground and the impact of the resources we provide, allowing us to continue to improve our services.



This year we have focused on expanding the network of Champions and increasing the resources we can provide. In the coming year we will expand the network further and we aim in time to actively recruit Champions from wider healthcare teams – doctors, nurses, healthcare assistants – so that play is championed at every touchpoint of a child's healthcare journey.

## TRAINING

Providing specialist training and increasing the awareness of the importance of play, particularly in reducing trauma, continues to be central to our support and promotion of the Health Play community. Many children and young people in healthcare face visual, hearing, speech or neurodivergence barriers to communication and we have provided training to help overcome those. **74 health play staff from across the UK attended our formal training this year.** We aim to continue to increase our training offer and make it more widely available.

### Training included:

- **Makaton:** Communication system that uses spoken language, hand signs and symbols
- **Guided Imagery:** A diversionary technique for invasive procedures
- **Youth Mental Health First Aid**



## RAISING THE PROFILE OF HEALTH PLAY PROFESSIONALS

Each year we support National Play in Hospital Week, organised by the Society of Health Play Specialists. With our Health Play Awards we formally recognise and raise the profile of the critical role of both Health Play Specialists and other frontline staff play when, alone or in teams, they work tirelessly to provide play opportunities and resources for the children in their hospitals and as a result support the efficiency of treatment in healthcare settings.

### In the coming year we will:

- **Continue to support Health Play Professionals** to advocate for their roles and for the importance of play as part of every child's treatment
- **Continue to provide critical resources** into healthcare settings and to gather insight to continuously improve our services
- Build on the first year of work with our **funded Health Play Professionals**
- Continue to **grow our network of Health Play Champions** and to develop how we work with them
- **Build on our reputation as a training provider** by increasing the number of courses we provide and expanding their reach

### HEALTH PLAY SPECIALIST OF THE YEAR 2023



A child's first experience in hospital can be traumatic and shape their perception of hospitals for life. So, receiving this award is an opportunity to spread awareness about our role and how we can positively impact a child's experience."

Emily Hodgkins, Senior Health Play Specialist,  
Oxford Children's Hospital



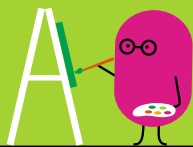


# AMPLIFYING THE VOICES OF CHILDREN AND YOUNG PEOPLE

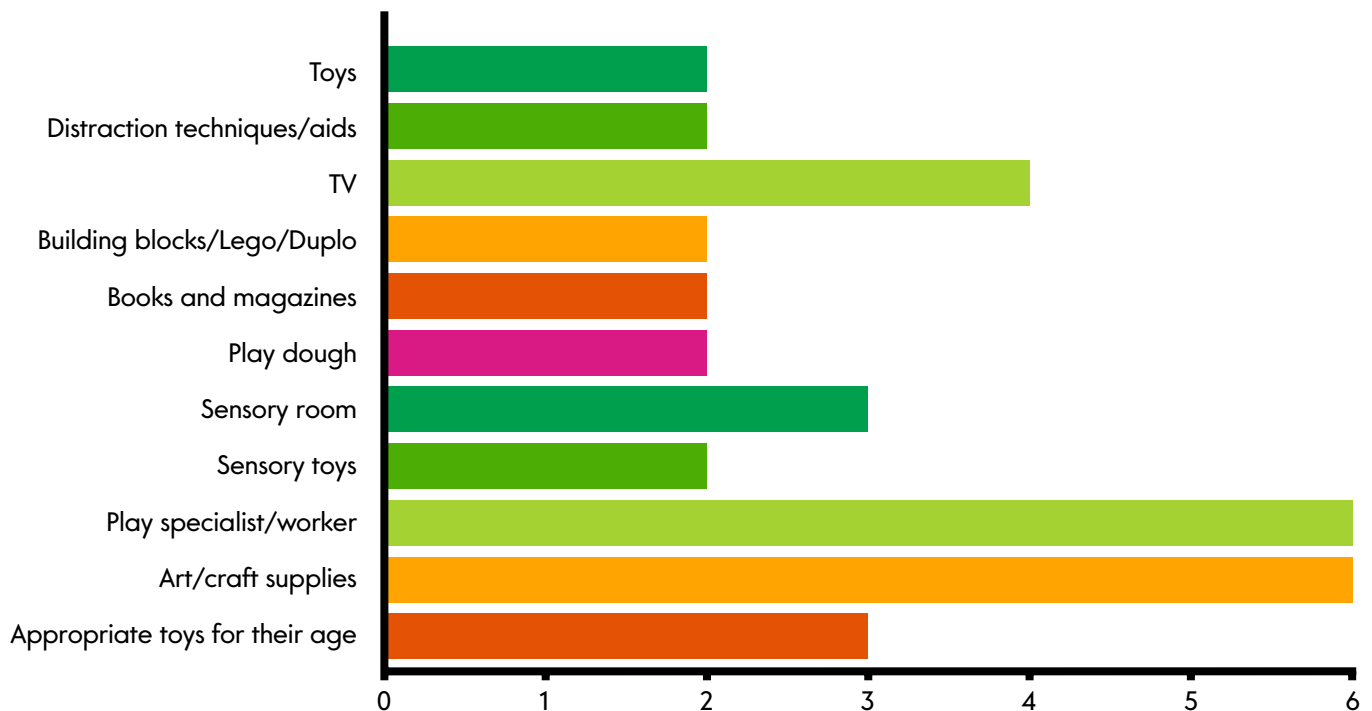
Children have a right, codified in the UN Convention on the Rights of a Child, to have not only their voice heard but their opinion considered and to be active participants in decisions which affect them. Decisions about a child's healthcare are often taken solely by parents, carers and medical professionals. We believe that children's healthcare systems need to account for the perspectives of children and not solely of the adults caring for them. By actively participating in their own healthcare, children can create their own connections, develop their resilience and build a greater sense of self-worth.

Often the key advocate for a child in hospital is the Health Play Specialist. By listening they build understanding of each individual child's perceptions, lived experiences and needs. We work to give Health Play Specialists the tools and confidence to advocate for the children in their care to have agency in healthcare decisions.

Our insight and impact work, which directly informs the delivery of our charitable purpose, brings children's voices to the centre of service design. Our expertise in this area had formal recognition this year when we were commissioned by the Royal Marsden Hospital, London, to ensure that children's voices were heard in the design of new facilities.



**WE ASKED CHILDREN AND YOUNG PEOPLE WHAT THREE THINGS EVERY HEALTHCARE SETTING SHOULD PROVIDE FOR THEM**





The voices and lived experience of children and young people are also critical as we work in collaboration to shape the future of health play provision within the NHS. The presence of a young person on our Taskforce ensured that the perceptions and lived experience of a child in healthcare were heard alongside clinical and academic experts. It also kept an absolute focus on purpose, on practical rather than abstract. For the young person, experiencing the types of meetings and discussions that can happen in a professional sphere, as well as having their voice listened to and their contribution respected, provided valuable experience and developed their confidence.

This year, the talented team of children and young people at Participation People have worked with us to build our skills in actively engaging with children and young people in the planning, delivery and evaluation of our work. They have also supported the early stages of development of our first ever Participation Strategy.

This strategy is grounded in our belief in promoting children's agency and their right to participation. It supports the creation of a culture of listening, agency, recognition and respect, championing participatory approaches in play and healthcare.

## The strategy has four key elements:

- 1 SPACE:** Providing safe and inclusive spaces for children and young people to express their views
- 2 VOICE:** Providing information and support for children and young people to express their views
- 3 INFLUENCE:** Ensuring the views of children and young people are taken seriously whenever possible
- 4 AUDIENCE:** Making sure the views of children and young people are communicated to the right people

In the year ahead we will be building on this work with the introduction of a Youth Panel. The young people on this panel will contribute to the development and review of the Participation Strategy and influence our core work on ensuring that children have access to play in hospitals to improve their mental health and wellbeing.






## THE ECONOMIC VALUE OF PLAY IN HOSPITAL



Our work with Pro Bono Economics last year took a significant step towards quantifying the economic value of play in hospital by demonstrating the efficiencies that play provision can create in treatment and recovery. We know that one of the major barriers to play provision within the NHS is funding. It is our aim to demonstrate that the cost of Health Play Specialists and their resources is outweighed by the savings in time and cost of prolonged or repeated medical interventions. We believe that demonstrating the economic value of play is directly linked to achieving wider adoption of and investment in play provision and hence systemic change.

Health Play Professionals have demonstrated that when they are able to be central to the care of children in hospital, they can find creative solutions which generate efficiencies in other areas of care.

In the coming year, our new Innovation Awards aim to highlight the expertise, ingenuity and contribution to efficiency made by Health Play Professionals. These awards will continue to increase awareness of the critical value of Health Play Specialists, strengthening the platform from which they can advocate for themselves to become central to multi-disciplinary teams. They also create a further opportunity to share best practice.



### Data from 105 health professionals indicated:

- Use of a Starlight Box could shave **six minutes from the average treatment**
- Our current programmes could free up **6,500 staff days a year** (equivalent of £2.2m)
- Sedation could be avoided in as many as **100,000 treatments per year**, the equivalent of a saving of up to £1m a year
- Savings to healthcare settings overall could be **4 times the cost of the programme**

## SHARING KNOWLEDGE

Transforming children's experience of play in healthcare can only be achieved by collaboration and sharing our expertise with that of other sector experts. This year we have continued to convene our quarterly Health Play Forums, an expert group of stakeholders from across the sector, including senior practitioners, academics and other sector leaders.

We were invited to present our work and insights at events including the annual conference of the Royal College of Paediatricians and Child Health and the triennial conference of the International Play Association in Glasgow. We also presented insight to the United Nations Committee on the Rights of the Child. Following the success, in March 2023, of our first joint symposium with the Play in Education and Learning team at Cambridge University, we will be co-hosting a second symposium, *Playing with Children's Health* at the Royal College of Paediatrics and Child Health in London.

Sharing insights with the wider health field of the importance of play is critical to systemic change. Our programme of webinars, given in partnership with experts from across the Health Play field, is open to everyone. This year we held six webinars on topics including *Play and Palliative Care* and *Mental Health, Play and Children's Healthcare*.



### In the coming year we will:

- **Launch our Youth Panel**, bringing the voices of young people directly into our strategy development
- **Continue to build evidence** of the economic value of play in healthcare
- **Continue to collaborate and raise awareness and understanding** in the wider Health community by means of our programme of webinars
- Launch our first **Innovation Awards**, recognising on the ground innovation by Health Play professionals





**OUR POLICY AND  
PUBLIC AFFAIRS WORK  
DRIVING SYSTEMIC CHANGE**

Our research with health professionals, parents and other stakeholders has identified the lack of recognition for, and insufficient numbers of, Health Play Specialists as the major barrier to providing children with the support they need to minimise the trauma of hospitalisation and treatment. For this to change, play staff need to be recognised as integral members of a multi-disciplinary paediatric care team. The support they provide during treatment and procedures has to be recognised and play has to be treated as an integral part of children's healthcare. This can only be achieved through systemic change from within the healthcare system.



The remarkable unity that quickly emerged within the taskforce speaks to the unarguable need for this work. There is a palpable momentum for change within children’s healthcare.”

Adrian Voce, Head of Policy and Public Affairs, Starlight



By late 2022, following publication of our 2022 *Play In Hospital* report, we were recognised in the sector as a catalyst for this change and a galvaniser of collaborative effort across the healthplay sector. Recognising this leading role, NHS England invited us to partner with them as joint chair of a Taskforce on Children’s Play in Healthcare. This was an intensive, cross-sector collaboration of 60 health professionals, including representatives of the Royal Colleges of Nursing and Paediatrics and the Care Quality Commission.

The Taskforce presented its conclusions at the National Association of Health Play Specialists (now part of the Society of Health Play Specialists) conference in the summer of 2023. In October we published *A Common Purpose*, our report detailing the outcomes of the taskforce work:

- Draft national guidance for NHS Commissioners and providers, providing clarity about the importance of play in children’s development and wellbeing and in trauma mitigation, as well as play provision in diverse healthcare settings

- Draft National Standards and a proposed audit tool for health play services, setting out eight criteria to be met for healthcare settings involving paediatric care
- Proposals for a new Health Play Workforce Development strategy and a standing group to take it forward. This would include working towards recognised professional status and building workforce numbers, skills and qualifications to support the guidance and standards recommendations.

### Why play should be a commissioning priority:

- Improved participation and agency
- Less trauma
- Reduced treatment / recovery times
- Improved efficiency
- Better patient experiences

We are working towards publishing the final Standards and Guidance later this year. Also later this year, we expect to jointly publish a Workforce Development Strategy with Skills for Health and the Society of Health Play Specialists. This will set out a national training and qualifications framework and a roadmap towards the necessary growth in capacity and capability in this sector. The number of Health Play Specialists (currently only 600 across the UK) needs to increase and for this to happen Health Play needs to be recognised as a clinical specialism with an attractive career path.

In order for the systemic changes required to ensure that all children in hospital have access to the health play services they need, the NHS – including commissioners, Trust leaders and the multi-disciplinary teams responsible for children’s care – will need to adopt and implement these tools. In the coming year, we will be continuing to work with NHS England to disseminate and promote this new guidance, standards and workforce strategy.

We know that a major barrier to systemic change is the many competing priorities for limited NHS funds. The draft National Standards set an expectation of levels of availability of play provision and there are currently too few Health Play Specialists in most Trusts to meet the criteria for success. Recruitment and training of more takes a commitment to long term funding that can only come from the importance of play in healthcare being recognised at the highest level.

In the coming year, therefore, we will be putting more focus on advocating for therapeutic play to be better recognised and supported by government policy. Building on the increasing impact of our work with the NHS, and our growing evidence base, we are developing a strategic policy advocacy campaign to leverage our growing influence as a sector leader. Our aim is to strengthen our position as a galvaniser of collaborative efforts, and make the strongest possible case for play in healthcare to policymakers.



A year ago health play staff were listed under 'Corporate Services' on NHS Careers pages, alongside Finance and HR. Thanks to our work, they are now recognised alongside nurses as 'Clinical Support'.



# INCOME FROM CHARITABLE ACTIVITIES



It is critical that we expand the reach of our services which directly support play in healthcare settings. Our experience and expertise has been a driving force in developing the new standards for play in healthcare and we now need to drive their successful adoption and implementation. Demand for our services will continue to increase.

We are incredibly grateful to all those who support and fund our work. However there may be challenges to expanding the reach of our services based on fundraising alone, particularly in times of economic uncertainty. As part of our sustainable income strategy, we have been exploring opportunities for generating revenue from our charitable activities. Our ability to demonstrate the efficiency and economic value of play means we are well placed to persuade and secure contracts with the NHS, if funding is available.

There are also opportunities within the private healthcare sector, which has historically been focussed on adult care and is now seeing an influx of children as a result of NHS waiting times. Support in building and maintaining play provision has become a priority in these settings.

These commercial services will generate income which will be reinvested in our charitable service delivery, allowing us to continue to provide resources and support health play professionals in settings across the UK.

This year we have been piloting some small commercial contracts within the NHS. We have continued to work with North East London healthcare settings on their vaccination programme for children, reducing 'needle trauma' in both children and accompanying adults. We have worked with Sheffield Children's Hospital to provide a comprehensive play audit, allowing them to identify improvements in their provision, and with the Royal Marsden Hospital to ensure voices of children and young people were taken into account in a redesign of facilities.

**In the coming year we will be proactively seeking new opportunities to build a sustainable income stream from our charitable activities.**



Paid-for services expand our reach and impact and generate funds for our charitable services



# INVESTING IN OUR CULTURE AND OUR COLLEAGUES

Our culture is a shared responsibility and the glue that binds us together even through challenging circumstances.

Investment of time and resource in our culture is a priority for everyone at Starlight. It motivates us to achieve our shared purpose, creates opportunities to be heard, gives colleagues some influence and control in what they are doing and supports them to feel recognised and valued. Focusing on our culture helps us to retain the experience and expertise that we need and to attract and recruit the most aligned and expert colleagues. It also helps us to come together through difficult circumstances, helping us to make the right decisions always in the furtherance of our charitable purpose.

## OUR VALUES

### Responding to the world around us



We are inspired by the changes in the world around us. We have the freedom and courage to try something new, always learning and adapting to people's needs. It means trying stuff out, seeing what happens and pushing our boundaries.

### Taking the time to understand

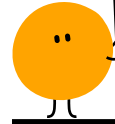


We take the time to understand ourselves and our impact. We actively listen, seeking to learn and understand from everyone's experiences in life. We are open to the opportunities and possibilities this awareness brings to ourselves, others and Starlight.



**Our standards and the environment we create through our behaviours."**

### Working together for our purpose



We aim high, think big, are imaginative and curious in everything we do. We celebrate our achievements, and we help and support each other when challenges come. We all play our part in our purpose and have fun along the way.

### Trusted to be our best



The trust we have in each other and our purpose guides our decisions, choices, and actions. When we are trusted our confidence grows, we ask for help, and we feel safe to be who we are. In any situation we say 'we' rather than 'they'. Most of all we trust in the Power of Play for children and adults alike.



Our key priority is a Self-Awareness for Business Results Programme of personal development for all colleagues. Our increased self-awareness empowers each of us to think independently, effectively manage our surroundings, and make well-balanced choices for ourselves, our colleagues and Starlight. In this way we all have the opportunity to thrive, using our values as the lens to reflect on our behaviours and influence our every-day decision making. This awareness along with the development of our EDI Vision & Principles has strengthened our commitment to nurturing an authentic environment where hierarchies operate appropriately, and our colleagues build a sense of belonging.



Over the year we have taken our Moments That Matter Colleague Experience Strategy forward at each touchpoint. We have developed our recruitment practices to encourage talented candidates to **Choose** both Starlight and the role by including a distinctive stage engaging candidates in our culture. When a new colleague **joins** us, they experience a tailored induction programme with a clear plan, objectives and early involvement in strengths development to allow them to become productive and effective as soon as possible.

We aim to take a contemporary approach in how we help colleagues measure their progress and map out their development to **grow**. This is based on understanding their individual contribution and Impact.

We understand the limitations for our colleagues in developing their careers in a small organisation. Within the salary budget we were able to **recognise** a small number of colleagues through pay progression and an inflationary award for all. The Trustees approve the overall salary budget and specifically the remuneration of the Senior Management Team, taking into account affordability for the charity, inflation and market rates at the time.

Our colleagues are now beginning to take active ownership of their **transition** within or even outside Starlight, with a maturity supported and encouraged with coaching and open conversations. This maturity allows us to plan ahead and flex our resources appropriately.

Our focused plans this year and investment in our colleagues beyond standard practices have seen Starlight's culture endure external challenges and maintain strong, productive relationships focused on our purpose. This has been especially important towards the end of the year, when we have made the difficult decision to reduce the size of the team in response to a challenging fundraising environment.

- 1 We think carefully about why people would **choose** Starlight as an employer.

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- 2 We take the time to understand candidates for roles and give them and Starlight the best opportunity to make a conscious decision about alignment of purpose, values, experience and expertise.

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- 3 We think about what it feels like to **join** Starlight and how we can support and enable colleagues to be their best from day one, living the excitement they felt at interview and feeling valued and having consistency of experience and expectation.

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- 4 We nurture a **growth** environment enabling colleagues to bring all that they are to our purpose.

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- 5 We **recognise** and celebrate what matters to ourselves, others and the Starlight culture and we support the desire for **progression** in Starlight and the wider world.

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- 6 We value each other and are proud to be Team Starlight.



## A CULTURE OF EQUITY, DIVERSITY AND INCLUSION

Central to our culture at Starlight is recognition of the strength in our differences and valuing and including a diversity of perspective, experience and opinion in all that we do. We intentionally take time to listen and to respond to all thoughts and ideas, whether from our colleagues, from the health professionals with whom we work or from the children and their families who often find it hard to be heard, especially within the healthcare system.

Last year we held active listening sessions with the Starlight team where we took time to understand their EDI experiences and what matters to them. Building on that work, this year we have developed Starlight EDI vision and principles. Our EDI group is leading the development of a measurable plan of action to ensure we live and breathe the vision and principles including training modules to help everyone understand what we mean by EDI and to develop a common language and shared ownership of EDI in the Starlight culture. We have also partnered with Employers Network for Equality & Inclusion (ENEI) to enhance our expertise and align our approach with external standards and practices.

### EDI VISION AND PRINCIPLES



We have the courage to stand up for a fairer world, always conscious of our intent over thoughts and actions.

#### Action starts with us

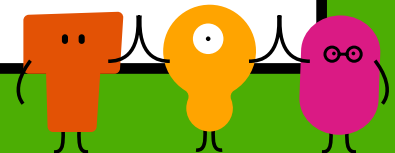
We know that eradicating prejudice and discrimination starts with us. We stand up for ourselves and others even when it's not an easy choice.

#### Valuing differences

We know that who we are is as a result of our lived experience and it is different for each of us. As a result we take time to understand our own biases/prejudices and ask questions and listen carefully to opinions that are different from our own.

#### Not just words

Words are not enough. We identify the change we seek to eradicate prejudice and discrimination. We prioritise the actions that will make measurable progress towards those goals.



## A CULTURE OF SAFEGUARDING

We nurture a culture of safeguarding, supported by policies and training. For many years we have had very strong policies and training for the safeguarding of children and vulnerable adults, which are reviewed regularly. All colleagues and Trustees undergo safeguarding training as part of induction and then on an annual basis. Safeguarding goes beyond the children and families we support; it is critical that our own team can feel safe and supported in all their work for Starlight. This year we have introduced a Safeguarding our Colleagues policy, to sit alongside our Code of Conduct for fundraising events and our Bullying and Harassment policy.



## HOW WE RAISE FUNDS

Our ambitious strategy for play in healthcare is supported by a fundraising and marketing strategy that aims to increase awareness and understanding of the impact that play can have on children experiencing illness and treatment, and to inspire audiences to support our work.

## OUR STRATEGY FOR FUNDRAISING AND MARKETING

Our strategy is evidence-led; we use business intelligence to drive choices and decisions in fundraising activities and products that give the best chance of a significant return on investment. We build sustainable relationships through stewardship. We recognise the importance of diversity of income streams and actively develop new business opportunities. We aim to improve the efficiency and effectiveness of our fundraising, maximising the impact of and return on every pound we spend and every hour of resource we use.

Responding to the risk and opportunity of changing contexts is embedded in our culture. As demand for charity services continues to rise and the discretionary spend of many charity supporters falls, the competition for every pound increases. With limited resource, it is critical that we focus on areas of greatest potential return. At the same time we recognise the importance of testing and investing in new activity and managing risk by increasing diversity of income.

In response to a challenging environment, this year we have taken a risk-based approach to our fundraising strategy:



### LOWER RISK INCOME

The recurrent income which provides a stable base to our fundraising each year. Our priority is to **maintain** and **grow** this.



### MEDIUM RISK INCOME

New Trust funding and corporate relationships. Our aim is to **lower the risk of this income** by improving our chances of successful applications and partnership wins, and to move it into recurrent income through multi-year partnerships.



### HIGHER RISK INCOME

New opportunities and connections. Our aim is to **maximise opportunities** for developing new business, with an aim to move it into recurrent income by focusing on relationship management.

This approach gave clarity to where resources were most needed as fundraising became more challenging during the year and guided decisions about the restructure of the team when this became necessary.





**Cathy Gilman**  
Chief Executive of Starlight  
**BBC LONDON**

### OUR FUNDRAISING AND MARKETING ACTIVITY

Our research evidences the need for play in hospital and the impact that it achieves, which are both vital to secure funding. They also provide campaigning opportunities for both awareness and fundraising. Our annual *Play in Hospital Report*, now in its fourth year, provides an important opportunity to secure significant media coverage. This increases our reach and engagement with supporters. It also creates opportunities for thought leadership and extending our reputation as a voice of authority on play in healthcare.

Play in Hospital week coverage:

- 245** Pieces of coverage, including:
- 40** TV and radio broadcasts, including BBC and ITV
- 194** online including Mail Online, Evening Standard and Independent

### MAINTAINING AND GROWING OUR STABLE BASE OF LOWER RISK, RECURRENT INCOME

This year we have carried out market research to understand our primary audiences for the development of our public fundraising methods and products. Our Data & Business Intelligence team have worked with the fundraising team to combine this with intelligence from our existing database to generate valuable insight on both current and potential supporters. This has helped us to improve the efficiency and effectiveness of our fundraising appeals through a more targeted approach. Key metrics have helped us to measure the impact of fundraising communications, which has also been fed back into our decision making. Our direct appeals continued to perform well despite the challenging economic environment.

Stewardship of relationships has been central to the resounding success in our **London Marathon** fundraising and we have seen this investment generate still further returns just after the year end with the 2024 Marathon.

Towards the end of the year, we reviewed all public fundraising activity and have focused on areas of best potential for highest return in a very challenging environment. In the coming year we will continue to use our market research and internal data to maximise the return on investment of our individual giving programme. Through our restructure, we have recognised the need for digital fundraising expertise to support this growth as well as the development of new digital fundraising products to attract new audiences cost effectively. Relationship management and stewardship will remain central to all that we do.

**Legacies** continue to form a significant part of our stable income. We know that increasing the number of people stewarded through our individual giving programmes is central to the long term success of legacies. We have ensured that the importance of legacies is clear in all appropriate communications. In the coming year we will extend this to our website and will also be taking part in *Remember a Legacy* month in September 2024 and *Free Wills* month in 2025.



## PARTNERSHIP AND PHILANTHROPY

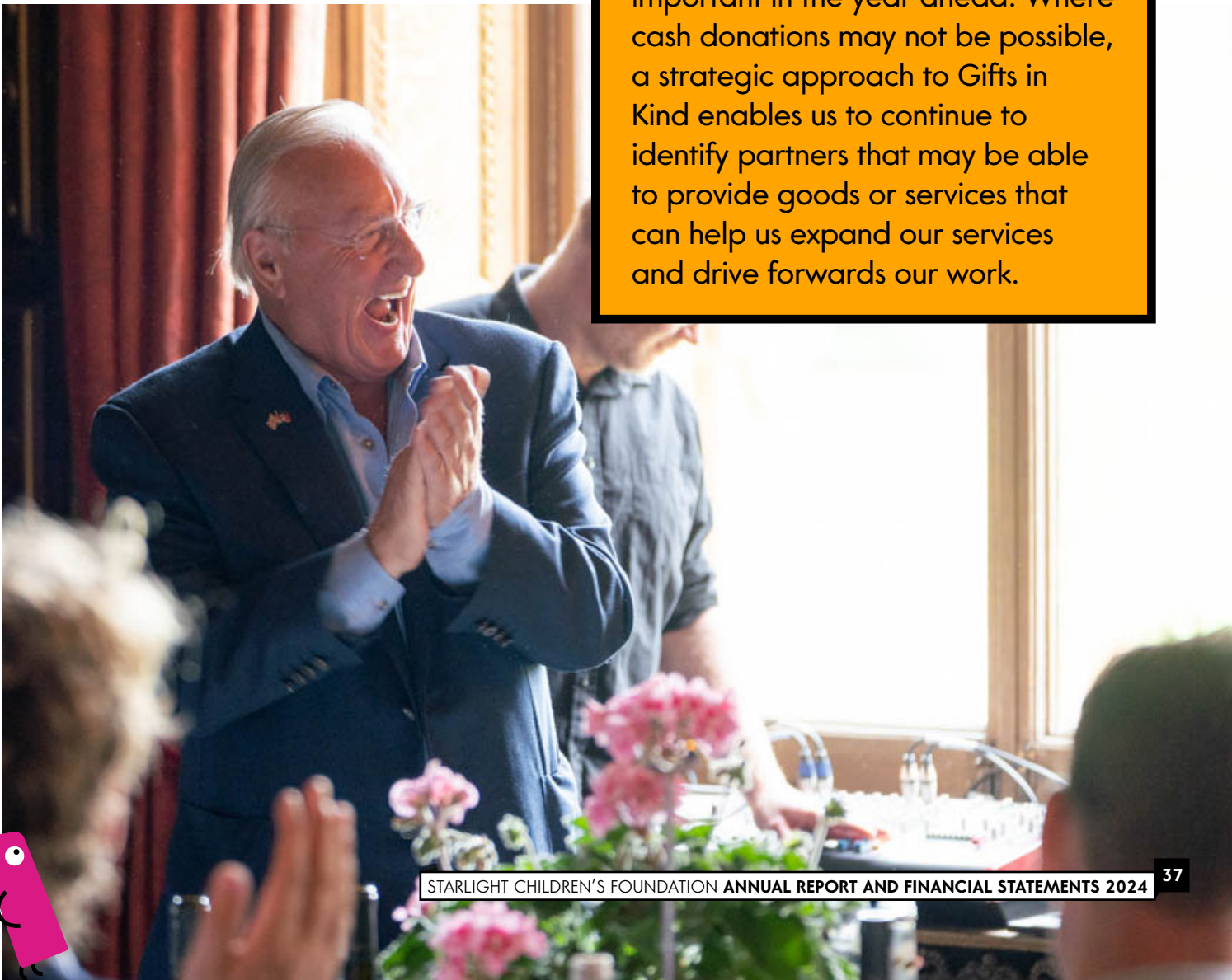
We need to grow income to meet the need for more play services in healthcare. Public fundraising takes time to grow and this is especially challenging during a cost of living crisis. We continue to focus resource in high value fundraising, seeking values-led partnerships with individuals, trusts and foundations and corporates as well as organising unique and very special events. These relationships can make a very significant difference to income in a shorter time frame and also offer other important ways to be involved with Starlight through **Gift in Kind** donations and volunteering opportunities.

This year we have very much valued our continuing partnership with the **Theo Paphitis Retail Group**. Together we have created opportunities for engagement with their colleagues, customers and suppliers including in-store fundraising and Starlight products, volunteering and a clay pigeon shoot. Our Director of Fundraising was sponsored to sit in a Ryman store window and be covered in slime, which helped raise awareness for Starlight and the store.

We have also valued the support of **Amazon**, who have extended their support through their "Going for Gold" campaign with donations of Gift in Kind to support our service delivery. We have also engaged their colleagues in the importance of play for all of our mental health and wellbeing through the delivery of play workshops. Our relationship with **The Story of Christmas** has allowed us to support children over the Christmas period with 62 performances of a live pantomime taking place in hospitals across the UK.

Lord and Lady Carnarvon generously hosted our unique clay-pigeon shoot at **Highclere Castle**, which, together with our **Newbury Race Day** hosted by race-horse trainer Nicky Henderson, provide a significant percentage of income early in the financial year. These have already proven to be successful in May 2024, which builds confidence in the year ahead.

All of these elements of high value fundraising will continue to be important in the year ahead. Where cash donations may not be possible, a strategic approach to Gifts in Kind enables us to continue to identify partners that may be able to provide goods or services that can help us expand our services and drive forwards our work.





Developing new business through partnership opportunity is also a priority. This year we were chosen to be a partner charity for **BGC Group**, a global brokerage and financial technology company, as part of their 2023 Charity Day. This is an annual event held in remembrance of September 11th, where brokers give up their commissions for the day to participating charities. We were very grateful to actress **Sienna Miller** for being the Starlight Ambassador for the day and are delighted that we have been chosen as a partner again in 2024.

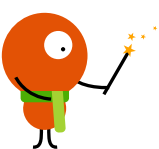
We also had the opportunity to partner with the **New West End Company**, a membership group of organisations that represent, promote and deliver a range of programmes and campaigns supporting business and the wider West End community. One of their key campaigns is the **Oxford Street Christmas Lights** and sponsoring a star, a perfect brand alignment for Starlight. The campaign significantly increased our visibility to the general public in the important pre-Christmas period. It also provided opportunities for celebrity engagement with footballer **Millie Bright** and partnership opportunities for some of the retailers. It was less successful as a fundraising opportunity but has provided important insight for future opportunities like this.

These partnership opportunities are a key focus for the year ahead and we have recognised the need to increase our capacity, experience and expertise in this area. We are currently recruiting new Trustees with a particular focus on creating partnership and philanthropic opportunities as well as a Head of New Business to drive forward and develop new income opportunities.

## MANAGE AND GROW OUR PIPELINES FOR MEDIUM RISK FUNDING

The resource crises in the NHS and the evidence-based need for children and their families to have a better experience of treatment and healthcare more broadly has added urgency to our case for support this year. Direct service delivery to hospitals combined with thought leadership and a strategic approach to the systemic change required have enabled us to secure significant support from Trusts and Foundations through aligned and compelling cases for support. Our aim is to secure more multi-year support, to increase our stable and recurrent income at the start of each year.

We were delighted to partner **CarFest** again this year – a brilliant awareness and fundraising opportunity – thanks to DJ Chris Evans, which has raised over £600k for Starlight since we became a partner in 2019. CarFest gives us the chance to engage families from across the UK in Starlight’s vital work and demonstrate the importance of play for our wellbeing.



## NEW INCOME OPPORTUNITIES WITH HIGHER RISK

It is a challenging fundraising environment and it would be tempting to stick only with the things that we know have the best chance of success. This does form an important part of our strategy. At the same time if we stick with the same activity, over time it is likely that returns will diminish. Therefore carefully considered development of new activity has to be an important part of our strategy for our sustainability. New events and activities by their very nature carry high risks but also provide great opportunity for stable fundraising streams in the future. When developing new opportunities with relatively high risk we focus on those which can generate sustainable income.

Whilst we generally consider newer events to have higher risk, there are occasions where the size of an event as a proportion of the charity income as a whole leads us to consider it in this higher risk category. Because of this, our biennial **Blenheim Ball**, held in March 2024 in the beautiful surroundings of Blenheim Palace, is our biggest opportunity and also our biggest risk because of its scale. The event is a unique fundraising and relationship opportunity thanks to the generosity of Lady Alexandra Spencer Churchill and her fundraising committee, and over three events has raised more than £3m.

The event was a great success this year, raising nearly £1m, creating further relationship opportunities with individuals and their organisations and achieving extensive media coverage. We know the event performed well compared with other charity events in the final quarter of the year but this was less than the budget.

This, in the final month of the financial year, combined with shortfalls in the Christmas Lights and other activities in the second half of the year, contributed to the need to make cost savings as the year ended. This was a scenario that was planned for and we were able to respond in an agile way, implementing plans that were already drawn up for this eventuality.

We are already starting to plan for the event in 2026 and will be considering timing, sponsorship and caution around the budget for income, depending to some degree on the prevailing economic environment nearer the time. In the year ahead we will also be reviewing and refreshing our event portfolio and seeking opportunities for new event partnerships.





Our thanks to our Trust and Foundation funders and our corporate sponsors and partners who have helped make our work possible in the year.

Amazon  
Arcus Infrastructure Partners  
BGC Group  
The Cadogan Charity  
Crucible Foundation  
Greendale Foundation  
Khoo Teck Puat UK Foundation  
Lady Rothes Charitable Trust  
Lights4fun  
Man Group Charitable Trust  
Moondance Foundation  
One4fun  
Red Carnation Hotels  
Roger Raymond Charitable Trust  
Square Mile  
Story of Christmas Appeal  
Tanlaw Foundation  
Theo Paphitis Retail Group  
Tubz

## LOOKING AFTER OUR SUPPORTERS

Starlight is registered with the Fundraising Regulator and we are committed to meeting the Fundraising Code of Practice. Our fundraising activities are legal, honest, transparent and respectful. We take care of supporter data in line with GDPR and have processes to ensure we only contact those who want to hear from us for fundraising purposes. We also ensure that nobody who appears to be vulnerable is asked to commit to giving. During the year we sent just over 800,000 communications by mail and email and received 6 complaints, all of which were resolved without escalation.





# FINANCIAL REPORT A SUSTAINABLE CHARITY



Central to the sustainability of a contemporary charity and at the heart of our values is the ability to respond to the world around us, ever more important in these times of financial uncertainty and global instability. We have demonstrated this resilience to external factors over the past few years, redirecting resources as needed through pandemic and cost-of-living crises and maintaining stable financial performance. Fundraising outperformed expectations over this period, resulting in higher than optimal levels of reserves. As explained in the 2022-23 Annual Report, budgetary decisions were made in that year which temporarily increased our charitable service delivery and brought reserves to £2.4m by the start of the 23-24 financial year.

We budgeted for a small deficit for the financial year, with the aim of reducing our reserves to our stated policy of around £2.2m. For the first half of the financial year, income performance was strong and we looked set to break even. However, a challenging second half of the year in income terms, culminating in a shortfall of just over £450k on our biggest fundraising event, the Blenheim Ball, led to a final deficit for the year of just over £0.5m, bringing our closing reserves to £1.88m. Details of reserves can be found in the Reserves and Reserves policy section of this report and in Note 17 to the financial statements.

By the time we came into the final quarter of the year, we knew that if the Blenheim Ball did not achieve budget, our ability to dial services up and down via a modular budgeting approach would not be the solution. Risks around the economic environment, challenges around fundraising and the importance of maintaining a strong level of services meant that a different approach was needed. When we signed off our budgets for 24-25 in February of this year, we did so on the proviso that we would make substantial changes if needed and had already done some substantial scenario planning. This meant that within a fortnight of the Ball we had detailed response plans ready.

With three year plans in place and a strong understanding of both risks and opportunities, we identified the need for ongoing savings of in the region of £400k a year for the next three years as a strong platform for a sustainable future. As a result we took the difficult decision to restructure our fundraising and central resource operations and to cease some activities. This restructure, which involved the redundancy of ten roles across the organisation and the creation of four new ones, both generated the required savings and refocussed resources to areas of greatest opportunity and impact. All of these changes have been implemented since the year end.

We continue to take a balanced approach to financial management, with maximisation of impact being at the heart of our financial decision making. We are aware of further risks around fundraising

and have implemented a new system of reporting non-financial metrics as well as continued to improve the robustness of our forecasting processes. Diversification of income, commercial opportunities and our experience in working with partners to deliver services means that we are confident of our impact for the year ahead.

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## OVERVIEW OF FINANCIAL PERFORMANCE

Detailed financial performance information is set out in the Statement of Financial Activities and the accompanying notes. In brief, income for the year totalled £4.57m (2022-23: £3.74m) with £4.48m being fundraising. Note that the income figure for 2023-24 includes our biennial Blenheim Ball which is due to happen next in March 2026. The SOFA shows income from charitable activities of £0.06m (2022-23: £0.05m).

Spend on charitable service provision (including allocated overheads) was £2.59m against a previous year spend of £3.2m, noting that in 2022-23 services were temporarily increased in order to reduce reserves built up over two exceptionally strong years. In the coming year, with the fundraising environment expected to remain challenging, we expect to maintain this level of spend on charitable services. Increased reach and impact will continue to be delivered by development of commercial services and by our ongoing work on influencing policy and practice across the NHS. We aim to end the coming financial year with a deficit of in the region of £0.6m, giving reserves in the region of £1.3m. This is below our stated reserves policy of £1.5m to £1.7m; the Trustees have reviewed the risks associated with holding this level of reserves for one year and are comfortable that with the next biennial Blenheim Ball in 2025-26 this position is acceptable.

Financial sustainability is about more than the current deficit or surplus and we continue to invest in our people and our central services to ensure we have a sustainable model of both fundraising and service provision for the years to come.





## RESERVES AND RESERVES POLICY

As at 31st March 2024, reserves stood at £1.88m. Expendable reserves (excluding £0.1m tied up in fixed assets used for the operation of the charity) amounted to £1.78m (23-24: £2.3m) of which £0.3m is restricted funding relating to programmes due for delivery after the year end. £0.1m of this restricted funding relates to our Starlight Health Play Specialist programme, with the remainder being to support our other core work in healthcare settings.

We are committed to funding the Health Play Specialist programme, subject to its having the desired impact, until late 2025, and are aiming to raise a further £0.125m of funding for this project. Until these funds are raised the Board has taken a prudent approach and designated reserves to cover the commitment.

All charities are required to consider how much they need to hold in reserves, in the light of the scale and nature of the charity's activities. We aim to maintain a prudent reserve level which

maximises the funds spent on delivering our purpose whilst ensuring the charity remains viable so it can continue to meet its objectives for years to come. In doing this we consider the funds needed for upcoming plans, taking into account the inherent uncertainties of fundraising, cashflow across the year, and we recognise the need to hold a level of reserves which is sufficient to protect the charity in case of unforeseen circumstances such as the loss of a major event. The Trustees reviewed the Reserves Policy in the year in the light of these factors and believe that a reserves level of between £1.5m and £1.7m is appropriate.

The financial year end is only ever a snapshot at one point in time; funding streams and operational activities are a fluid process and the year end surplus and level of reserves have to be considered in the context of plans for the coming year. Taking into account the expected deficit for 2024-25, together with the ongoing uncertainty of the economic environment in which the charity operates, the Trustees are of the opinion that the level of reserves at the end of the financial year, whilst slightly in excess of the stated policy, are appropriate.



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## GOING CONCERN

The Trustees have reviewed the accounts as well as the charity's budgets and plans for 2025, reserves position up to the date of signing off these accounts and the charity risk register. They have considered the risks, particularly around fluctuations in fundraising levels as the cost of living crisis continues and the economic environment remains uncertain, and believe that the charity has sufficient reserves in place to absorb these. In addition to the changes to the charity structure post year end, designed to maximise financial sustainability, the flexibility of the charity's expenditure model has been proven to allow it to adjust services to meet changes in fundraising levels and the Trustees are confident that the charity can continue to meet the needs of a significant number of families and children for the next twelve months and beyond. The Trustees are, therefore, confident that the charity should be considered as a going concern.

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## INVESTMENT RETURNS AND POLICY

At the start of the year the Charity held £0.2m in managed long-term investments; the Board had reviewed the holding of these investments and, taking into account both poor returns and high fluctuations in value of the investments on the one hand and the risks of holding cash in a high inflation environment on the other, agreed that the charity was best served by disposing of these investments. This process was completed in the year.

The balance of expendable reserves is held as cash and short term deposits. To mitigate the risk of these holdings, funds are split between two leading UK banks. The charity takes a low risk profile attitude to investment of its surplus funds (those funds not required for immediate financial needs), recognising the need to diversify risk across institutions and asset classes.

High risk investments such as traded options, futures, derivatives, and hedge funds are prohibited for direct investment; however derivatives may be used at the discretion of a Fund Manager to reduce risk within an Investment Fund accounts and deposit amounts may only be held with major UK banks, which have specifically been approved by the Board and not more than £2m (or 50% of the total unrestricted reserves, whichever is the lesser) is held in any one financial institution. Funds over and above those required for operating purposes may be held with fund managers in line with the above risk profile. The charity does not permit its funds to be invested in any organisation which conflicts with our mission and aims to avoid investments which could adversely affect its ability to attract either beneficiaries or supporters. Investments in armaments, tobacco or pornography industries are specifically forbidden under the policy.



# PRINCIPAL RISKS AND UNCERTAINTIES

The Audit and Risk Committee is responsible for reviewing the risks faced by the charity and for agreeing the necessary controls to mitigate those risks. The committee meets at regular intervals and reports to the Board of Trustees. Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of our effective governance. In managing risk, the Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that we can make the most of opportunities and develop them with the confidence that any risks have been identified and appropriately managed.

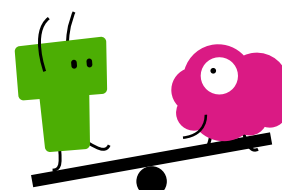
The charity continues to review its Risk Register, identifying in detail risks across the business and ensuring plans are in place to mitigate all major risks as much as possible and to monitor those where mitigation is inherently limited. We recognise that while many of the risks facing the charity remain the same, our ability to absorb the impact should they materialise is reduced as a result of lower reserves. We have therefore increased our focus on forecasting and identifying the materialisation of certain risks at an early stage, allowing us to respond promptly.

The most significant risk to Starlight in the medium term continues to be the impact of the extremely challenging macro-economic environment, which creates significant uncertainty for fundraising and could, in turn, negatively impact our ability to carry out planned programmes of activity. We have seen some impact of this in the financial year just ended. As described elsewhere in this report, we continue to mitigate this risk by building long-term relationships with significant funders, working with partners to deliver services, ensuring we have a broad portfolio of fundraising options and a constant supply of strong cases for support. We are also working to develop an income stream from our charitable activities, with the aim of providing a steady source of funds to mitigate against fluctuations in fundraising income.

We have demonstrated our ability to restructure and redirect resource where needed to counterbalance this risk. Whilst this funding risk is also mitigated by our proven flexible operating model which allows us to scale back services in times of funding shortfall, thus protecting future sustainability, by its nature that reduces our ability to provide much needed services to the children and families for whom we exist.

As with all organisations who work with children and young people, safeguarding risks exist and the management of these remains high on our agenda, with mandatory safeguarding training at regular intervals, specific training around events and oversight by the Safeguarding Committee. Whilst the level of mitigation is such that we do not believe the risk of incident to be high, the impact of any safeguarding failure could have significant repercussions for the charity.

In these times of heightened cyber risk, with the threat level issued by the NCSC remaining at high alert, we have maintained our awareness of potential risk to our systems and assets from a cyber attack. We continue to monitor risks and to work with our IT partner to strengthen our systems, processes and training.



# GOVERNANCE

Starlight Children's Foundation is a company limited by guarantee (registered number 02038895) and a registered charity in England and Wales (charity number 296058) and Scotland (charity number SC047600).

## LEGAL STRUCTURE AND PURPOSE

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 2nd December 1986. Our mission is to support children to experience the power of play to boost their wellbeing and resilience during treatment, care and recovery from illness.

## PUBLIC BENEFIT

The Trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives, and planning. Starlight's services are designed to support the 2 million admissions of children and young people into hospitals and hospices annually.

The critical importance of play is discussed in detail in the Strategy for Play in Healthcare section at the start of this report. Starlight believes children's healthcare services should fully reflect the importance of play to their health, wellbeing, resilience and recovery, and that every child in the healthcare system should have adequate daily play opportunities, appropriate to their condition, supported by dedicated play staff.

## BOARD OF TRUSTEES

The Board of Trustees, who also constitute the Directors for Company Law purposes, are legally responsible for directing the affairs of the charity. They meet as a full Board four times a year and are available as needed in intervening months. All Trustees undertake Safeguarding training on an annual basis, reflecting our commitment to Safeguarding across the organisation. We continue to monitor the skills and diversity of the Board to ensure that the charity has governance across all key areas. With three Trustees having stepped down in the year, the Board has welcomed Betsabeh Solente as a Trustee and, shortly before the year end, began a further Trustee recruitment process.



## COMMITTEES

Three Committees support the work of the Board as a whole, each made up of Trustees, Executive and in the case of the Development Committee, external experts.

**THE SAFEGUARDING COMMITTEE** is responsible for oversight of all Safeguarding matters at Starlight and is chaired by Anna Gawn. The Committee continues to review and update Safeguarding policies and is focussed on monitoring and advising on safeguarding. Day to day Safeguarding leadership responsibilities are delegated to three Designated Safeguarding Leads within the charity, who are also members of the Committee.



**THE AUDIT AND RISK COMMITTEE**, chaired by Ian Harding, works with the Executive team to oversee, manage and mitigate risks across the organisation and is responsible for oversight of the risk register, with key risks being regularly reviewed by the Board of Trustees. The Committee reviews and discusses key risks surrounding budgets and plans prior to discussion and approval by the Board. It also meets with the charity's Auditors at the end of the annual audit process and both they and the Board have the opportunity to question the Auditors both with and without the presence of the Executive.

**THE DEVELOPMENT COMMITTEE** is headed up by Alasdair Hadden-Paton and has this year focussed on planning and delivering the Blenheim Ball, as well as supporting philanthropic fundraising, generously sharing their networks and making introductions. We are incredibly grateful to the committee members for giving their time and expertise.

## The Board comprised six trustees as at 31st March 2024, as follows:

**ALAIN WOLFFE** sits on the Audit and Risk Committee and is a former Executive Director of Strategy and Governance at Canada Life, bringing corporate governance and strategy development experience to the Board. Alain has an empathy and interest in Starlight as the father of a teenager with cerebral palsy.

**DR CHRIS EVANS** is a member of the Health Play Forum and a former NHS Paediatric Anaesthetist. He has an in-depth understanding of the UK health care system and the psychological burden of hospital visits. He is a co-Founder of Little Journey, an app that prepares and supports families through healthcare interactions.

**ANNA GAWN** is a senior consultant who advises NGOs, UN agencies, Governments and others on protection from abuse and safeguarding in international development and humanitarian aid. She provides valuable advice to Starlight on matters that relate to safeguarding.

**IAN HARDING** is a Managing Partner at Arcus Infrastructure and brings fundraising, financial and governance expertise to the Board. He currently chairs the Audit & Risk Committee.

**DR CHRIS KELLY** is a clinician research scientist in the health artificial intelligence team at Google, and a paediatrician at the Evelina Children's Hospital in London. He brings experience of children's services in the NHS, combined with an interest in how technology can improve children's experience of healthcare.

**BETSABEH SOLENTE** is a global marketer and currently holds the position of non-executive director at Toms Gruppen, Denmark's largest producer of sweets and chocolates. She brings experience in driving world-class brands and driving brand relevance for children and parents, as well as digital transformation and building digital centric cultures.

# TRUSTEES DECLARATION OF RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the Charity and of the incoming resources and application of resources, including its income and expenditure, of the Charity for the year. In preparing those 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 judgments and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 requirements of the Companies Act 2006. They 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 Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

## STATEMENT OF DISCLOSURE TO OUR AUDITORS

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

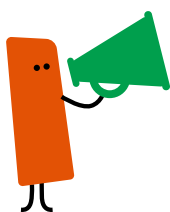
There is no relevant information, being information needed by the auditor relating to preparing their report, of which the group's auditor is unaware.

The Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Board and signed on its behalf:

**Alain Wolffe**  
Chair of Trustees  
10 July 2024



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STARLIGHT CHILDREN'S FOUNDATION



## OPINION

We have audited the financial statements of Starlight Children's Foundation (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year ended 31 March 2024
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## BASIS FOR OPINION

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

## CONCLUSIONS RELATING TO GOING CONCERN

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

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

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



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## OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

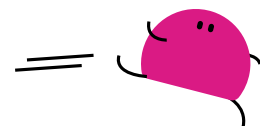
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## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.





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## RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



## CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

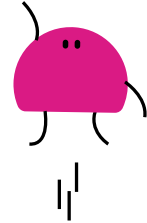
A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



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## USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Partner Name:** Joanna Pittman

**Date:** 23 July 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006



A young child with curly hair is holding a large, flowing purple fabric. The child is wearing a white patterned top. The background is blurred, showing greenery and a building. A green rectangular box is overlaid on the right side of the image, containing the title text.

# **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 MARCH 2024**

# STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)  
For the year ended 31 March 2024

	Note	2024			2023		
		Unrestricted £	Restricted funds £	Total £	Unrestricted £	Restricted funds £	Total £
<b>INCOME FROM:</b>							
Donations	2	3,010,023	434,937	<b>3,444,960</b>	2,325,512	351,880	<b>2,677,392</b>
Value of goods and services donated	2	100,713	238,546	<b>339,259</b>	18,496	360,878	<b>379,374</b>
Legacies	2	696,626	-	<b>696,626</b>	629,688	-	<b>629,688</b>
Charitable activities	4	56,810	-	<b>56,810</b>	49,840	-	<b>49,840</b>
Investments		37,779	-	<b>37,779</b>	7,574	-	<b>7,574</b>
<b>Total income</b>		<b>3,901,951</b>	<b>673,483</b>	<b>4,575,434</b>	<b>3,031,110</b>	<b>712,758</b>	<b>3,743,868</b>
<b>EXPENDITURE ON:</b>							
Raising funds	5	2,489,793	-	<b>2,489,793</b>	2,139,460	-	<b>2,139,460</b>
Charitable activities							
Provision of children's services	5	1,911,800	684,001	<b>2,595,801</b>	2,255,022	966,126	<b>3,221,148</b>
<b>Total expenditure</b>		<b>4,401,593</b>	<b>684,001</b>	<b>5,085,594</b>	<b>4,394,482</b>	<b>966,126</b>	<b>5,360,608</b>
<b>Surplus / (deficit) before net gains / (losses) on investments</b>		<b>(499,642)</b>	<b>(10,518)</b>	<b>(510,160)</b>	<b>(1,363,372)</b>	<b>(253,368)</b>	<b>(1,616,740)</b>
Net gains / (losses) on investments		(5,273)	-	<b>(5,273)</b>	(2,481)	-	<b>(2,481)</b>
Surplus / (deficit) for the year		(504,915)	(10,518)	<b>(515,433)</b>	(1,365,853)	(253,368)	<b>(1,619,221)</b>
Transfers between funds		-	-	-	-	-	-
<b>Net expenditure for the year and movement in funds</b>		<b>(504,915)</b>	<b>(10,518)</b>	<b>(515,433)</b>	<b>(1,365,853)</b>	<b>(253,368)</b>	<b>(1,619,221)</b>
<b>RECONCILIATION OF FUNDS:</b>							
Total funds brought forward		2,099,686	291,583	<b>2,391,269</b>	3,465,539	544,951	<b>4,010,490</b>
<b>Total funds carried forward</b>		<b>1,594,771</b>	<b>281,065</b>	<b>1,875,836</b>	<b>2,099,686</b>	<b>291,583</b>	<b>2,391,269</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

# BALANCE SHEET

as at 31 March 2024

	Note	2024		2023	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	11		105,124		123,072
Investments	12		4,682		235,721
			<b>109,806</b>		<b>358,793</b>
<b>CURRENT ASSETS:</b>					
Debtors	13	560,215		307,307	
Stock	14	215,678		135,138	
Short term deposits		911,164		1,029,716	
Cash at bank and in hand		571,118		1,080,843	
		<b>2,258,175</b>		<b>2,553,004</b>	
<b>LIABILITIES:</b>					
Creditors: amounts falling due within one year	15	(492,145)		(520,528)	
<b>Net current assets</b>			<b>1,766,030</b>		<b>2,032,476</b>
<b>Total net assets</b>			<b>1,875,836</b>		<b>2,391,269</b>
<b>THE FUNDS OF THE CHARITY:</b>					
	17				
<b>Restricted income funds</b>			<b>281,065</b>		<b>291,583</b>
<b>UNRESTRICTED INCOME FUNDS:</b>					
<b>Designated funds</b>		124,000		237,000	
<b>General funds</b>		1,470,771		1,862,686	
<b>Total unrestricted funds</b>			<b>1,594,771</b>		<b>2,099,686</b>
<b>Total charity funds</b>			<b>1,875,836</b>		<b>2,391,269</b>

Approved by the trustees on 10 July 2024 and signed on their behalf by

Alain Wolffe, Chair of Trustees.

# STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

	2024		2023	
	£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net (expenditure) for the reporting period (as per the statement of financial activities)	(515,433)		(1,619,221)	
Depreciation charges	27,515		33,564	
(Gains)/losses on investments	5,273		2,481	
Dividends and interest from investments	(37,779)		(7,574)	
(Profit)/loss on the disposal of fixed assets	544		-	
(Increase)/decrease in stock	(80,540)		65,647	
(Increase)/decrease in debtors	(252,908)		536,967	
Increase/(decrease) in creditors	(28,383)		(465,369)	
<b>Net cash provided by / (used in) operating activities</b>		<b>(881,711)</b>		<b>(1,453,505)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Dividends and interest from investments	37,779		7,574	
Purchase of fixed assets	(10,111)		(7,390)	
Proceeds from sale of property, plant and equipment	-		-	
Proceeds from sale of investments	225,766		-	
<b>Net cash provided by / (used in) investing activities</b>		<b>253,434</b>		<b>184</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(628,277)</b>		<b>(1,453,321)</b>
Cash and cash equivalents at the beginning of the year		<b>2,110,559</b>		<b>3,563,880</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>1,482,282</b>		<b>2,110,559</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS AND OF NET DEBT:</b>				
	<b>At 1 April 2023</b>	<b>Cash flows</b>	<b>31 March 2024</b>	
	£	£	£	
Cash at bank and in hand	1,080,843	(509,725)	571,118	
Money market deposits	1,029,716	(118,552)	911,164	
<b>Total cash and cash equivalents</b>	<b>2,110,559</b>	<b>(628,277)</b>	<b>1,482,282</b>	

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

## 1 ACCOUNTING POLICIES

### A) STATUTORY INFORMATION

Starlight Children's Foundation is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 227 Shepherd's Bush Road, London, W6 7AU.

### B) BASIS OF PREPARATION

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) – (Charities SORP FRS 102), and the Companies Act 2006.

The charity also has a wholly owned subsidiary, Starlight General Trading Limited, a company incorporated and registered in the United Kingdom. The company was dormant in this and the previous financial year and therefore consolidated accounts have not been prepared as the difference between parent and group is immaterial.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### C) PUBLIC BENEFIT ENTITY

The charity meets the definition of a public benefit entity under FRS 102.

### D) GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, they consider the charity's budget and plans together with the risk register and levels of reserves, to form a view that the charity can continue to meet its charitable objectives for a period of at least twelve months from the date of signature of the accounts.

### E) INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Donations are recognised on receipt or when the charity has received a documented pledge or other formal confirmation which creates a constructive obligation to pay, whichever is earlier.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income derived from charges for charitable services is recognised at the time the service is delivered.

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## **F) DONATIONS OF GIFTS, SERVICES AND FACILITIES**

Donated goods, facilities, and services in the financial statements comprise the provision of services and other gifts to carry out charitable activities, including support and administration services, and include discounts given for such goods and services where these are over and above normal commercial discount terms. These are included in the Statement of Financial Activities at the value of the gift to the charity; a corresponding amount is then recognised in expenditure in the period of receipt or, in the case of stock items donated, in the period of distribution. Goods, facilities, and services donated for charitable activities are treated as restricted in nature, while those donated for support activities are treated as unrestricted.

In accordance with the Charities SORP (FRS 102), volunteer time, including that of the trustees, is not recognised.

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## **G) INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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## **H) FUND ACCOUNTING**

Restricted funds are to be used for specific purposes as laid down by the donor or have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the furtherance of the general objects of the Charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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## **I) EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities to further the purposes of the charity and their associated support costs

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## **J) ALLOCATION OF SUPPORT COSTS**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Salaries and associated staff costs are allocated on the basis of time spent on charitable activities, generating funds, and governance. Costs of support staff are shown separately and allocated to each activity based on estimates of the amount of time spent.

Where information about the aims, objectives and projects of the charity is provided to potential service users, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements.

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## **K) OPERATING LEASES**

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

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## L) TANGIBLE FIXED ASSETS

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Office improvements: 15 years
- Furniture: 10 years
- Office equipment: 5 years
- Computers: 3 years

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## M) LISTED INVESTMENTS

Investments are a form of basic financial instrument. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments are included at the higher of their market value using the current bid price at the year end and guaranteed minimum value. Investment income is included, gross of applicable taxation, when receivable. Realised and unrealised gains and losses arising on revaluation of investments are included in the Statement of Financial Activities.

Starlight Children's Foundation does, from time to time, receive donated shares which are listed on the AIM market and which are subject to certain time restrictions. Until these restrictions are met the shares cannot be actively traded on the market. The Charity's policy, due to the volatility of these shares is to dispose of them as soon as the time restriction has passed and the shares can be actively traded and sold.

Where such shares are donated and can be valued they are included in the financial statements as fixed asset investments from such time as they can be sold. Shares held by the Charity which cannot be valued owing to the absence of an active market in which to sell them are disclosed in note 12 to the financial statements.

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## N) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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## O) STOCK

Stock represents goods held pending distribution to service users.

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## P) SHORT TERM DEPOSITS

Short term deposits includes cash balances invested in an instant access money market account.

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## Q) CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with at maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## R) CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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## S) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## T) PENSIONS

The Charity contributes an agreed percentage of the salary to the personal pension plans of permanent employees. For employees who have chosen to join the company pension scheme the pension provider is selected by the employer. Other employees have chosen to select their own pension scheme. All pension schemes are independently administered by, and the funds held by, a recognised pension company. The pension cost charge represents contributions payable by the Charity to the pension funds.

## 2 INCOME FROM DONATIONS AND LEGACIES

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations	1,766,675	434,937	<b>2,201,612</b>	2,033,142	305,371	<b>2,338,513</b>
Fundraising events	1,243,348	-	<b>1,243,348</b>	292,370	46,509	<b>338,879</b>
Value of other goods and services donated (note 3)	100,713	238,546	<b>339,259</b>	18,496	360,878	<b>379,374</b>
Legacies	696,626	-	<b>696,626</b>	629,688	-	<b>629,688</b>
	<b>3,807,362</b>	<b>673,483</b>	<b>4,480,845</b>	<b>2,973,696</b>	<b>712,758</b>	<b>3,686,454</b>

## 3 VALUE OF OTHER GOODS AND SERVICES DONATED

	2024	2023
	Total	Total
	£	£
Charitable activities	<b>238,546</b>	360,878
Fundraising	<b>86,170</b>	4,220
Support services	<b>14,543</b>	14,276
	<b>339,259</b>	<b>379,374</b>

As at 31st March £28,411 of donated goods were held in stock (2023: £36,749)

## 4 INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	Total	Total
	£	£
Income from charitable activities	<b>56,810</b>	49,840
	<b>56,810</b>	<b>49,840</b>

Income from charitable activities comprises monies received in respect of services provided.

## 5A ANALYSIS OF EXPENDITURE (CURRENT YEAR)

	Raising funds	Charitable activities	Governance costs	2024 Total
	£	£	£	£
Staff costs (Note 7)	702,580	666,081	-	<b>1,368,661</b>
Direct costs	295,762	669,041	-	<b>964,803</b>
Fundraising event costs	495,025	-	-	<b>495,025</b>
Donated goods and services	93,442	248,999	-	<b>342,441</b>
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	461,355	506,054	15,182	<b>982,591</b>
Rent & services	155,435	168,664	6,614	<b>330,713</b>
IT & connectivity	89,396	97,004	3,803	<b>190,203</b>
Marketing & communications	86,249	123,655	467	<b>210,371</b>
Depreciation	12,932	14,033	550	<b>27,515</b>
Other office costs	60,336	63,401	49,534	<b>173,271</b>
	2,452,512	2,556,932	76,150	<b>5,085,594</b>
Governance costs	37,281	38,869	(76,150)	-
<b>Total expenditure 2024</b>	<b>2,489,793</b>	<b>2,595,801</b>	<b>-</b>	<b>5,085,594</b>

## 5B ANALYSIS OF EXPENDITURE (PRIOR YEAR)

	Raising funds	Charitable activities	Governance costs	2023 Total
	£	£	£	£
Staff costs (Note 7)	667,376	716,218	-	<b>1,383,594</b>
Direct costs	444,017	1,141,503	-	<b>1,585,520</b>
Fundraising event costs	184,287	-	-	<b>184,287</b>
Donated goods and services	10,333	404,835	-	<b>415,168</b>
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	415,257	493,754	35,372	<b>944,383</b>
Rent & services	159,820	159,820	6,524	<b>326,164</b>
IT & connectivity	82,301	82,301	3,360	<b>167,962</b>
Marketing & communications	77,957	109,511	606	<b>188,074</b>
Depreciation	16,447	16,447	670	<b>33,564</b>
Other office costs	51,817	51,821	28,254	<b>131,892</b>
	2,109,612	3,176,210	74,786	<b>5,360,608</b>
Governance costs	29,848	44,938	(74,786)	-
<b>Total expenditure 2023</b>	<b>2,139,460</b>	<b>3,221,148</b>	<b>-</b>	<b>5,360,608</b>

## 6 NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	2024	2023
	Total	Total
	£	£
Depreciation	27,515	33,564
Loss on disposal of tangible fixed assets	544	-
<b>Operating lease rentals payable:</b>		
Property	211,731	216,311
Other	7,848	5,384
<b>Auditor's remunerations:</b>		
Audit (excluding VAT, which is irrecoverable)	14,600	13,700

## 7 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2024	2023
	Total	Total
	£	£
Salaries and wages	2,000,185	1,908,850
Social security costs	223,942	223,078
Employer's contribution to defined contribution pension schemes	104,402	121,339
Termination payments	31,723	24,000
Agency and temporary staff costs	-	50,709
<b>Total</b>	<b>2,360,252</b>	<b>2,327,976</b>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
	No.	No.
£60,000 - £69,999	6	4
£70,000 - £79,999	-	-
£80,000 - £89,999	-	-
£90,000 - £99,999	2	2
£100,000 - £109,999	1	2
£110,000 - £119,999	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £500,132 (2023: £500,044).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £295 (2023: £nil) relating to attendance at meetings of the trustees. Trustees' indemnity insurance was purchased during the year for £1,318 (2023: £1,267).

## 8 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 43 (2023: 43).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2024	2023
	No.	No.
Children's services	14	14
Raising funds	12	14
Support staff	15	13
	<b>41</b>	<b>41</b>

## 9 RELATED PARTY TRANSACTIONS

A total of £15,000 (2023: £nil) of donated funds without conditions were received from related parties. No restricted donations from related parties were received.

## 10 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 11 TANGIBLE FIXED ASSETS

	Fixtures and fittings	Office furniture and equipment	Total
	£	£	£
<b>COST:</b>			
At the start of the year	223,143	95,811	<b>318,954</b>
Additions in year	-	10,111	<b>10,111</b>
Disposals in year	-	(4,976)	<b>(4,976)</b>
<b>At the end of the year</b>	<b>223,143</b>	<b>100,946</b>	<b>324,089</b>
<b>DEPRECIATION:</b>			
At the start of the year	119,009	76,873	<b>195,882</b>
Charge for the year	14,876	12,639	<b>27,515</b>
Eliminated on disposal	-	(4,432)	<b>(4,432)</b>
<b>At the end of the year</b>	<b>133,885</b>	<b>85,080</b>	<b>218,965</b>
<b>NET BOOK VALUE:</b>			
<b>At the end of the year</b>	<b>89,258</b>	<b>15,866</b>	<b>105,124</b>
<b>At the start of the year</b>	<b>104,134</b>	<b>18,938</b>	<b>123,072</b>

All of the above assets are used for charitable purposes.

## 12 LISTED INVESTMENTS

	2024	2023
	£	£
Fair value at the start of the year	235,719	238,200
Disposal: 20.07.23 32,497.165 units – Charishare Common Investment Fund	(225,766)	-
Net gain / (loss) on change in fair value	(5,273)	(2,481)
Investment in trading subsidiary	2	2
<b>Fair value at the end of the year</b>	<b>4,680</b>	<b>235,719</b>

### INVESTMENTS COMPRISE:

	2024	2023
	£	£
32,497.165 units – Charishare Common Investment Fund	-	230,405
2,000 ordinary shares – Tesco	4,680	5,314
	<b>4,680</b>	<b>235,719</b>

## 13 DEBTORS

	2024	2023
	£	£
Trade debtors	46,723	17,000
Amounts due from associated undertakings	790	790
Prepayments and accrued income	431,300	222,387
Gift Aid debtor	81,402	67,130
	<b>560,215</b>	<b>307,307</b>

## 14 STOCK

	2024	2023
	£	£
Stock held for distribution	215,678	135,138
	<b>215,678</b>	<b>135,138</b>

## 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Taxation and social security	72,949	76,280
Creditors and accruals	325,696	362,701
Deferred income	93,500	81,547
	<b>492,145</b>	<b>520,528</b>

Deferred income relates to income received for future fundraising events.

## 16A ANALYSIS OF NET ASSETS BETWEEN FUNDS (CURRENT YEAR)

	Unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	105,124	-	-	105,124
Investments	4,682	-	-	4,682
Net current assets	1,360,965	124,000	281,065	1,766,030
<b>Net assets at 31 March 2024</b>	<b>1,470,771</b>	<b>124,000</b>	<b>281,065</b>	<b>1,875,836</b>

## 16B ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	Unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	123,072	-	-	123,072
Investments	235,721	-	-	235,721
Net current assets	1,503,893	237,000	291,583	2,032,476
<b>Net assets at 31 March 2023</b>	<b>1,862,686</b>	<b>237,000</b>	<b>291,583</b>	<b>2,391,269</b>

## 17A MOVEMENTS IN FUNDS (CURRENT YEAR)

	At 1 April 2023	Income & gains	Expenditure & losses	Transfers	At 31 March 2024
	£	£	£	£	£
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital programmes</b>					
Health Play Box & equipment provision	28,000	27,480	(43,090)	2,000	<b>14,390</b>
Starlight Health Play Specialists	131,657	188,050	(213,559)	-	<b>106,148</b>
Technology programmes	55,000	5,210	(40,000)	-	<b>20,210</b>
Other hospital programmes	11,968	204,197	(112,259)	(2,000)	<b>101,906</b>
<b>Family &amp; Community Health Play Services programmes</b>	18,209	10,000	(18,209)	-	<b>10,000</b>
<b>HealthPlay Taskforce</b>	10,000	-	(10,000)	-	-
<b>Total donated restricted funds</b>	<b>254,834</b>	<b>434,937</b>	<b>(437,117)</b>	-	<b>252,654</b>
<b>Gifts in Kind</b>					
Health Play Box & equipment provision	36,749	156,117	(164,455)	-	<b>28,411</b>
Family Services programmes	-	18,750	(18,750)	-	-
Insights & Impact initiatives	-	63,679	(63,679)	-	-
<b>Total gifts in kind held as restricted funds</b>	<b>36,749</b>	<b>238,546</b>	<b>(246,884)</b>	-	<b>28,411</b>
<b>Total restricted funds</b>	<b>291,583</b>	<b>673,483</b>	<b>(684,001)</b>	-	<b>281,065</b>
<b>UNRESTRICTED FUNDS:</b>					
<b>Designated funds:</b>					
Hospital programmes	237,000	-	(237,000)	124,000	<b>124,000</b>
<b>Total designated funds</b>	<b>237,000</b>	-	<b>(237,000)</b>	<b>124,000</b>	<b>124,000</b>
<b>General funds:</b>					
General funds	1,739,614	3,896,678	(4,136,534)	(134,111)	<b>1,365,647</b>
Fixed Asset Reserve	123,072	-	(28,059)	10,111	<b>105,124</b>
	1,862,686	3,896,678	(4,164,593)	(124,000)	<b>1,470,771</b>
<b>Total unrestricted funds</b>	<b>2,099,686</b>	<b>3,896,678</b>	<b>(4,401,593)</b>	-	<b>1,594,771</b>
<b>Total funds</b>	<b>2,391,269</b>	<b>4,570,161</b>	<b>(5,085,594)</b>	-	<b>1,875,836</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17B MOVEMENTS IN FUNDS (PRIOR YEAR)

	At 31 March 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital programmes</b>					
Health Play Box & equipment provision	15,649	149,833	(137,482)	-	<b>28,000</b>
Starlight Health Play Specialists	190,000	-	(58,343)	-	<b>131,657</b>
Technology programmes	-	78,500	(23,500)	-	<b>55,000</b>
Other hospital programmes	29,759	56,038	(73,829)	-	<b>11,968</b>
<b>Family &amp; Community Health Play Services programmes</b>	212,000	57,509	(251,300)	-	<b>18,209</b>
<b>HealthPlay Taskforce</b>	-	10,000	-	-	<b>10,000</b>
<b>Wish funds</b>	25,000	-	(25,000)	-	-
<b>Total donated restricted funds</b>	<b>472,408</b>	<b>351,880</b>	<b>(569,454)</b>	-	<b>254,834</b>
<b>Gifts in Kind</b>					
Health Play Box & equipment provision	45,543	133,527	(142,321)	-	<b>36,749</b>
Other hospital programmes	27,000	-	(27,000)	-	-
Family Services programmes	-	227,351	(227,351)	-	-
<b>Total gifts in kind held as restricted funds</b>	<b>72,543</b>	<b>360,878</b>	<b>(396,672)</b>	-	<b>36,749</b>
<b>Total restricted funds</b>	<b>544,951</b>	<b>712,758</b>	<b>(966,126)</b>	-	<b>291,583</b>
<b>UNRESTRICTED FUNDS:</b>					
<b>Designated funds:</b>					
Planned deficit funding	950,000	-	(950,000)	-	-
Hospital programmes	-	-	-	237,000	<b>237,000</b>
<b>Total designated funds</b>	<b>950,000</b>	-	<b>(950,000)</b>	<b>237,000</b>	<b>237,000</b>
<b>General funds:</b>					
General funds	2,366,293	3,028,629	(3,410,918)	(244,390)	<b>1,739,614</b>
Fixed Asset Reserve	149,246	-	(33,564)	7,390	<b>123,072</b>
<b>Total unrestricted funds</b>	<b>3,465,539</b>	<b>3,028,629</b>	<b>(4,394,482)</b>	-	<b>(2,099,686)</b>
<b>Total funds</b>	<b>4,010,490</b>	<b>3,741,387</b>	<b>(5,360,608)</b>	-	<b>2,391,269</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## PURPOSES OF RESTRICTED FUNDS

### HOSPITAL PROGRAMMES

Donated funds restricted to the various activities within Starlight's Hospital Programme.

### FAMILY SERVICES

Donations for our Family Services programme, which provides opportunities for seriously ill children and their families to enjoy time together, with other families, in a safe and fun environment.

### HEALTH PLAY TASKFORCE

Funds restricted to the support of the development of NHS standards.

### GIFTS IN KIND FUNDS

The cost value of items donated to us for use in providing our services. The fund balance represents items received in the year but not yet distributed; these items are held in stock on the balance sheet.

## PURPOSES OF DESIGNATED FUNDS

### HOSPITAL PROGRAMMES

Last year the charity committed to the funding of a number of Health Play Specialists within healthcare organisations for a period of three years (subject to an annual review of impact against objectives). Restricted funds have been raised for much of the project and whilst it is the intention to aim for further restricted funding, the Trustees are designating reserves to cover the full remaining commitment at this stage.

### FIXED ASSET RESERVE

Some of the charity's reserves are tied up in fixed assets which are used for the purposes of the charity. These reserves are not, therefore, available for use and the charity has now recognised this by the creation of a Fixed Asset Reserve, within its General Reserves. Depreciation is charged to this reserve and fixed asset additions are added to it, with the reserve balance always being equal to the net book value of fixed assets.

## 18 OPERATING LEASE COMMITMENTS

Amounts payable under non-cancellable operating leases are as follows for each of the following periods.

	PROPERTY		OTHER	
	2024	2023	2024	2023
	£	£	£	£
Less than one year	216,306	216,306	7,848	7,848
One to five years	865,224	865,224	18,312	26,160
Over five years	307,124	523,430	-	-
	1,388,654	1,604,960	26,160	34,008

## 19 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.



TRANSFORMING CHILDREN'S HEALTH THROUGH PLAY

**Starlight Children's Foundation**

Third Floor  
227 Shepherds Bush Road  
London W6 7AU

[starlight.org.uk](http://starlight.org.uk)  
020 7262 2881



**STARLIGHT CHILDREN'S FOUNDATION**

England & Wales - Charity number 296058

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# Accounts

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# ANNUAL REPORT

**AND**

# FINANCIAL STATEMENTS

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**STARLIGHT CHILDREN'S FOUNDATION**



**YEAR ENDED 31 MARCH 2023**

### **Royal Patron**

HRH Princess Alexandra KG GCVO

### **Co-Founder**

Emma Samms MBE

### **Trustees**

Alain Wolffe (Chair)

Dr Christopher Evans

Anna Gawn (Appointed May 2022)

Alasdair Hadden-Paton ACA (Vice Chair)

Ian Harding

Frenchesca James (Resigned May 2022)

Dr Christopher Kelly

Hina Patel

Mark Tasker

### **Senior Management Team**

Cathy Gilman, CEO

Dr Krutika Pau, Director of Children's Services & Deputy CEO

Nicky Wade, Director of Finance & Resources

Sarah Woods, Director of Fundraising and Marketing

### **Registered Office**

Starlight Children's Foundation

227 Shepherds Bush Road

London W6 7AU

[www.starlight.org.uk](http://www.starlight.org.uk)

020 7262 2881

### **Audit and Risk Committee**

Ian Harding (Chair)

Chris Kelly (appointed October 2022)

Alain Wolffe

Hina Patel (resigned October 2022)

### **Safeguarding Committee**

Anna Gawn (Chair)

Samuel Butler

Georgina Cox (resigned June 2023)

Ceri Davies (resigned June 2023)

Dr Sandy Gulyurtlu

Dr Krutika Pau, Director of Children's Services & Deputy CEO

Laura Walsh

### **Advisory Committee (until October 2022)**

Dr Chris Evans (Chair)

Dr Luca May Brad, Senior Research Fellow, UCL Institute of Ophthalmology

Professor Lucy Bray, Professor of Child Health Literacy, Edge Hill University

Kath Evans, Director of Nursing (Children's) at Bart's Health

During the year the Committee devolved its work to the Health Play Forum and was dissolved.

### **Development Committee**

Alasdair Hadden-Paton (Chair)

Oliver Hardcastle

Olivia McCall (from Jan 2023)

Alex Spencer-Churchill

### **Bankers**

HSBC plc, 25 Wigmore Street  
London W1H 0DP

Lloyds Bank plc, 25 Gresham Street  
London EC2V 7HN

### **Solicitors**

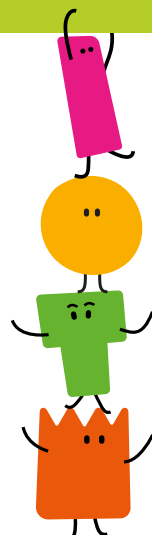
BDB Pitmans, One Bartholomew Close  
London EC1A 7BL

### **Auditors**

Sayer Vincent LLP, Invicta House  
108-114 Golden Lane  
London EC1Y 0TL

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# A MESSAGE FROM

# OUR CHAIR

Starlight is the national charity for children's play in healthcare, supporting children to experience the power of play to boost their wellbeing and resilience during treatment, care and recovery from illness.

Play is not a choice; it is crucial to the health and wellbeing of children. From our research, children, their parents and health professionals tell us that everyday play opportunities reduce the stress, anxiety, and trauma of treatment; and can even reduce feelings of pain as well as the need for sedation, which also creates efficiencies and economic value for the NHS.

The speed of progress of our policy and public affairs work this year evidences the real need for more recognition of the importance of play in healthcare. At Starlight we value working together for our purpose and we know that the best way to maximise our own impact for children and young people is to work in collaboration with other organisations. The recommendations from our "Play in Hospital 2022" report in October led to an invitation from NHS England to co-chair a taskforce to develop and progress programmes of work on the accreditation of health play specialists, and national guidance and practice standards for health play services.

Our advocacy work is better informed and more insightful because we are simultaneously delivering services and developing the good practice that we want policy to support. It's therefore essential that we continue to meet the growing demand for our play and distraction services in hospitals.

Income growth would always have been challenging in this financial year as it was not a biennial Blenheim Ball year. With the additional challenge of a very sudden cost-of-living crisis our team has placed particular emphasis on philanthropy and partnerships which have been less impacted by the reduction in the discretionary pound. Using business intelligence and insight, they have focused on activities most likely to generate the best return on investment, while developing new products including a digital playstore to increase reach and engagement.

**"Play is not a choice, it is crucial to the health and wellbeing of our children"**





Across the organisation there has been a focus on partnership and collaborative working to ensure that we continue to grow our impact for children and young people despite the evident economic challenges. We have also piloted our first commercial partnership with NHS England in the delivery of a programme of play to support preparation, distraction and recovery for the children's covid vaccination programme.

As the UK recovers from the impact of the pandemic, this has been another year of significant uncertainty for everyone. The plan we created for the year, by necessity, had in-built flexibility to ensure that we could support as many children, families and hospitals as possible while maintaining a sustainable position for Starlight. We could not have predicted the level of political, economic and social volatility over the last 12 months and it is impressive the way in which the Starlight team have been able to respond.

Living our values and the wellbeing of our team are of primary importance at Starlight and this year we have developed a colleague experience strategy that focuses on the moments that matter for our team and their life at Starlight. Through our self-awareness development programme our aim is for our colleagues to think for themselves, manage their environment and make appropriate, balanced decisions for themselves, others and for Starlight. In this way we create a supportive and inclusive environment where people thrive, belong and are able to deliver the impressive progress that you will read about in this report. **Thank you.**

Alain Wolffe





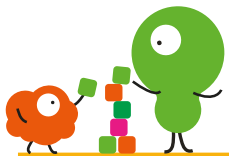
# PROTECTORS OF PLAY

## OUR STRATEGY FOR PLAY IN HEALTHCARE

**We aim to enable all children in the UK to have their right to play protected and provided for when they are receiving healthcare – in or out of hospital.**

“Play is arguably the most authentic expression of identity, the essence of who we are. Children have a fierce need to play because they are at the start of their great journey of Life. Play is how they investigate the world and explore their place in it, what they think about, and what matters to them. Play is where children learn to build and navigate relationships. It is where children can be free to express complex feelings – joy, terror, jubilation or just astonishment at daily life - to anchor themselves, to find agency, to be who they are”

**VIRGINIA RADCLIFFE**



We believe the highest attainable standard of health can only be realised if children are supported to engage in play.

The UN Convention on the Rights of the Child states that every child has a right to play and a right to express their views, feelings and wishes in all matters affecting them. They have a right to have their views considered and taken seriously and a right to the best possible health.

Play is a vital way children\* gain agency in their treatment, a sense of autonomy and control; and is an important way to express thoughts and feelings in a healthcare setting. The capabilities that children naturally use and develop through play, such as emotional flexibility, risk awareness and adaptability, are also the very qualities that can most support their positive experience of healthcare. Play helps children to navigate the world, to find their own solutions, to communicate and to connect with others.

Engagement in play in hospital can make a transformational difference for children and their families:

- Enabling them to have a more positive experience of hospital.
- Reducing the anxiety, fear and stress associated with being in hospital.
- Reducing the feeling of pain associated with treatment which can reduce the need for sedation and other costly interventions.
- Helping build resilience which helps them to cope and be better engaged with treatment.
- Strengthening family wellbeing and relationships
- Improving the rapport between the health professional, child and family.

We believe that children's healthcare services should fully reflect the importance of play to their health, wellbeing, resilience and recovery, and that every child who is an inpatient should have daily play opportunities, appropriate to their condition, supported by dedicated play staff.

\*References to 'children' include children, babies and young people.

The three strands of our strategy for play in healthcare – the **delivery of services, evaluation & impact measurement** and **advocacy & policy** – are integrated to achieve these aims and to maximise the impact of our work.



**HEALTH  
PLAY  
SERVICES**



Our services respond to our research and evaluation to meet the play needs of children in healthcare. They enable us to innovate and pilot new approaches, and to generate the insights for us to maximise our impact and inform our policy and advocacy work.

**INSIGHTS  
AND  
IMPACT**

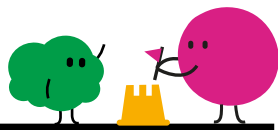


Research and evaluation of our services and of the health play field more broadly – including listening to children, families and their health professionals – generates learning for service improvements, identifying gaps in provision and needs for systemic change.

**ADVOCACY  
AND  
POLICY**



Drawing on insights from our research and service delivery, our policy influencing and partnership building activity works towards systemic change in the healthcare system, aiming to secure full recognition and support for all children's right to play when they are sick.



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## OUR HEALTH PLAY SERVICES

We provide carefully curated services in healthcare settings to enable children to enjoy the simple, normalising and healing power of play. We support health play professionals and their colleagues with specialised play resources to help children to better understand, be less anxious, and more engaged in their own care and treatment. We arrange playful activities and events for children and their families to take time away from treatment to have experiences and create memories together that really matter.

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## OUR INSIGHT & IMPACT WORK

We are evidence led and believe in the importance of sharing our insights with others. We value understanding the experiences of children and take time to find different ways to hear their voices.

We respect their right to an opinion and to have agency in their own health and wellbeing. We also collate and share information on the state of play in UK healthcare, by consulting with health professionals and bringing together existing data on service provision. We evaluate the impact of our services for children's mental health and wellbeing and respond to the feedback we receive by making improvements and developing our services tailored to the needs of children.

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## OUR ADVOCACY & POLICY WORK

We amplify the impact of our service delivery and research by advocating for children's right to play and by working in partnership for systemic change in the healthcare system.



# THE STATE OF PLAY IN HOSPITAL

Over the last five years the combination of an ongoing review of the research into play in health care and qualitative and quantitative research into the experiences of children undergoing treatment and their families has created unique and valuable insight. This insight drives our decision-making and helps us to measure the impact of our services. It has also given us a mandate to develop a voice of influence on behalf of play professionals as well as children and their families.

Until now there has been a lack of comprehensive and cohesive data on the state of play in healthcare across the UK, which has prevented us from quantifying the scale of the need for play provision and the degree to which our services are meeting that need. This year we began what we intend to be a permanent piece of research at Starlight, combining publicly available data and 200 freedom of information requests to hospitals to build a clearer picture of:

- The number of children treated;
- The geographical distribution of hospitals treating them
- The types of procedures undergone.
- The number of dedicated play staff
- Budgets and resources for play teams.





Our research, as expected, has uncovered significant differences in the provision of and access to play in hospitals across the UK. This insight enables us to target our resources to where there is most need, thus maximising our impact. It will also support our policy and public affairs work as we evidence the need for change.

The research is unique and strengthens our fundraising case for support by evidencing the need for the services that Starlight provides. We also believe it has an economic value for many organisations and, as part of our exploration of potential commercial income streams, we will be investigating the possibility of commercialising this research.

**In the coming year we will be continuing this research, using the insight we gain to influence systemic change, inform our service development, allow us to target resources to address inequalities and create cases for support for our fundraising.**

**2m** Hospital admissions in year aged 0-17

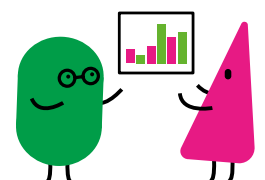
**468** Health Play specialists in post

**413** Other play staff

**40%** Hospitals with play staff at weekends

**77%** Hospitals with no play resource budget

**87%** Hospitals without play policy / guidance



## A CULTURE OF PARTICIPATION

We believe that participation is intrinsically linked to evidence-based decision making; it is by involving those affected by a decision that we gather insight. As a children's charity, it is critical that, to truly understand the impact of the state of play in hospital and hence the extent of the need for change, we listen to the voices of children.

Children have a right, codified in the UN Convention on the Rights of a Child, to have not only their voice heard but their opinion taken into account, to be active participants in decisions which affect them. Decisions about a child's healthcare are often taken solely by parents, carers and medical professionals and we continue to search for ways to enable children to be participants in, not merely recipients of, their own healthcare.

Our insight and impact work has involved children's voices for years, whether gathered directly or via our network of health play professionals. This year has marked a step-change in our approach to ensuring we are listening to children's voices, with the start of development of our first organisation-wide participation strategy. In this we aim to create a culture of listening, agency, recognition and respect across our organisation, championing participatory approaches in play and healthcare. We want children who use our services to have a say in how those services are developed and delivered. And it is by understanding their perceptions, attitudes and lived experience that we can support Health Play Specialists as they advocate for the children in their care to have agency in healthcare decisions.

It is key to us that the children and young people who are involved with Starlight in this way gain value from the experience and we have been working with Participation People to build our strategy, ensuring children and young people are actively involved in developing the strategy itself.



# RESOURCING PLAY IN HOSPITAL

## OUR WORK WITH HEALTHCARE SETTINGS

We know how critical play is for children in hospital and other healthcare settings and yet our research indicates that up to 30% of hospitals do not have dedicated play staff. Even where play was well resourced pre-pandemic, many hospitals have not fully restored those levels of service. Whilst we work for the systemic change needed to ensure every child in hospital has the space and opportunity for play every day, our play services fill a critical need for hundreds of thousands of children in hospitals and hospices across the UK.

### PROVIDING PLAY RESOURCES

77% of the Health Play Specialists we surveyed have no budget for play resources and for those that do it is generally very limited. Starlight Boxes are packed with toys, games, arts & crafts, books and other play-related items, all carefully chosen to encourage play, inspire imagination, prepare for or distract from treatment, or entertain children during long hours alone. In many hospitals there are few or no trained play professionals and this year we have introduced

information leaflets to give all healthcare staff additional ideas for play. Our plan for this year was to send out 5,000 Starlight boxes; we dispatched 6,500 to a total of just over 600 healthcare settings. We aim to maintain this service level in the coming year.

Our partners at Amazon have continued their campaign to interest more children in STEM subjects (Science, Technology, Engineering and Mathematics) and have provided almost nine thousand STEM packs to our network of health play professionals, along with training for play staff.

Early Years play is critical for development in babies and toddlers and Health Play Specialists tell us that this is where they often find it hard to find resources or ideas. In response we have launched a trial of a new Baby Box, specifically designed to support developmental play. We will be continuing this trial into the coming year and also working on specialised resources to support play staff in preparing children for treatment.

During the year we sent hospitals, hospices, community healthcare settings and ambulance crews...



## Funding Health Play Specialists

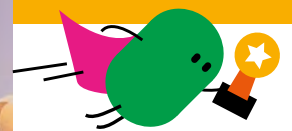
We aim to see Health Play Specialists in every healthcare setting and this year we have funded four of these posts, allowing settings that could not otherwise afford them to engage play staff for three years. These Starlight Health Play Specialists work across hospital, hospice, community and home settings, in close collaboration with the Starlight Play team, benefitting from a level of training and support they might otherwise not have access to. This allows us to test and trial new products and gives us the ability to showcase excellence as we develop national standards for health play, as well as providing the settings with much-needed frontline play resource. You can read more about this work on development of standards elsewhere in this report.

## Health Play Champions

Play professionals often work in isolation, with limited opportunities to share ideas or hear about new practices. They are also a critical link between Starlight and the healthcare settings, providing insight about needs on the ground and the impact of the resources we provide, allowing us to continue to improve our services. This year we have recognised this synergy in the creation of our Health Play Champions network, where those involved in health play help us test and trial new products and have access to training opportunities and the chance to share experience with and learn from each other. In the coming year we aim to continue to grow the network further and to expand the training opportunities offered.

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Health Play specialists, Play workers, youth workers, medical staff and nursery nurses are Starlight Health Play Champions.




  
 I can't make the children on the ward better but I can make their time in hospital better. Being there for them and giving them the opportunity to play means their time can be the best it can be"

**Claire Pickett, Southampton Children's Hospital, Starlight Health Play Specialist of the Year 2022**



**Play in Hospital week**

As part of our work to raise the profile of the importance of play in the health and wellbeing of children, each year we support National Play in Hospital Week, organised by the National Association of Health Play Specialists. We also recognise the critical role both Health Play Specialists and other frontline staff play and the fantastic work they do with our annual Health Play awards, celebrating just a few of those who, alone or in teams, work tirelessly to provide play opportunities and resources for the children in their hospitals.

**Reducing distress with Virtual Reality**

Together with our partners at Leeds Children's Hospital and Leeds Beckett University, we have carried out the largest study of its kind on Virtual Reality (VR) in children's healthcare, discovering that it was both an effective form of distraction and actually improved the experience of treatment. With the potential for economic savings to the NHS, in the coming year we are extending our pilot programme to include more hospitals in the Leeds area.



- 91%** of children using VR said it made treatment better
- 87%** said they felt little or no pain during treatment
- 95%** of children asked chose to use VR
- 81%** said they'd choose it again

## Play beyond the hospital

We know from our work with children and families outside of hospital over the years that they face challenges in accessing a range of play, whether logistical, creative or driven by public attitudes to visible conditions (families tell us that at Starlight events they don't feel they're stared at for being different). This year children and their families have enjoyed activities ranging from a five day 'escape' at a fully accessible farm cottage, to trips to theme parks and an outdoor Adventure Centre. In total 198 children and their families attended a Starlight event in person and 318 enjoyed services at home.

We reported last year that we planned to review our services in this area and talk to children, their families and health play professionals to understand how we can have the most impact. This work has been completed and in the coming year we plan to be focusing increasingly on delivering simple but impactful events and activities, such as being active out of doors. Travel distance can be a barrier for many seriously ill children so we are aiming to 'think local', delivering a larger number of smaller activities for children closer to where they live.



### In the coming year we will:

- Continue our delivery of play resources into healthcare settings, looking always to maximise our impact
- Continue the pilot of Starlight Health Play Specialists and carry out a first formal impact review of these posts
- Grow our network of Health Play Champions and expand the training we offer them
- Extend our VR pilot to 4 more hospitals, verifying our findings about impact on a larger scale
- Develop our programme of simple, impactful events outside of hospitals





# THE ECONOMIC VALUE OF PLAY IN HOSPITAL

We know that the importance of play can be trivialised and marginalised, especially where commissioners are managing constrained budgets. Given the importance of efficiencies in the NHS, we believe that being able to demonstrate the economic value of play is directly linked to achieving wider adoption of and investment in play provision and hence systemic change.

This year we have worked with Pro Bono Economics to begin to understand how we might demonstrate the economic value of our services, using our Distraction and Boost boxes as a starting point. Data was gathered from 105 healthcare professionals, with results

suggesting that they could both deliver value for money for hospitals and free up healthcare staff time:

- Use of a Starlight Box could shave off six minutes from the average treatment
- Our programmes could free up 6,500 staff days a year (equivalent of £2.2m) based on the number of Boost & Distraction boxes provided to healthcare settings
- Sedation could be avoided in as many as 100,000 treatments per year, the equivalent of a saving of up to £1m a year
- Savings to healthcare settings overall could be 4 times the cost of the programme

Although these estimates were based on recollections of a relatively small sample of healthcare professionals and are likely to be subject to significant uncertainty, this work is a valuable start to demonstrating the importance of play to an efficient healthcare system as well as to the wellbeing of children.

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## INCOME FROM OUR CHARITABLE ACTIVITIES


The pandemic demonstrated the importance of the diversity of income streams and as part of our sustainable income generation strategy, we have this year begun to explore opportunities for generating revenue from our charitable activities. The increased awareness we have built of the critical importance of play in healthcare, the widespread acknowledgement of our experience and expertise, reflected in our partnership with NHS England, and the research on economic benefits for the healthcare system, give us a strong base from which to enter into commercial contracts for services.

All children, not just those who are seriously ill, interact with the healthcare service and this year we have had the opportunity to work as


a commercial partner with the North London NHS Trust, supporting their covid-19 vaccination programme for children. Approximately 5,000 children benefitted from preparation materials provided to their parents and carers followed by play and distraction at the vaccination centre, giving them a positive and playful experience and highlighting the value of play in preventative as well as treatment sessions.

As well as providing a further sustainable income stream, these contracts will further our aim to ensure that all children in the healthcare system have access to valuable play opportunities. We know that the private healthcare system, for example, has funding available but limited access to the expertise needed to integrate play into their care. In the coming year we are exploring how we might work with the private healthcare system to provide services on a commercial basis.





# WORKING IN PARTNERSHIP FOR SYSTEMIC CHANGE



Our third Play in Hospital report launched during Play in Hospital Week in October, combined the findings from an external policy review and our research into the state of play in hospitals. A critical finding was that play services had not been restored to pre-pandemic levels and this became a focus for an immediate call to action as well as significant press coverage for the report.

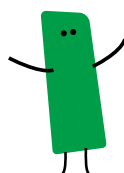
The report called for children's right to play within the healthcare system to be a bigger priority, and for health play specialists to become better recognised and more widely available to the children who so badly need them. The report was discussed by our quarterly Health Play Forum and as a result, thanks to the leadership of Kate Pye, Deputy Director of Children and Young People in the NHS, we were invited to co-host a taskforce with NHS England, bringing together relevant professional bodies and sector specialists to tackle three specific areas:

- Health Play Specialist accreditation and development
- Guidance and service specifications for commissioners and trusts
- National Standards for health play services

We expect the recommendations from the taskforce, which have the potential to deliver the systemic change that we seek, to be reported in the Autumn of 2023. We have developed a new case for support based on this work and have already begun to identify funding partners, which we hope will allow Starlight to be a chosen partner for the delivery of these recommendations.

## Our report recommended

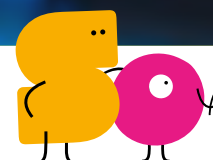
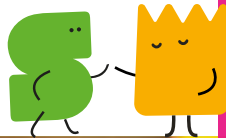
- **Recognition of Health Play Specialists as an integral part of the healthcare workforce.**
- **Nationally recognised practice standards for health play services**
- **Effective national guidance for play in healthcare developed & implemented**
- **Funding identified by health service commissioners for adequate levels of health play provision**
- **Play services in healthcare settings now return, as a minimum, to pre-pandemic levels**



## Sharing expertise: a Symposium on Play in Children's Healthcare

Towards the end of the year we were privileged to co-host a symposium on play in children's healthcare with the Play in Education and Learning (PEDAL) team at Cambridge University. This event, chaired by Professor Paul Ramchandani, shone a spotlight on the often overlooked role of children's play in healthcare settings; and considered current research in the field and how it might inform policy, workforce development and future improvements in practice. Our keynote speaker, Professor Imelda Coyne of Trinity College, University of Dublin, presented her research on supporting children's agency in their own treatment; and the role of play in enhancing their experiences of healthcare. The symposium brought together experts from across the sector including academics, play professionals and other charities.

We have also, this year, introduced a quarterly Health Play Forum. By bringing together policy makers, academics, play professionals and other partners, to discuss key focus areas such as the role of play in mental health and the work being done by our Joint Taskforce, we can drive forward action across health play. It is by this type of collaborative working, central to Starlight's culture, that deeper, faster change will happen for children.



# WE ARE STARLIGHT

VALUING EACH OTHER AND THOSE AROUND US

We believe that our success depends upon a culture where everyone can belong, feel safe and thrive. Our values are the agreed standards that govern our behaviour and are central to our decision-making and the choices that we make. Our development programme focuses on individual awareness of our own values, strengths and preferences – essentially what makes us who we are – to help all colleagues think for themselves, manage their environment and make appropriate, balanced decisions for themselves, others and Starlight. We believe that our strength is in our differences and constantly strive towards an authentic workplace culture with equity, diversity and inclusion as central principles that drive our actions.

## OUR VALUES

**“Our standards and the environment we create through our behaviours”**



**Responding to the world around us**

We are inspired by the changes in the world around us. We have the freedom and courage to try something new, always learning and adapting to people’s needs. It means trying stuff out, seeing what happens and pushing our boundaries.




**Working together for our purpose**

We aim high, think big, are imaginative and curious in everything we do. We celebrate our achievements, and we help and support each other when challenges come. We all play our part in our purpose and have fun along the way.



**Taking the time to understand**

We take the time to understand ourselves and our impact. We actively listen, seeking to learn and understand from everyone’s experiences in life. We are open to the opportunities and possibilities this awareness brings to ourselves, others, and Starlight.



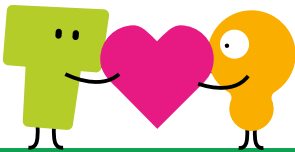
**Trusted to be our best**

The trust we have in each other, and our purpose guides our decisions, choices, and actions. When we are trusted our confidence grows, we ask for help, and we feel safe to be who we are. In any situation we say ‘we’ rather than ‘they’. Most of all we trust in the Power of Play for children and adults alike.

## INVESTING IN OUR CULTURE AND OUR COLLEAGUES

Through so much uncertainty and volatility, and a very tight post-pandemic labour market, investment in our culture and colleague experience remain a priority. This enables us to recruit and retain the very best talent and gives us the best chance to achieve our ambitious plans for Starlight.

The focus of our colleague experience strategy is to create a working environment where everyone can feel safe, thrive and **belong**.



We think carefully about why people would **choose** Starlight as an employer.

We take the time to understand candidates for roles and give them and Starlight the best opportunity to make a conscious decision about alignment of purpose, values, experience and expertise.

We think about what it feels like to **join** Starlight and how we can support and enable colleagues to be their best from day one, living the excitement they felt at interview and feeling valued and having consistency of experience and expectation.

We nurture a **growth** environment enabling colleagues to bring all that they are to our purpose.

We **recognise** and celebrate what matters to ourselves, others and the Starlight culture and we support the desire for **progression** in Starlight and the wider world.

We value each other and are proud to be Team Starlight.

We know that charity salaries can be a controversial subject. At Starlight we view them as an investment rather than a cost and prioritise fair reward for our committed and dedicated team. This has been especially important during a very sudden cost-of-living crisis where their wellbeing has been paramount. This year we have worked with an external partner to carry out a salary benchmarking exercise for all our roles. We know that with fluctuations in the market inequalities can arise over time and where we found salaries were below a benchmarked average we adjusted them.

The Trustees approve the overall salary budget and specifically the remuneration of the Senior Management Team. The budget takes into account affordability for the charity, inflation and market rates at the time. All Senior Management Team roles were included in the external benchmarking and this data informed the decision of the Trustees.

We have also reviewed our benefits package in line with industry benchmarks. In the coming year we will be continuing to focus on colleague wellbeing and plan to introduce a progression policy, which can support career progression in a small organisation where promotion opportunities may be limited.

We can begin to see cultural shifts as a result of the introduction of our development programme last year as we see colleagues making active choices and decisions about their own behaviour. We are also developing a culture of giving feedback as useful information in a timely way. The programme has been widened beyond the leadership team and by the end of the next financial year we hope that all colleagues will have been given the opportunity. This helps to create a common language and a level playing field for every colleague which is central to our belief in equity, diversity and inclusion (EDI).

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## A CULTURE OF EQUITY, DIVERSITY AND INCLUSION

EDI requires demonstrable action throughout the organisation, from the people who use our services, to our colleagues and Trustees. This year we have worked with a specialist consultancy who are supporting us to create a genuinely inclusive environment through the design and co-delivery of EDI vision and principles. The foundation for this has been active listening sessions with every member of the Starlight team to understand their experiences and what matters to them. This has also helped us to define some programmes of work that will be led by our internal EDI group.

### Equity, Diversity & Inclusion in our services

We are committed to ensuring that our services are accessible, relevant and inclusive to all the children and families we support. This year we have begun the structured gathering of diversity data to understand if there may be gaps in our reach which could indicate accessibility or inclusivity issues. In the year ahead we will be transforming data into insight and implementing any necessary changes.

We continue to review the contents of our Boxes to ensure materials are relevant and accessible to the broadest possible range of children and to work with suppliers when planning events to maximise accessibility of venues and activities.

### Equity, Diversity & Inclusion in our fundraising

We are committed to making all our supporter engagement opportunities and products accessible, relevant and inclusive. We said last year that we would begin gathering diversity data on our fundraising audience and use that data as part of our decision making to ensure diversity of audiences. In the year, particularly as we have developed our digital fundraising, we have made considerations around diversity of audience and accessibility central to our planning. Our focus on being a physically visible presence in our local community has, in itself, increased awareness among groups we might not reach through our other channels and we intend to continue to expand this in the coming year.

It is important that our communication plans reflect the diversity of audiences that we engage with at Starlight. There has been an initial focus to ensure that the diversity of stories and imagery that we share, especially on our most proactive communications including social media, enable different audiences to see themselves as an important part of Starlight.

The increased understanding that we are gaining through our business intelligence and market research work, mean that in the year we plan to be more targeted and more relevant with our reach into diverse communities.

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## A CULTURE OF SAFEGUARDING

Safeguarding is integral to our culture and for many years we have had very strong policies and training for the safeguarding of children and vulnerable adults, which are reviewed regularly. All colleagues and Trustees undergo safeguarding training as part of induction and then on an annual basis. Safeguarding, however, goes beyond the children and families we support, and this year we have introduced a code of conduct for Starlight fundraising events, designed specifically to protect our team. Since the year end we have developed a Safeguarding our Colleagues policy, to ensure that all our people feel safe and fully supported in their work at Starlight.





# HOW WE RAISE FUNDS

Our ambitious strategy for play in healthcare is supported by a fundraising and marketing strategy that aims to increase awareness and understanding of play; and to inspire audiences to support our work.



## OUR STRATEGY FOR FUNDRAISING AND MARKETING

We focus on an organisational fundraising culture, ensuring that our team and supporters are equipped with the knowledge and the tools they need to raise money and awareness. We use business intelligence to drive choices and decisions in fundraising activities and products that give the best chance of a significant return on investment. We try to ensure that every touchpoint with the public is an opportunity to increase reach and inspire action.

Our strategy allows us to respond to changing contexts and the impact of the cost-of-living crisis on the discretionary spend of the public means that our current strategic focus is on high value fundraising: corporate partnerships, trusts & foundations, philanthropy and events. Not all partners can, or wish to, provide financial support and Gifts in Kind are important to our strategy as another way to involve them in the delivery of our services.

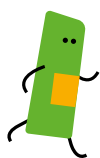


## BUILDING CASES FOR SUPPORT

As well as ensuring that we optimise our impact for children, our Protector of Play strategy supports increasing awareness, reach and engagement for Starlight through strategic communication and storytelling. This, with the flexibility of our case for support – which has its feet firmly planted in the immediate improvement of children’s lives in hospital through to the systemic change that we seek – offers diverse access points for partnership and alignment with many companies, trusts and foundations at all levels.

We create space for restricted funding opportunities that enable us to pilot new activities or give longer term commitment to projects and we are also especially grateful for unrestricted funding during the current economic volatility as this gives the much-needed flexibility to deliver services in a sustainable way.

Our research and insight enable us to set out clear evidence of need and the impact that partners can help us to achieve. We launched our 3rd Annual Play in Hospital Report in October during Play in Hospital Week and this unique publication about the state of play in hospitals created an unprecedented level of press, radio and TV attention in support of our Christmas Campaign.



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## INSIGHTFUL FUNDRAISING

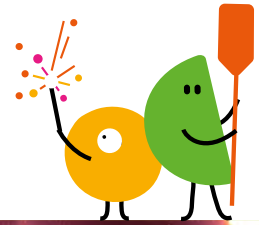
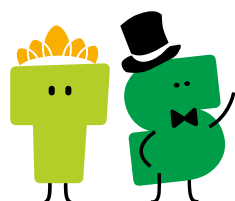
Evidence-led decision making is critical to successful fundraising and this year we have refocused our Data team to be a Business Insight function, dedicated to working alongside the fundraising team to generate insight on current and potential supporters. This will drive insight-based decision making as we continue to develop, trial and test a diverse range of new fundraising methods. Improved data and insight has also allowed us to create more targeted fundraising appeals, reducing mailshot costs and allowing more of the money raised to reach our charitable activities. In the coming year we will be continuing this work on a better understanding of our supporter base as well as working with outside agencies to gain further insight into the fundraising market as a whole, ensuring our fundraising tools remain relevant and appropriate.

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## OUR PARTNERSHIP & PHILANTHROPY WORK

With the economic climate providing fresh challenges in an already tough public fundraising market, we have chosen to put a particular focus on our partnership and philanthropy work, moving resource to this area to increase our capacity, particularly for funding applications to Trusts & Foundations. On the corporate front, we have continued to work with our current partners and to seek new ones, as well as taking a more strategic view of Gifts in Kind, identifying partners who may be able to enable us to increase our charitable services or provide other non-cash support.

We continue to work to build multi-year relationships with funders of all types, a strategy that will allow us to commit to multi-year programmes of charitable activities. We will continue to use our networks to engage with potential supporters, whether individual or corporate, and to work on identifying those who may engage with our charitable work and be willing to support us.



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## OUR SPECIAL EVENTS

Following on from the success of our Blenheim Ball in March 2022, in the summer of 2022 we celebrated the return, for the first time since the pandemic, of two long-standing major fundraising events. Our clay-pigeon shooting event at the iconic Highclere Castle brought together 81 enthusiasts, whilst our race-going supporters enjoyed a Starlight day at Newbury race course, both events successfully raising much needed funds for our work. These events took place again in May 2023 and work is now underway on the planning for our 2024 Blenheim Ball. We continue our review of our special events to ensure that they remain relevant to those attending and in line with our values.

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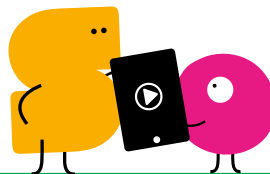
## ROWING THE ATLANTIC

We were proud to have, for the third time, a team of our supporters take part in the Talisker Whisky Atlantic Challenge Team *This Way Up* completed the 3,000 mile, unsupported row in just under 32 days and raised a record £228k for us. We are particularly grateful to the team sponsors, whose generosity enabled all of the money raised to be donated to Starlight.

## OUR PUBLIC FUNDRAISING

With more than a third of our fundraising income coming from our public fundraising work, whether regular giving, direct appeal, community work or challenge events, it is critical that our fundraising products remain relevant and effective. Despite the difficult economic climate, we have remained committed to our plans to trial and test new fundraising products as well as maximising the efficiency of our existing ones.

This year we have implemented our first comprehensive Digital strategy: introducing new digital products, adding digital elements to existing ones and replacing some methods that are no longer producing good returns. There have been challenges too, most notably the ever changing algorithms on social media platforms, which highlighted the dangers of over-reliance on a single platform. We recognise that to reach a diverse audience we need to employ both digital and traditional methods; many of our supporters respond better to a traditional mail or a blended approach, and our regular mail appeals continue to generate significant income. With costs of outsourcing rising, we have this year brought our public fundraising fulfilment in-house, generating significant cost savings both this year and for the future.



### This year in Public Fundraising:

- Digital stewardship of our London Marathon runners caused an explosion of social media interest and awareness, doubling the numbers interested in running for us next year
- A *Play is a Human Right* digital 'handraiser', asking our social media followers and their networks to declare their support, raised awareness and increased our network of potential supporters
- Starlight Playstore launched, a digital giving store where the public can choose and pay for specific toys for our hospital boxes
- Appeal fulfilment for mail campaigns transferred in house, creating significant cost reductions



## OUR LOCAL COMMUNITY FOCUS

We know that people often feel closer to local causes and this year our Community team have been focussed on engaging with the community in Hammersmith, where our offices are situated, working with local businesses and schools and becoming a visible presence at community events. On a national scale, our new hospital mapping data allows us to engage local communities across the UK with the play needs of the children in their own regional hospitals, bringing ever increasing awareness of our work and our need for funding. This work will be a focus of our fundraising over the coming year.

Our thanks to our Trust and Foundation funders and our corporate sponsors and partners who have helped make our work possible in the year

Amazon  
Arcus Infrastructure Partners  
CAF Resilience Fund  
Childwick Trust  
Hummingbird Charitable Trust  
Lady Rothes Charitable Trust  
Lights4Fun  
Man Charitable Trust  
Orange Tree Trust  
Padwa Charitable Foundation  
Red Carnation Hotels  
Roger Raymond Charitable Trust  
Scope  
Story of Christmas Appeal  
Tanlaw Foundation  
Theo Paphitis Retail Group  
Toy Trust  
Tubz

THANK  
YOU!

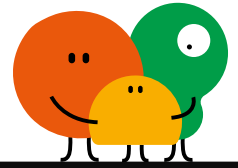


## LOOKING AFTER OUR SUPPORTERS

Starlight is registered with the Fundraising Regulator and we are committed to meeting the Fundraising Code of Practice. Our fundraising activities are legal, honest, transparent and respectful. We take care of supporter data in line with GDPR and have processes to ensure we only contact those who want to hear from us for fundraising purposes. We also ensure that nobody who appears to be vulnerable is asked to commit to giving. During the year we sent just over 0.25 million communications by mail and email and received thirty complaints, all of which were resolved without escalation.



# FINANCIAL REPORT



As reported last year, exceptional income levels in the final quarter of 2021-22 meant that we came into the year with reserves of just over £4 million, far higher than we had expected. Our modular approach to budgeting allowed us to respond quickly and within weeks of the start of the new financial year we were able to agree a revised budget. This meant we increased some services immediately, allowed for others to be increased dependent on fundraising in the year and aimed to deliver a planned deficit of in the region of £1.5 million.

This approach meant that when economic uncertainty became extreme economic and political volatility and the cost-of-living crisis unfolded, with an immediate impact on our public fundraising in particular, we were able to continue to deliver planned levels of service. Over the course of the year we spent 12% more on our charitable purpose than in the previous year.

As a result of this, we ended the year with a reported deficit of £1.6m and reserves stood at £2.4m. Details of reserves can be found in the Reserves and Reserves policy section of this report and in Note 17 to the financial statements.

We continue to take a balanced approach to financial management, with maximisation of impact being at the heart of our financial decision making. Although there continue to be some significant risks around fundraising levels in the coming year, our proven ability to respond to changing external environments and experience in working with partners to deliver services means that we are confident of our impact for the year ahead.

Detailed financial performance information is set out in the Statement of Financial Activities and the accompanying notes. In brief, income for the year

totalled £3.74m (2021-22: £4.95m) with £3.7m being fundraising. Note that the income figure for 2021-22 includes our biennial Blenheim Ball which is due to happen next in March 2024. The SOFA shows income from charitable activities for the first time, with £0.05m being generated by the covid-19 vaccination programme contract described earlier in this report.

Direct fundraising costs totalled £1.3m. We continue to invest in our fundraising for the future and to work to improve the returns on that investment. The pandemic changed the fundraising landscape, leading to a need to develop new approaches, with a corresponding short term reduction in ROI. In addition, in the current cost of living crisis, with discretionary spend falling and demand for services rising, many charities are having to spend more to raise funds.

Spend on charitable service provision (including allocated overheads) was £3.2m against a previous year spend of £2.9m, demonstrating that the clarity of our strategy and our adaptability to the world around us have allowed us to thrive amidst ongoing financial uncertainty. In the coming year, with the fundraising environment expected to remain challenging, we expect to again spend in the region of £3.2m on charitable services, with increased reach and impact being delivered by working in partnership and by our work with NHS England on influencing policy and practice across the NHS. We aim to end the coming financial year with a deficit of in the region of £0.3m, giving reserves in the region of £2m.

Financial sustainability is about more than the current deficit or surplus and we continue to invest in our people and our central services to ensure we have a sustainable model of both fundraising and service provision for the years to come.

## RESERVES AND RESERVES POLICY

As at 31st March 2023, reserves stood at £2.4m. Expendable reserves (excluding £0.1m tied up in fixed assets used for the operation of the charity) amounted to £2.3m (2022-23: £3.9m) of which £0.3m is restricted funding relating to programmes due for delivery after the year end. £0.13m of this restricted funding relates to our Starlight Health Play Specialist programme, with the remainder being for a variety of ongoing service delivery projects.

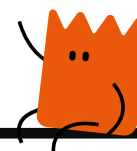
We are committed to funding the Health Play Specialist programme, subject to its having the desired impact, until late 2025, and are aiming to raise a further £0.24m of funding for this project. Until these funds are raised the Board has taken a prudent approach and designated reserves to cover the commitment.

All charities are required to consider how much they need to hold in reserves, in the light of the scale and nature of the charity's activities. We do this by considering the funds needed for upcoming plans, taking into account the inherent uncertainties of fundraising and recognising always the need to consider the financial sustainability of the charity for years to come. The Trustees reviewed the Reserves Policy in the year, considering the level of reserves needed to allow maintenance of service provision should there be a particularly difficult fundraising year in the future without risking the financial sustainability of the charity. As a result of this review the charity has retained its policy of holding reserves of in the region of £2m.

The financial year end is only ever a snapshot at one point in time; funding streams and operational activities are a fluid process and the year end surplus and level of reserves have to be considered in the context of plans for the coming year. Taking into account the planned deficit for 2023-24, together with the ongoing uncertainty of the economic environment in which the charity operates, the Trustees are of the opinion that the level of reserves at the end of the financial year, whilst slightly in excess of the stated policy, are appropriate.

### Going concern

The Trustees have reviewed the accounts as well as the charity's budgets and plans for 2024-25, reserves position up to the date of signing off these accounts and the charity risk register. They have considered the risks, particularly, around fluctuations in fundraising levels as the cost of living crisis continues and the economic environment remains uncertain, and believe that the charity has sufficient reserves in place to absorb these. In addition, the flexibility of the charity's expenditure model has been proven to allow it to adjust services to meet changes in fundraising levels and the Trustees are confident that the charity can continue to meet the needs of a significant number of families and children for the next twelve months and beyond. The Trustees are, therefore, confident that the charity should be considered as a going concern.



## Investment Returns and Policy

At 31st March 2023, the Charity held £0.2m in managed long-term investments. Prior to the year end, the Board reviewed the holding of these investments and, taking into account both poor returns and high fluctuations in value of the investments on the one hand and the risks of holding cash in a high inflation environment on the other, the charity was best served by disposing of these investments. This process was completed post year end.

The balance of expendable reserves is held as cash and short term deposits. To mitigate the risk of these holdings, funds are split between two leading UK banks. The charity takes a low risk profile attitude to investment of its surplus funds (those funds not required for immediate financial needs), recognising the need to diversify risk across institutions and asset classes.

High risk investments such as traded options, futures, derivatives, and hedge funds are prohibited for direct investment; however derivatives may be used at the discretion of a Fund Manager to reduce risk within an Investment Fund. Deposit amounts may only be held with major UK banks, which have specifically been approved by the Board and not more than £2m (or 50% of the total unrestricted reserves, whichever is the lesser) is held in any one financial institution. Funds over and above those required for operating purposes may be held with fund managers in line with the above risk profile. The charity does not permit its funds to be invested in any organisation which conflicts with our mission and aims to avoid investments which could adversely affect its ability to attract either beneficiaries or supporters. Investments in armaments, tobacco or pornography industries are specifically forbidden under the policy.





## **PRINCIPAL RISKS AND UNCERTAINTIES**


The Audit and Risk Committee is responsible for reviewing the risks faced by the charity and for agreeing the necessary controls to mitigate those risks. The committee meets at regular intervals and reports to the Board of Trustees. Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of our effective governance. In managing risk, the Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that we can make the most of opportunities and develop them with the confidence that any risks have been identified and appropriately managed.

The charity continues to review its Risk Register, identifying in detail risks across the business and ensuring plans are in place to mitigate all major risks as much as possible and to monitor those where mitigation is inherently limited.

As with all organisations who work with children and young people, safeguarding risks exist and the management of these remains high on our agenda, with mandatory safeguarding training at regular intervals, specific training around events and oversight by the Safeguarding Committee. Whilst the level of mitigation is such that we do not believe the risk of incident to be high, the impact of any safeguarding failure could have significant repercussions for the charity.

The second significant risk to Starlight in the medium term continues to be the impact of the extremely challenging macro-economic environment, which creates significant uncertainty for fundraising and could, in turn, negatively impact our ability to carry out planned programmes of activity. As described elsewhere in this report, we are working to mitigate this risk by building long-term relationships with significant funders, working with partners to deliver services and ensuring we have a broad portfolio of fundraising options and a constant supply of strong cases for support. In the medium term, we believe that our exploration of other income streams, particularly income from charitable activities, will provide a steady source of funds to mitigate against fluctuations in fundraising income.

Whilst this funding risk is also mitigated by our proven flexible operating model which allows us to scale back services in times of funding shortfall, thus protecting future sustainability, by its nature that reduces our ability to provide much needed services to the children and families for whom we exist.

A close-up photograph of a woman with blonde hair applying makeup to another woman's face. The woman being made up has her eyes closed and is wearing a dark, patterned top. The background is blurred, showing other people in a social setting.

The third key risk identified by the charity is in relation to colleague experience and retention, where potential risks are significant because of the impact of the loss of members of small teams on our ability to deliver services and raise funds. As has been outlined already, significant investments have been made in our organisational culture, with a focus on shared values, the development programme and a more values-based, considered approach to recruitment. We have continued to successfully appoint strong people to our team; however we recognise that the competitive, candidate-driven labour market means it continues to be a challenging environment to recruit and retain people. Our continued focus on the colleague experience strategy and the work we have done to ensure pay and benefits are competitive will help to mitigate this risk.

In these times of heightened cyber risk, with the threat level issued by the NCSC remaining at high alert, we have maintained our awareness of potential risk to our systems and assets from a cyber attack. Following last year's security review against the Cyber Essentials Plus standard, we have completed works to further improve our protection and continue to monitor risks.

# GOVERNANCE



Starlight Children's Foundation is a company limited by guarantee (registered number 02038895) and a registered charity in England and Wales (charity number 296058) and Scotland (charity number SC047600).

## LEGAL STRUCTURE AND PURPOSE

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 2nd December 1986. Our mission is to use the power of play to make the experience of illness and treatment better for children and their families.

## PUBLIC BENEFIT

The Trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives, and planning. Starlight's services are designed to support the estimated 100,000 children and young people in the UK diagnosed with a life-limiting or life-threatening condition and their families together with the millions of children and young people who pass through the doors of our hospitals and other healthcare facilities every year.

The critical importance of play is discussed in detail in the *Protectors of Play: Our Strategy for Play in Healthcare* section at the start of this report. Starlight believes children's healthcare services should fully reflect the importance of play to their health, wellbeing, resilience and recovery, and that every child who is an inpatient should have adequate daily play opportunities, appropriate to their condition, supported by dedicated play staff

## BOARD OF TRUSTEES

The Board of Trustees, who also constitute the Directors for Company Law purposes, are legally responsible for directing the affairs of the charity. They meet as a full Board four times a year and are available as needed in intervening months. All Trustees undertake Safeguarding training on an annual basis, reflecting our commitment to Safeguarding across the organisation. We continue to monitor the skills and diversity of the Board to ensure that the charity has governance across all key areas. There have been no changes in the Board since the last Annual Report.

The Board continues to monitor skill gaps and prepare succession and recruitment plans for Trustees and, with two Trustees coming towards the end of their tenures, began a Trustee recruitment process shortly before the year end. We hope to appoint three new Trustees later this summer.

## COMMITTEES

Four Committees supported the work of the Board as a whole during the year, each made up of Trustees, Executive and in the case of the Development Committee, external experts.

**The Safeguarding Committee** is responsible for oversight of all Safeguarding matters at Starlight and is currently chaired by Anna Gawn. The Committee has this year reviewed and updated Safeguarding policies and is focussed on monitoring and advising on safeguarding. Day to day Safeguarding leadership responsibilities are delegated to three Designated Safeguarding Leads within the charity, who are also members of the Committee.

**The Audit and Risk Committee**, chaired by Ian Harding, works with the Executive team to oversee, manage and mitigate risks across the organisation and is responsible for oversight of the risk register, with key risks being regularly reviewed by the Board of Trustees. The Committee reviews and discusses key risks surrounding budgets and plans prior to discussion and approval by the Board. It also meets with the charity's Auditors at the end of the annual audit process and both they and the Board have the opportunity to question them both with and without the presence of the Executive.

**The Development Committee** is headed up by Alasdair Hadden-Paton and has this year focussed on supporting philanthropic fundraising, generously sharing their networks and making introductions. They have specific responsibility for the Blenheim Ball and are currently planning for the 2024 event. We are incredibly grateful to the committee members for giving their time and expertise.

**The Advisory Committee**, led by Dr. Chris Evans, was originally set up to bring valuable professional expertise to our programme of research and to help Starlight develop a child-centric, outcomes-focused strategy and the services that will deliver maximum impact. During the year the Committee formally ceased to exist following the development of the Health Play Forum highlighted earlier in this report. We are very grateful to the Committee members for sharing their wealth of experience and expertise.

**The Board comprised eight trustees as at 31st March 2023, as follows:**

**Alain Wolffe** sits on the Audit and Risk Committee and is a former Executive Director of Strategy and Governance at Canada Life. Alain has an empathy and interest in Starlight as the father of a 16-year old with cerebral palsy.

**Alasdair Hadden-Paton** is Vice Chair and heads up the Development Committee. He is a Chartered Accountant with over 30 years' financial experience in the luxury goods, hotel, property investment and venture capital sectors.

**Dr Chris Evans** is a member of the Health Play Forum and a former NHS Paediatric Anaesthetist. He has an in-depth understanding of the UK health care system and the psychological burden of hospital visits. He is a co-Founder of Little Journey, an app that prepares and supports families through healthcare interactions.

**Anna Gawn** is a senior consultant who advises NGOs, UN agencies, Governments and others on protection from abuse and safeguarding in international development and humanitarian aid. She provides valuable advice to Starlight on matters that relate to safeguarding.

**Ian Harding** is a Managing Partner at Arcus Infrastructure and brings fundraising, financial and governance expertise to the Board. He currently chairs the Audit & Risk Committee.

**Dr Chris Kelly** is a clinician research scientist in the Health artificial intelligence team at Google, and a paediatrician at the Evelina Children's Hospital in London. He brings experience of children's services in the NHS, combined with an interest in how technology can improve the experience of children with healthcare needs.

**Hina Patel** is a senior strategic product manager at iCapital Network. She has also experienced the impact of Starlight services in her own family.

**Mark Tasker** is a partner at law firm Wedlake Bell. He has more than 30 years' experience of advising clients on corporate transactional work and provides valuable advice on legal matters to Starlight.

# TRUSTEES' DECLARATION OF RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the Charity and of the incoming resources and application of resources, including its income and expenditure, of the Charity for the year. In preparing those 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 judgments and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 requirements of the Companies Act 2006.

They 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 Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

## STATEMENT OF DISCLOSURE TO OUR AUDITORS

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor relating to preparing their report, of which the group's auditor is unaware
- The Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Board and signed on its behalf:

**Alain Wolffe**  
Chair of Trustees  
19th July 2023



# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STARLIGHT CHILDREN'S FOUNDATION

## Opinion

We have audited the financial statements of Starlight Children's Foundation (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year ended 31 March 2023
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

## Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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## USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Partner Name** Joanna Pittman

**Date:** 19th July 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006





# FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023



# STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)  
For the year ended 31 March 2023

	Note	2023			2022		
		Unrestricted £	Restricted funds £	Total £	Unrestricted £	Restricted and endowment funds £	Total £
<b>INCOME FROM:</b>							
Donations	2	2,325,512	351,880	<b>2,677,392</b>	3,147,334	571,000	<b>3,718,334</b>
Value of goods and services donated	2	18,496	360,878	<b>379,374</b>	1,794	309,178	<b>310,972</b>
Legacies	2	629,688	-	<b>629,688</b>	928,519	-	<b>928,519</b>
Charitable activities	4	49,840	-	<b>49,840</b>	-	-	-
Investments		7,574	-	<b>7,574</b>	381	-	<b>381</b>
<b>Total income</b>		<b>3,031,110</b>	<b>712,758</b>	<b>3,743,868</b>	<b>4,078,028</b>	<b>880,178</b>	<b>4,958,206</b>
<b>EXPENDITURE ON:</b>							
Raising funds	5	2,139,460	-	<b>2,139,460</b>	2,269,208	-	<b>2,269,208</b>
Charitable activities							
Provision of children's services	5	2,255,022	966,126	<b>3,221,148</b>	2,190,536	691,253	<b>2,881,789</b>
<b>Total expenditure</b>		<b>4,394,482</b>	<b>966,126</b>	<b>5,360,608</b>	<b>4,459,744</b>	<b>691,253</b>	<b>5,150,997</b>
<b>Surplus / (deficit) before net gains / (losses) on investments</b>		<b>(1,363,372)</b>	<b>(253,368)</b>	<b>(1,616,740)</b>	<b>(381,716)</b>	<b>188,925</b>	<b>(192,791)</b>
Net gains / (losses) on investments		(2,481)	-	<b>(2,481)</b>	17,452	-	<b>17,452</b>
Surplus / (deficit) for the year		(1,365,853)	(253,368)	<b>(1,619,221)</b>	(364,264)	188,925	<b>(175,339)</b>
Transfers between funds		-	-	-	75,000	(75,000)	-
<b>Net expenditure for the year and movement in funds</b>		<b>(1,365,853)</b>	<b>(253,368)</b>	<b>(1,619,221)</b>	<b>(289,264)</b>	<b>113,925</b>	<b>(175,339)</b>
<b>RECONCILIATION OF FUNDS:</b>							
Total funds brought forward		3,465,539	544,951	<b>4,010,490</b>	3,754,803	431,026	<b>4,185,829</b>
<b>Total funds carried forward</b>		<b>2,099,686</b>	<b>291,583</b>	<b>2,391,269</b>	<b>3,465,539</b>	<b>544,951</b>	<b>4,010,490</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

# BALANCE SHEET

as at 31 March 2023

		2023		2022	
A company limited by guarantee 02038895		£	£	£	£
	Note				
<b>FIXED ASSETS:</b>					
Tangible assets	11		123,072		149,246
Investments	12		235,721		238,202
			<b>358,793</b>		<b>387,448</b>
<b>CURRENT ASSETS:</b>					
Debtors	13	307,307		844,274	
Stock	14	135,138		200,785	
Short term deposits		1,029,716		1,222,326	
Cash at bank and in hand		1,080,843		2,341,554	
		<b>2,553,004</b>		<b>4,608,939</b>	
<b>LIABILITIES:</b>					
Creditors: amounts falling due within one year	15	(520,528)		(985,897)	
<b>Net current assets</b>			<b>2,032,476</b>		<b>3,623,042</b>
<b>Total net assets</b>			<b>2,391,269</b>		<b>4,010,490</b>
<b>THE FUNDS OF THE CHARITY:</b>					
	17				
<b>Restricted income funds</b>			<b>291,583</b>		<b>544,951</b>
<b>UNRESTRICTED INCOME FUNDS:</b>					
<b>Designated funds</b>		237,000		950,000	
<b>General funds</b>		1,862,686		2,515,539	
<b>Total unrestricted funds</b>			<b>2,099,686</b>		<b>3,465,539</b>
<b>Total charity funds</b>			<b>2,391,269</b>		<b>4,010,490</b>

Approved by the trustees on 19th July 2023 and signed on their behalf by Alain Wolffe, Chair of Trustees.

# STATEMENT OF CASH FLOWS

For the year ended 31 March 2023

	2023		2022	
	£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net (expenditure) for the reporting period (as per the statement of financial activities)	(1,619,221)		(175,339)	
Depreciation charges	33,564		37,161	
(Gains)/losses on investments	2,481		(17,452)	
Dividends and interest from investments	(7,574)		(381)	
(Profit)/loss on the disposal of fixed assets	-		-	
(Increase)/decrease in stock	65,647		68,803	
(Increase)/decrease in debtors	536,967		(318,062)	
Increase/(decrease) in creditors	(465,369)		365,045	
<b>Net cash provided by / (used in) operating activities</b>		<b>(1,453,505)</b>		<b>(40,225)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Dividends and interest from investments	7,574		381	
Purchase of fixed assets	(7,390)		(12,105)	
Proceeds from sale of property, plant and equipment	-		-	
Proceeds from sale of investments	-		-	
<b>Net cash provided by / (used in) investing activities</b>		<b>184</b>		<b>(11,724)</b>
<b>Change in cash and cash equivalents in the year</b>				
		<b>(1,453,321)</b>		<b>(51,949)</b>
Cash and cash equivalents at the beginning of the year		<b>3,563,880</b>		3,615,829
<b>Cash and cash equivalents at the end of the year</b>		<b>2,110,559</b>		<b>3,563,880</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS AND OF NET DEBT:</b>				
		<b>1 April 2022</b>	<b>Cash flows</b>	<b>31 March 2023</b>
		£	£	£
Cash at bank and in hand		2,341,554	(1,260,711)	<b>1,080,843</b>
Money market deposits		1,222,326	(192,610)	<b>1,029,716</b>
<b>Total cash and cash equivalents</b>		<b>3,563,880</b>	<b>(1,453,321)</b>	<b>2,110,559</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

## 1 ACCOUNTING POLICIES

### A) STATUTORY INFORMATION

Starlight Children's Foundation is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 227 Shepherd's Bush Road, London, W6 7AU.

### B) BASIS OF PREPARATION

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) - (Charities SORP FRS 102) and the Companies Act 2006.

The charity also has a wholly owned subsidiary, Starlight General Trading Limited, a company incorporated and registered in the United Kingdom. The company was dormant in this and the previous financial year and therefore consolidated accounts have not been prepared as the difference between parent and group is immaterial.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### C) PUBLIC BENEFIT ENTITY

The charity meets the definition of a public benefit entity under FRS 102.

### D) GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, they consider the charity's budget and plans together with the risk register and levels of reserves, to form a view that the charity can continue to meet the needs of children for a period of at least twelve months from the date of signature of the accounts.

### E) INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Donations are recognised on receipt or when the charity has received a documented pledge or other formal confirmation which creates a constructive obligation to pay, whichever is earlier.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income derived from charges for charitable services is recognised at the time the service is delivered.

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## **F) DONATIONS OF GIFTS, SERVICES AND FACILITIES**

Donated goods, facilities, and services in the financial statements comprise the provision of services and other gifts to deliver services to healthcare settings, run events, and carry out other charitable activities, including support and administration services, and include discounts given for such goods and services where these are over and above normal commercial discount terms. These are included in the Statement of Financial Activities at the value of the gift to the charity; a corresponding amount is then recognised in expenditure in the period of receipt or, in the case of stock items donated, in the period of distribution. Goods, facilities, and services donated for charitable activities are treated as restricted in nature, while those donated for support activities are treated as unrestricted.

In accordance with the Charities SORP (FRS 102), volunteer time, including that of the trustees, is not recognised.

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## **G) INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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## **H) FUND ACCOUNTING**

Restricted funds are to be used for specific purposes as laid down by the donor or have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure which meets these criteria is charged to the fund.

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

Unrestricted funds are donations and other incoming resources received or generated for the furtherance of the general objects of the Charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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## **I) EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities to further the purposes of the charity and their associated support costs

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## **J) ALLOCATION OF SUPPORT COSTS**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Salaries and associated staff costs are allocated on the basis of time spent on charitable activities, generating funds, and governance. Costs of support staff are shown separately and allocated to each activity based on estimates of the amount of time spent.

Where information about the aims, objectives and projects of the charity is provided to potential service users, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements.

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## **K) OPERATING LEASES**

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

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## L) TANGIBLE FIXED ASSETS

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows::

- Office improvements: 15 years
- Furniture: 10 years
- Office equipment: 5 years
- Computers: 3 years

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## M) LISTED INVESTMENTS

Investments are a form of basic financial instrument. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments are included at the higher of their market value using the current bid price at the year end and guaranteed minimum value. Investment income is included, gross of applicable taxation, when receivable. Realised and unrealised gains and losses arising on revaluation of investments are included in the Statement of Financial Activities.

Starlight Children's Foundation does, from time to time, receive donated shares which are listed on the AIM market and which are subject to certain time restrictions. Until these restrictions are met the shares cannot be actively traded on the market. The Charity's policy, due to the volatility of these shares is to dispose of them as soon as the time restriction has passed and the shares can be actively traded and sold.

Where such shares are donated and can be valued they are included in the financial statements as fixed asset investments from such time as they can be sold. Shares held by the Charity which cannot be valued owing to the absence of an active market in which to sell them are disclosed in note 12 to the financial statements.

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## N) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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## O) STOCK

Stock represents goods held pending distribution to service users.

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## P) SHORT TERM DEPOSITS

Short term deposits includes cash balances invested in an instant access money market account.

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## Q) CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with at maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## R) CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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## S) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## T) PENSIONS

The Charity contributes an agreed percentage of the salary to the personal pension plans of permanent employees. For employees who have chosen to join the company pension scheme the pension provider is selected by the employer. Other employees have chosen to select their own pension scheme. All pension schemes are independently administered by, and the funds held by, a recognised pension company. The pension cost charge represents contributions payable by the Charity to the pension funds.

## 2 INCOME FROM DONATIONS AND LEGACIES

	2023			2022		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations	2,033,142	305,371	<b>2,338,513</b>	2,118,497	359,000	<b>2,477,497</b>
Fundraising events	292,370	46,509	<b>338,879</b>	1,028,837	212,000	<b>1,240,837</b>
Value of other goods and services donated (note 3)	18,496	360,878	<b>379,374</b>	1,794	309,178	<b>310,972</b>
Legacies	629,688	-	<b>629,688</b>	928,519	-	<b>928,519</b>
	<b>2,973,696</b>	<b>712,758</b>	<b>3,686,454</b>	<b>4,077,647</b>	<b>880,178</b>	<b>4,957,825</b>

## 3 VALUE OF OTHER GOODS AND SERVICES DONATED

	2023	2022
	Total £	Total £
Charitable activities	<b>360,878</b>	309,178
Support services	<b>18,496</b>	1,794
	<b>379,374</b>	<b>310,972</b>

As at 31st March £31,592 of donated goods were held in stock (2022: £72,543)

## 4 INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	Total £	Total £
Income from Charitable activities	<b>49,840</b>	-
	<b>49,840</b>	-

Income from charitable activities comprises monies received in respect of services provided.

## 5A ANALYSIS OF EXPENDITURE (CURRENT YEAR)

	Raising funds	Charitable activities	Governance costs	2022 Total
	£	£	£	£
Staff costs (Note 7)	667,376	716,218	-	1,383,594
Direct costs	628,304	1,141,503	-	1,769,807
Donated goods and services	10,333	404,835	-	415,168
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	415,257	493,754	35,372	944,383
Rent & services	159,820	159,820	6,524	326,164
IT & Connectivity	82,301	82,301	3,360	167,962
Marketing & Communications	77,957	109,511	606	188,074
Depreciation	16,447	16,447	670	33,564
Other office costs	51,817	51,821	28,254	131,892
	2,109,612	3,176,210	74,786	5,360,608
Governance costs	29,848	44,938	(74,786)	-
<b>Total expenditure 2023</b>	<b>2,139,460</b>	<b>3,221,148</b>	<b>-</b>	<b>5,360,608</b>

## 5B ANALYSIS OF EXPENDITURE (PRIOR YEAR)

	Raising funds	Charitable activities	Governance costs	2022 Total
	£	£	£	£
Staff costs (Note 7)	552,476	548,056	-	1,100,532
Direct costs	956,242	1,296,647	-	2,252,889
Donated goods and services	1,397	294,167	-	295,564
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	373,146	372,411	19,606	765,163
Rent & services	137,555	134,804	2,751	275,110
Professional services	6,446	6,317	15,429	28,192
Temporary staff	-	-	-	-
Depreciation	18,581	18,209	372	37,162
Other office costs	205,451	188,427	2,507	396,385
	2,251,294	2,859,038	40,665	5,150,997
Governance costs	17,914	22,751	(40,665)	-
<b>Total expenditure 2022</b>	<b>2,269,208</b>	<b>2,881,789</b>	<b>-</b>	<b>5,150,997</b>

## 6 NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	2023	2022
	Total £	Total £
Depreciation	33,564	37,161
<b>Operating lease rentals payable:</b>		
Property	216,311	207,367
Other	5,384	5,099
<b>Auditor's remuneration:</b>		
Audit (excluding VAT, which is irrecoverable)	13,700	11,800

## 7 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2023	2022
	Total £	Total £
Salaries and wages	1,908,850	1,557,594
Social security costs	223,078	173,746
Employer's contribution to defined contribution pension schemes	121,339	104,866
Termination payments	24,000	-
	<b>2,277,267</b>	<b>1,836,206</b>
Agency and temporary staff costs	50,710	29,489
<b>Total</b>	<b>2,327,977</b>	<b>1,865,695</b>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023	2022
	No.	No.
£60,000 - £69,999	4	2
£70,000 - £79,999	-	-
£80,000 - £89,999	-	2
£90,000 - £99,999	2	1
£100,000 - £109,999	2	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £500,044 (2022: £469,957).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2021: £nil) relating to attendance at meetings of the trustees. Trustees' indemnity insurance was purchased during the year for £1,267 (2022: £1,267).

## 8 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 43 (2022:38).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2023	2022
	No.	No.
Children's services	14	14
Raising funds	14	12
Support staff	13	11
	41	37

## 9 RELATED PARTY TRANSACTIONS

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

## 10 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 11 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office furniture and equipment £	Total £
<b>COST:</b>			
At the start of the year	223,143	146,126	369,269
Additions in year	-	7,390	7,390
Disposals in year	-	(57,705)	(57,705)
<b>At the end of the year</b>	<b>223,143</b>	<b>95,811</b>	<b>318,954</b>

### DEPRECIATION

At the start of the year	104,133	115,890	220,023
Charge for the year	14,879	18,685	33,564
Eliminated on disposal	-	(57,705)	(57,705)
<b>At the end of the year</b>	<b>119,012</b>	<b>76,870</b>	<b>195,882</b>

### NET BOOK VALUE

<b>At the end of the year</b>	<b>104,131</b>	<b>18,941</b>	<b>123,072</b>
<b>At the start of the year</b>	<b>119,010</b>	<b>30,236</b>	<b>149,246</b>

All of the above assets are used for charitable purposes. Disposals represent IT equipment decommissioned over the past three years which has been physically disposed of in the current year.

## 12 LISTED INVESTMENTS

	2023	2022
	£	£
Fair value at the start of the year	238,200	220,748
Net gain / (loss) on change in fair value	(2,481)	17,452
	235,719	238,200
Investment in trading subsidiary	2	2
<b>Fair value at the end of the year</b>	<b>235,721</b>	<b>238,202</b>

### INVESTMENTS COMPRISE:

	2023	2022
	£	£
32,497.165 units - Charishare Common Investment Fund	230,405	232,680
2,000 ordinary shares - Tesco	5,314	5,520
	235,719	238,200

## 13 DEBTORS

	2023	2022
	£	£
Trade debtors	17,000	49,050
Amounts due from associated undertakings	790	790
Prepayments and accrued income	222,387	630,090
Gift Aid debtor	67,130	164,344
	307,307	844,274

## 14 STOCK

	2023	2022
	£	£
Stock held for distribution	135,138	200,785
	135,138	200,785

## 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Taxation and social security	76,280	52,489
Creditors and accruals	362,701	856,558
Deferred income	81,547	76,850
	520,528	985,897

Deferred income relates to income received for future fundraising events.

## 16A ANALYSIS OF NET ASSETS BETWEEN FUNDS (CURRENT YEAR)

	Unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	123,072	-	-	123,072
Investments	235,721	-	-	235,721
Net current assets	1,503,893	237,000	291,583	2,032,476
<b>Net assets at 31 March 2023</b>	<b>1,862,686</b>	<b>237,000</b>	<b>291,583</b>	<b>2,391,269</b>

## 16B ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	Unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	149,246	-	-	149,246
Investments	238,202	-	-	238,202
Net current assets	2,128,091	950,000	544,951	3,623,042
<b>Net assets at 31 March 2022</b>	<b>2,515,539</b>	<b>950,000</b>	<b>544,951</b>	<b>4,010,490</b>

## 17A MOVEMENTS IN FUNDS (CURRENT YEAR)

	£	£	£	£	£
	At 1 April 2022	Income & gains	Expenditure & losses	Transfers	At 31 March 2023
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital Programmes</b>					
Health Play Box & equipment provision	15,649	149,833	(137,482)	-	28,000
Starlight Health Play Specialists	190,000	-	(58,343)	-	131,657
Technology programmes	-	78,500	(23,500)	-	55,000
Other hospital programmes	29,759	56,038	(73,829)	-	11,968
<b>Family Services programmes</b>	212,000	57,509	(251,300)	-	18,209
<b>HealthPlay Taskforce</b>	-	10,000	-	-	10,000
<b>Wish Fund</b>	25,000	-	(25,000)	-	-
<b>Total donated restricted funds</b>	<b>472,408</b>	<b>351,880</b>	<b>(569,454)</b>	<b>-</b>	<b>254,834</b>
Gifts in Kind					
Health Play Box & equipment provision	45,543	133,527	(142,321)	-	36,749
Other hospital programmes	27,000	-	(27,000)	-	-
Family Services programmes	-	227,351	(227,351)	-	-
<b>Total gifts in kind held as restricted funds</b>	<b>72,543</b>	<b>360,878</b>	<b>(396,672)</b>	<b>-</b>	<b>36,749</b>
<b>Total restricted funds</b>	<b>544,951</b>	<b>712,758</b>	<b>(966,126)</b>	<b>-</b>	<b>291,583</b>
<b>UNRESTRICTED FUNDS</b>					
<b>Designated funds:</b>					
Planned deficit funding	950,000	-	(950,000)	-	-
Hospital programmes	-	-	-	237,000	<b>237,000</b>
<b>Total designated funds</b>	<b>950,000</b>	<b>-</b>	<b>(950,000)</b>	<b>237,000</b>	<b>237,000</b>
<b>GENERAL FUNDS</b>					
General funds	2,366,293	3,028,629	(3,410,918)	(244,390)	<b>1,739,614</b>
Fixed Asset Reserve	149,246	-	(33,564)	7,390	<b>123,072</b>
	2,515,539	3,028,629	(3,444,482)	(237,000)	<b>1,862,686</b>
<b>Total unrestricted funds</b>	<b>3,465,539</b>	<b>3,028,629</b>	<b>(4,394,482)</b>	<b>-</b>	<b>2,099,686</b>
<b>Total funds</b>	<b>4,010,490</b>	<b>3,741,387</b>	<b>(5,360,608)</b>	<b>-</b>	<b>2,391,269</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17B MOVEMENTS IN FUNDS (PRIOR YEAR)

	At 31 March 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
<b>ENDOWMENT FUNDS</b>					
Kathy's Courageous Kids Fund	100,000	-	-	(100,000)	-
<b>Total endowment funds</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital Programmes</b>					
Areas of poverty and deprivation programmes	85,119	-	(85,119)	-	-
Play and distraction box provision	12,901	40,000	(37,252)	-	15,649
Starlight Health Play Specialists	-	190,000	-	-	190,000
Pilot programmes	-	50,000	(50,000)	-	-
Other hospital programmes	56,278	79,000	(105,519)	-	29,759
<b>Family Services programmes</b>	<b>-</b>	<b>212,000</b>	<b>-</b>	<b>-</b>	<b>212,000</b>
<b>Wish Fund</b>	<b>119,604</b>	<b>-</b>	<b>(119,604)</b>	<b>25,000</b>	<b>25,000</b>
<b>Total donated restricted funds</b>	<b>273,902</b>	<b>571,000</b>	<b>(397,494)</b>	<b>25,000</b>	<b>472,408</b>
Gifts in Kind					
Play and distraction box provision	57,124	92,491	(104,072)	-	45,543
Other hospital programmes	-	163,840	(136,840)	-	27,000
Wishes	-	52,847	(52,847)	-	-
<b>Total gifts in kind held as restricted funds</b>	<b>57,124</b>	<b>309,178</b>	<b>(293,759)</b>	<b>-</b>	<b>72,543</b>
<b>Total restricted funds</b>	<b>331,026</b>	<b>880,178</b>	<b>(691,253)</b>	<b>25,000</b>	<b>544,951</b>
<b>UNRESTRICTED FUNDS:</b>					
Designated funds:					
Planned deficit funding	-	-	-	950,000	950,000
Hospital Programmes	540,702	-	(540,702)	-	-
Family services	221,000	-	(221,000)	-	-
New Activity Development & Pilots	202,000	-	(202,000)	-	-
Insights & Impact	85,000	-	(85,000)	-	-
Operational costs	1,326,000	-	(1,326,000)	-	-
<b>Total designated funds</b>	<b>2,374,702</b>	<b>-</b>	<b>(2,374,702)</b>	<b>950,000</b>	<b>950,000</b>
<b>GENERAL FUNDS</b>					
General funds	1,205,799	4,095,480	(2,047,881)	(887,105)	2,366,293
Fixed Asset Reserve	174,302	-	(37,161)	12,105	149,246
	1,380,101	4,095,480	(2,085,042)	(875,000)	2,515,539
<b>Total unrestricted funds</b>	<b>3,754,803</b>	<b>4,095,480</b>	<b>(4,459,744)</b>	<b>75,000</b>	<b>3,465,539</b>
<b>Total funds</b>	<b>4,185,829</b>	<b>4,975,658</b>	<b>(5,150,997)</b>	<b>-</b>	<b>4,010,490</b>

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## PURPOSES OF RESTRICTED AND ENDOWMENT FUNDS

### Hospital Programmes

Donated funds restricted to the various activities within Starlight's Hospital Programme.

### Family Services

Donations for our Family Services programme, which provides opportunities for seriously ill children and their families to enjoy time together, with other families, in a safe and fun environment.

### Wish Fund

Donated funds restricted to the granting of wishes. The fund now stands at zero as the wish programme has ended.

### Gifts in Kind funds

The cost value of items donated to us for use in providing our services. The fund balance represents items received in the year but not yet distributed; these items are held in stock on the balance sheet.

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## PURPOSES OF DESIGNATED FUNDS

Historically the charity has set aside funds equal to the full amount needed for the coming year's service programme and overheads, ensuring that service delivery is fully protected, even in a situation where there is little or no funding, a legacy of its past as a wish-granting charity, where commitments were often made years in advance. The Trustees re-evaluated this approach in 2021-22 and now take a more pragmatic view that it is expected that, as a general rule most expenditure in a year will be funded by income from that year. They have therefore adopted a policy of generally designating funds only where it is intended that expenditure is paid out of reserves.

### Planned deficit funding

Funds set aside to cover the element of the planned deficit for the year which is not covered by restricted reserves. As at 31st March 2023 this balance is nil.

### Hospital Programmes

During the year the charity committed to the funding of a number of Health Play Specialists within healthcare organisations for a period of three years (subject to an annual review of impact against objectives). Restricted funds were raised for the first year of this project and whilst it is the intention to aim for further restricted funding, the Trustees are designating reserves to cover the full remaining commitment at this stage.

### Fixed Asset reserve

Some of the charity's reserves are tied up in fixed assets which are used for the purposes of the charity. These reserves are not, therefore, available for use and the charity recognises this by the creation of a Fixed Asset Reserve, within its General Reserves. Depreciation is charged to this reserve and fixed asset additions are added to it, with the reserve balance always being equal to the net book value of fixed assets. As this is the first year of the reserve, an amount equal to the net book value of fixed assets at the start of the financial year has been transferred from general reserves.

## 18 OPERATING LEASE COMMITMENTS

Amounts payable under non-cancellable operating leases are as follows for each of the following periods:	PROPERTY		OTHER	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	216,306	216,306	7,848	4,590
One to five years	865,224	865,224	26,160	-
Over five years	523,430	739,736	-	-
	<b>1,604,960</b>	<b>1,821,266</b>	<b>34,008</b>	<b>4,590</b>

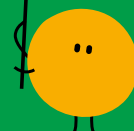
## 19 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

# STARLIGHT

**Starlight Children's Foundation**  
227 Shepherds Bush Road  
London W6 7AU

**[www.starlight.org.uk](http://www.starlight.org.uk)**  
**020 7262 2881**



**STARLIGHT CHILDREN'S FOUNDATION**

England & Wales - Charity number 296058

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# Accounts

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**ANNUAL**

**REPORT**



**AND**

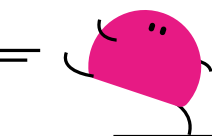
**FINANCIAL**

**STATEMENTS**

**STARLIGHT CHILDREN'S FOUNDATION**

**YEAR ENDED 31 MARCH 2022**





### **Royal Patron**

HRH Princess Alexandra KG GCVO

### **Co-Founder**

Emma Samms MBE

### **President**

Major Christopher Hanbury (Deceased May 2022)

### **Trustees**

Alain Wolffe (Chair from July 2021)

Nick Mustoe (Chair and Trustee to July 2021)

Dr Christopher Evans

Anna Gawn (Appointed May 2022)

Alasdair Hadden-Paton ACA (Vice Chair)

Dr Christopher Hanvey (Resigned July 2021)

Ian Harding

James Innes (Resigned July 2021)

Frenchesca James (Appointed June 2021, resigned May 2022)

Dr Christopher Kelly (Appointed January 2022)

Hina Patel

Mark Tasker

### **Senior Management Team**

Cathy Gilman, CEO

Dr Krutika Pau, Director of Children's Services

Nicky Wade, Director of Finance and Resources

Sarah Woods, Director of Fundraising and Marketing

### **Registered Office**

Starlight Children's Foundation

227 Shepherds Bush Road

London W6 7AU

[www.starlight.org.uk](http://www.starlight.org.uk)

020 7262 2881

### **Audit and Risk Committee**

Alain Wolffe (Chair from July 2021)

James Innes (Chair to July 2021, Resigned July 2021)

Ian Harding

Hina Patel

### **Safeguarding Committee**

Dr Chris Hanvey (Chair to July 2021, resigned July 2021)

Samuel Butler

Georgina Cox

Ceri Davies

Sandy Gulyurtlu

Dr Krutika Pau (Chair from July 2021)

Laura Walsh

### **Advisory Committee**

Dr Chris Evans (Chair)

Dr Luca May Brad, Senior Research Fellow, UCL Institute of Ophthalmology

Professor Lucy Bray, Professor of Child Health Literacy, Edge Hill University

Kath Evans, Director of Nursing (Children's) at Bart's Health

### **Development Committee**

Alasdair Hadden-Paton (Chair)

Camilla Blandford

Kate Deighton

Oliver Hardcastle

George Farquhar

Carrie McArdle

Alex Spencer-Churchill

### **Bankers**

HSBC, Plc 25 Wigmore Street

London W1H 0DP

Lloyds Bank, Plc 25 Gresham Street

London EC2V 7HN

### **Solicitors**

BDB Pitmans, One Bartholomew Close

London EC1A 7BL

### **Auditors**

Sayer Vincent LLP, Invicta House



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# THANK YOU FROM OUR CHAIR



Our mission at Starlight is to use the power of play to make the experience of illness and treatment better for children and their families. We achieve this by improving the experience of hospital; by giving families much-needed opportunities for social connection; and by sharing our insight, knowledge, and expertise to support and enable a collaborative approach to the delivery of play in hospital. The three core pillars of our strategy.

Having introduced our new strategy in the last financial year, this year we have forged ahead with its implementation, as we also completed and closed our wish granting programme. With another strong financial performance, despite the evident continuing operational challenges of a pandemic, we are pleased to see an increase of more than 60% in our expenditure on Children's Services.

A fundamental value at Starlight is 'responding to the world around us' and the determination of our team to find solutions has served us very well through another year of uncertainty. As well as expanding our core 'play and distraction' service delivery, we have successfully introduced Starlight Breaks and Days. These have enabled us to provide holidays for children with the most complex needs and to offer age appropriate and interest-specific special days across the UK.

We know that more access to technology in hospital is a key priority for families and health professionals and this year we have conducted a pilot of virtual reality as an effective distraction tool in partnership with Leeds Children's Hospital and tested gaming and sensory units in a number of hospitals.

With our new clarity of purpose, we have further strengthened the experience and expertise of our team with the appointment of a new Head of Play from Great Ormond Street Hospital, Laura Walsh, and the Founding Director of Play England, Adrian Voce, as Head of our new Policy and Public Affairs team. With this experience and the unique insight that families have shared with us, we aim to develop a voice for play which in time will help us to redress the inequalities in access to play in hospital.

We were able to bring together a wealth of expertise – researchers, practitioners, policymakers, former patients – to our first ever policy round table in March. The group discussed recent policy research findings and agreed that the 89% of respondents who think health policy and health service funding should treat children's play as a bigger priority give a clear mandate for leadership in a stronger, more co-ordinated voice on play.

**"The Starlight team have once again delivered an exceptional performance in particularly challenging circumstances."**

Our fundraising team have also been agile in their response to the ever-changing environment, with diversity of income streams enabling us to maintain some stability. We were finally able to return to high-value fundraising events in the last month of the financial year with our Starlight Blenheim Ball. Thanks to Trustee Alasdair Hadden-Paton and an outstanding fundraising development committee, we broke all previous records for a Starlight event raising £1.3m.

This, combined with early legacy receipts and an unexpected large corporate donation, led to income in the final month of the year being beyond all reasonable expectations. This means that we end the year with higher reserves than planned. We budget in a modular way which in the past has enabled us to rapidly dial down expenditure when needed. I am happy to report that on this occasion, it has also enabled us to dial up expenditure and plans are already in place to scale up our planned children's services expenditure and spend down the reserves.

The Starlight team have once again delivered an exceptional performance in particularly challenging circumstances. Our focus on our culture and organisational values as the way we deliver our strategy has supported our wellbeing and resilience as we also focus on a continuous and conscious state of mind to effect measured improvements in equity, diversity, and inclusion at Starlight.

In this, my first year as Starlight Chair, we have welcomed two new Trustees, Dr Chris Kelly, a paediatric innovator, and Anna Gawn, a safeguarding specialist. We very much value the expertise and voluntary time of our Trustee Board.

It is on a sadder note that I have to report the death of our President, Major Christopher Hanbury. Christopher had been involved with Starlight for more than twenty years and played a significant role in some of our fundraising events. He will be very much missed.

This year we are especially grateful for your continued support of Starlight, we know it has been a difficult time for everyone. There is still uncertainty, but thanks to you we look forward to the year ahead with confident plans and excitement about the difference we will make with the power of play.

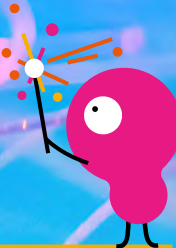
**Alain Wolffe**



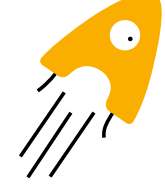


TRUSTEE REPORT

# MOMENTS OF LIGHT



We know that play is vital for the wellbeing of children. Childhood is a critical time in anyone's development, it is when we begin to discover the things that shape our nature and start to acquire the knowledge that makes us who we are. It should also be a time of positivity, no matter what life later brings, and we believe that it should be as carefree, fun and unconditional as possible for every child, so when serious illness intervenes, it is vitally important that childhood is not lost.



At Starlight, we are passionate about protecting this time of play, championing its importance and defending every child's right to it. Our passion takes us to the bedsides of some of the most poorly children in the UK who are in hospital, often without hope of leaving. We use the power of play to create a sense of escape from the difficult reality in which they find themselves. To delight and distract, entertain and enlighten them. But, most of all, to restore a smile to their faces, making moments of light when the day is at its darkest.

Since we began, 35 years ago, we have listened to children, families and health professionals to build and deepen our understanding of the breadth and depth of the impact that serious illness has, not just for the child, but for the whole family. This year we have used that insight to better understand the impact of the pandemic on the mental health of children, particularly in hospital. We know that the pandemic has reduced play opportunities and increased isolation for all children, but it has particularly exacerbated the challenge to offer the space, time and opportunity for play in hospitals.

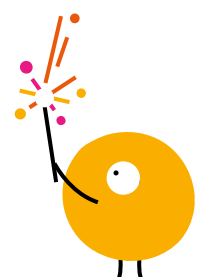
Our insight has also shown that there are significant inequalities in the provision of play across all health settings and this year we have focused particularly on increasing the relevance of our services to all and their accessibility to all hospitals and hospices. We have continued to proactively work to ensure that hospitals in areas of multiple deprivation and poor Care Quality Commission hospital experience results receive our services.

The Department of Health has long recommended the appointment of play professionals and for the therapeutic purpose of play to be included in care plans for children. We have identified the need for an evidence-based and solution-focused collective voice to ensure that these recommendations are universally implemented. A small new investment in a policy and public affairs team will enable Starlight to build on our insight and experience of service delivery to identify the levers for systemic change. This advocacy has the potential to significantly amplify our impact.

Responding to changing needs in the world around us is key and this year we have worked in partnership with the NHS to bring play and distraction into the NHS vaccination programme for children. As technology becomes more integrated into all our lives, a second NHS partnership has tested Virtual Reality as an effective form of distraction.

During the year we completed our outstanding programme of wish-granting and have used this valuable experience of creating meaningful activities for children and families to launch our Family Services programme of events and short breaks. This programme gives families a much-needed break from the relentless routine of treatment and also provides valuable opportunities for social connection for the family and other families, something that is easily lost when dealing with a seriously ill child.

Our work allows us to tell powerful, evidence backed stories which help us to encourage even more people to join our mission to be the Protectors of Play. We are already benefiting from the new opportunities created by our recent repositioning, new strategy and brand.





# PROTECTORS OF PLAY

We know that play is fundamental to children's positive development and for their ability to develop the skills they need.

Play offers physical, emotional and social benefits that allow children and young people to develop the motor skills which are vital for everyday physical activity; to experiment with social behaviour and to better navigate their world. Children in hospital can face obstacles that negatively impact play, and this can then affect their development beyond the impact of the illness itself. Giving children access to play helps resilience, supports healthy development and enables children to better cope with the negative consequences of their illness. It can also help to support and strengthen family bonds even in the most challenging circumstances.

The child's right to play is enshrined in Article 31 of the United Nations Convention on the Rights of the Child. It is nearly 50 years since the Department of Health recommended the employment of play staff in children's wards and nearly 20 years since they stated that children staying in hospital should have daily access to a play specialist and that the therapeutic purpose of play should be included in their care plan. We know from Care Quality Commission data that a positive experience of hospital reported by parents and children is linked to having access to play professionals and having enough things to do. Yet research tells us that a third of hospitals do not have a play professional on their team and more than half have no budget for play resources.

Our strategy has three pillars which address: the needs of children to have access to play to improve their experience of hospital; a child's access to opportunities for social connection; and our objective to listen, learn and share knowledge as we work towards more systemic change to meet the needs of seriously ill children. We recognise that the impact of serious illness goes beyond the child, it affects the entire family, and our Family Services programme is specifically designed to provide experiences and opportunities for social connection for the whole family.





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### **We make the experience of hospital more positive**

We improve access to play in health settings across the UK, by providing play and distraction resources that make a big difference to children's lives when it matters most. These services improve experience and engagement with treatment, recovery and overall wellbeing that lead to better outcomes for life. A more visible presence of our services in hospitals, created with our new visual identity, is helping to raise the reach and profile of Starlight as well as create more visual appeal for children.

### **We create opportunities for social connection**

Social connection is vital for the health and development of everyone. Positive social connections improve wellbeing by providing physical and mental benefits including increased cognitive ability, communication skills and even independence. They can also help children develop creativity, empathy and confidence. Illness in childhood can be an alienating and stressful experience for everyone involved. We use play to connect children and their families to others, helping to build support networks, maintain friendships and experience the self-worth that depends so much on human interaction.

### **We listen, learn and share knowledge**

Through the work we do and the people we work with, we prioritise actively listening and learning to ensure the voices and experiences of children and their families are at the heart of our service development, innovation and evaluation. This also enables us to provide guidance and support to parents and health professionals and to connect and collaborate with other organisations to work towards systemic change in the provision of play in healthcare settings.





## OUR CONTINUING COVID-19 RESPONSE

We believe that the health and wellbeing of all those around us is of utmost importance. Conscious that we work alongside some of the most vulnerable children in the UK, as well as the health professionals who support them, we have continued to monitor the Covid-19 situation and to respond as the world around us changes. Since the start of the pandemic we have worked with health professionals to ensure our services, adapted where necessary, reach those who need them. As restrictions began to lift across the UK in the summer of 2021 we worked to bring safe face-to-face activities to the seriously ill children who were able to leave their homes. We also recognised that for many sick children, the lifting of general restrictions increased isolation yet again, as other children were able to gather and play together and sought ways to counter that.

During the year we have been ready to make rapid decisions and respond to the ever-changing impact of Covid, remaining positive despite the challenges. In December 2021, with Covid-19 cases rising and a week to go before a long awaited Christmas Party for children and families at Warwick Castle, we agreed it was no longer safe to go ahead, providing Christmas treats to be enjoyed at home instead. Our people have flexed their working arrangements as the environment and government guidance has changed. Whilst we look positively to the future we continue to be conscious of the vulnerability of those with whom we work as well as the health and wellbeing of the Starlight team.

# TRANSFORMING LIVES WITH THE POWER OF PLAY

## EMBEDDING OUR STRATEGY

In 2020 we introduced our new strategy to use the power of play to make the experience of illness and treatment better for seriously ill children and those living with long term conditions. This year we have continued to embed this strategy, building a service delivery team in which a highly experienced Head of Play works alongside colleagues with essential customer service and service delivery skills. We have worked to understand and respond to the world around us, proactively expanded our reach across the UK and have built new partnerships to broaden our services.

## MAKING THE HOSPITAL EXPERIENCE POSITIVE

Time in hospital can be an isolating, frightening and often boring experience for all children. As we moved into the second year of the pandemic and restrictions began to relax for most of us, for many seriously ill children the isolation of restrictions on visiting continued and it was clear that our aim of using the power of play to improve the hospital experience continued to be of vital importance. Alongside our highly impactful existing services, we have worked in partnership to introduce new ones, visited hospitals which have a great focus on play to talk about new ideas and piloted our first major hospital technology service.

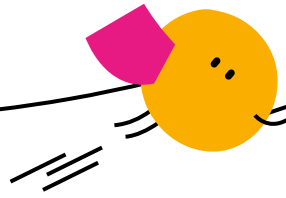
We continue to work to increase the number of children and young people we reach and over the last two years have almost doubled the hospitals we work with. In 2021-22 we brought Starlight services to 462 hospitals across the UK.

## Delight and distract

Our Distraction Boxes continue to be our most iconic service for health professionals - a portable toolkit filled with toys, puzzles and conversation starters that help nurses to distract children during medical procedures and engage them in conversation, whether on a hospital ward, in a hospice, in A&E or even the back of an ambulance. Health professionals tell us that using the boxes improves the experience of medical procedures for children by reducing anxiety and distress and creating a rapport between the child and the medical staff.

Each Box costs us £69 to send and it is looked after by a health professional to be produced when needed. Demand continues to rise, with 611 boxes and 132 refill packs sent out in the year to more than 700 settings, a total of 743 against 648 last year. Our research tells us that a box can be used more than 250 times a month and that overall these provided around 1.25 million distractions for children and young people in the year.

Play for distraction works in any healthcare setting and we have been working with the North East London CCG to encourage a play-based approach to their Covid-19 vaccine rollout for children, providing 15 centres with resources to use play and distraction to make the vaccination procedure less stressful for children and parents alike. As well as distraction toys, we have produced leaflet and video guidance for practitioners and parents and posters and banners to create a playful space. Insight from the project will allow us, and the CCG, to understand the impact of play in this arena and help us to support further programmes.



## Giving a boost

Our Boost Boxes are packed with toys and games, arts and crafts designed to entertain and delight children undergoing treatment. Sent to health professionals, they provide a box of tricks to be produced at just the right time when a child is bored or unhappy and since the start of Covid-19 we have adapted them to be used to create Isolation Packs, given to a child to keep, to avoid issues around infection control.

With visitor numbers still being limited, these resources have continued to be a critical part of hospital stays for many children. We sent out a record 3,834 boost boxes to hospitals and hospices across the country, almost 25% more than in the previous year. Costing us £133 each to send, each box has roughly 50 items and they have allowed us to boost the morale of around 190,000 children.

There are an infinite number of ways for children to play and these vary with age, interest and ability.

We have expanded the choice of hospital box services this year to reflect this, as well as to give variety to those who are in hospital for long periods of time. Over the course of the year we sent out 1,407 themed boxes; you can read about some of these here.

In the spring of 2021, following the hugely successful Festive Craft box, we continued our special edition boxes with a Spring Box, packed with items designed to bring the outdoor change of seasons onto the wards.

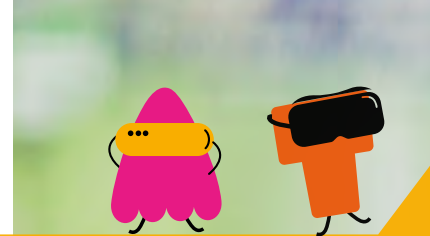
Imagination is a key part of play and a way in which children develop resilience. Our Story Boxes are designed to provide immersive, engaging storytelling for children and have diverse stories so the reader can see themselves and their friends reflected in the narratives. As well as books, they have dress-up items to help play out stories, projectors to turn walls into galaxies or jungles and toys relevant to the story. It also includes a Toniebox, a digital story box that brings favourite characters to life and lets children listen to a story or sing along with songs.

We are always listening to feedback and healthcare professionals told us that they were finding it hard to find resources for older children. We responded by piloting our Play Well box, designed specifically to aid relaxation for the over-tens, with games, notebooks and aromatherapy products. The box was enthusiastically received and we plan to roll it out as a full service in the coming months.

Health professionals also told us that while many hospitals have outdoor play areas, many of them had been designed for very young children so we sent out 75 Active Play boxes containing outdoor equipment including bats and balls, giant noughts and crosses and skittles for older children.



**BOOST  
BOX**



## Technology in partnership

Children, their parents and health professionals have told us that more access to technology is a top priority to improve the hospital experience.

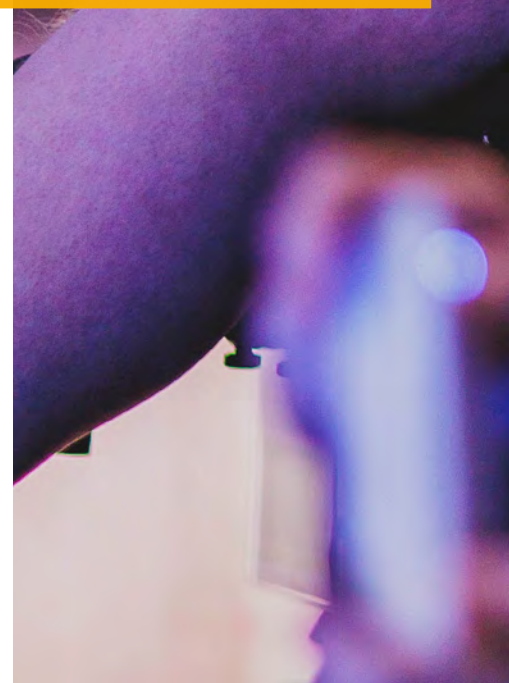
Integration of technology into play is part of life and in partnership with Leeds Children's Hospital, with the generous support of True Colours Trust, we have been piloting its use in two very different ways over the last 12 months. Our Virtual Reality project has seen a fulltime Health Play Specialist working with children to discover how VR can be used in a variety of treatment settings. It was the largest study ever conducted in the UK on VR play in hospital, with 110 children and young people taking part. There's a lot more still to learn, but the early indications are that VR is a highly effective distraction therapy for children. It improves their experience of hospital and can also create time-saving efficiencies for some procedures in the NHS. When given a choice of distraction methods, the majority of children chose VR. As a result we are extending this pilot to more locations in the coming year. As well as being a successful pilot of using the technology for distraction, we built experience in working in partnership with the NHS.

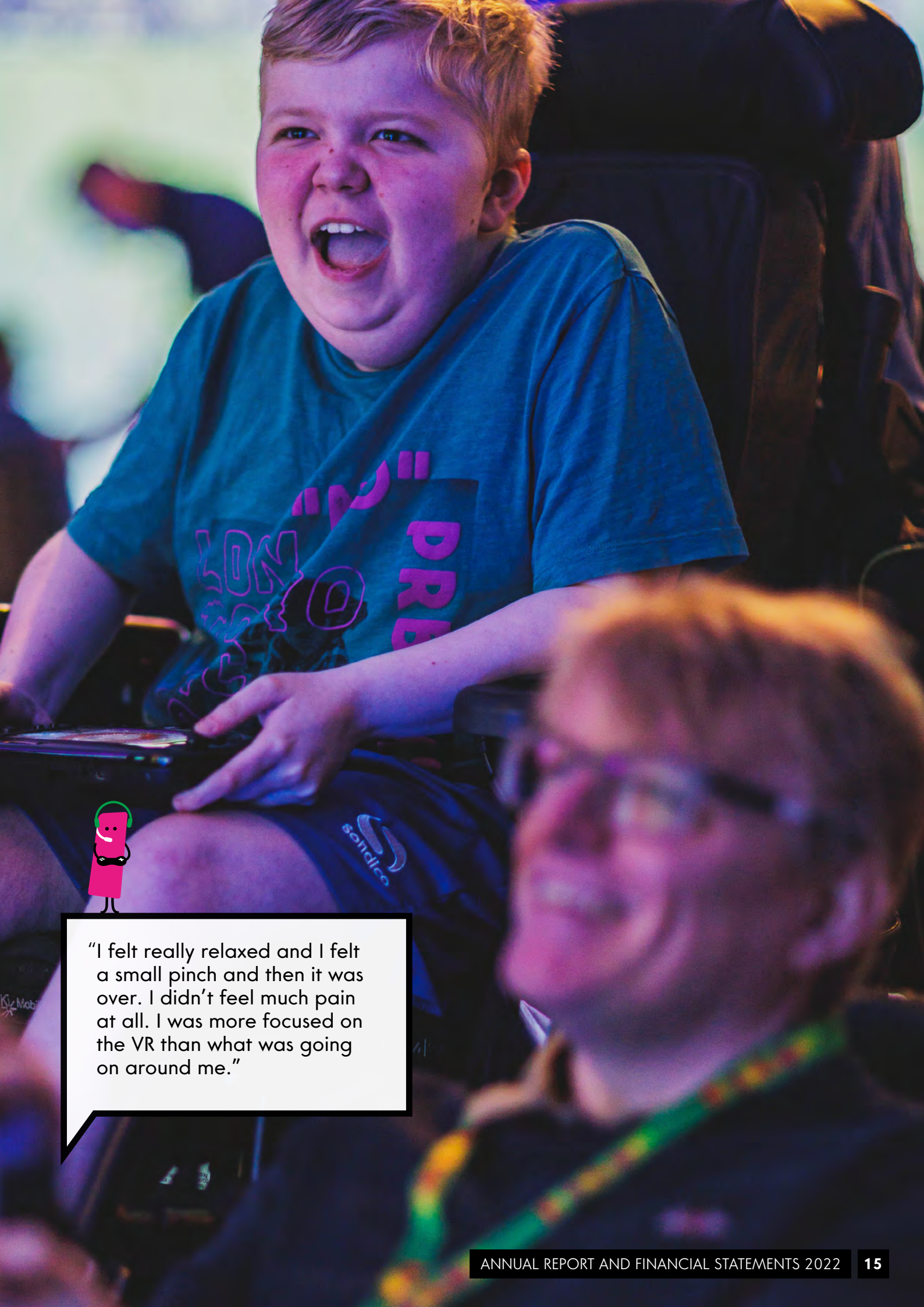
We also got involved in the redesign of the reception area, where many children get their first impression of hospital life. With plans for a brand new Children's Hospital to be built in Leeds, the Leeds Hospital Trust were

re-modelling the entrance to their existing space and were keen to trial how technology might be used to make the area more welcoming. Plans for interactive play included motion sensor games on giant screens. Placed in the waiting area and featuring our playful brand characters, the games kept children visiting the hospital entertained and occupied. These were well received in testing although practical implementation, as part of the wider building project, was more challenging and some issues are still to be resolved.

We have been using technology for distraction for some time, but we have been able to do something a bit different this year, with our new partner Rhino. Using their immersive Sensory Voyager units, we have been able to provide 35 hospitals with the ability to turn any ward area, or individual cubicle, into a sensory space.

Gaming continues to be a top priority for children of all ages, providing both entertainment and distraction. This year, as well as continuing our Starlight Gaming Bundles, providing 242 packages of a console and games in partnership with Nintendo, we were excited to partner with RockingR to deliver 38 of their gaming machines to health settings. There is growing demand for these units which can be used at the bedside for an individual child or to bring children together for social connection and, critically, do not depend on access to often intermittent hospital wi-fi connections.





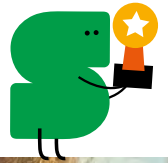
"I felt really relaxed and I felt a small pinch and then it was over. I didn't feel much pain at all. I was more focused on the VR than what was going on around me."

## OUR WORK WITH HEALTH PROFESSIONALS

It is only thanks to Health Play Specialists, who work tirelessly in ensuring the children in their care can still experience the value and joy of play, that we are able to provide many of our services. Together with children and parents, they tell us what is happening on the front line so we can respond and continue to develop our services. Many hospitals have no budget for Health Play Specialists; so we support other healthcare workers too. During the year we worked with almost 1,500 healthcare professionals to help them provide the children in their care with the time, space and opportunity to play.

As part of our work to raise the profile of the importance of play in the health and wellbeing of children, each year we support National Play in Hospital Week, organised by the National Association of Health Play Specialists.

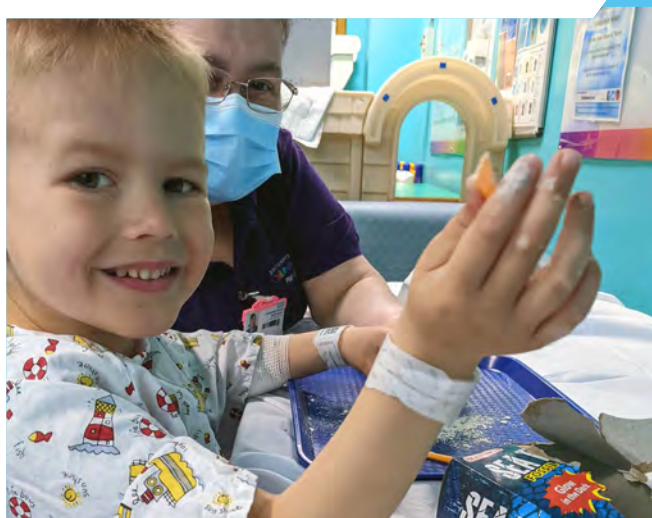
We also recognise the critical role these professionals play and the fantastic work they do with our annual Health Play Specialist of the Year and Play Team of the Year awards. This year we added two new categories: the Power of Play award, for a Health Play Specialist nominated by a family for making a real difference to their child's hospital experience, and the Protector of Play award, recognising the Health Play Specialists who work in particularly challenging conditions.



We were delighted to recognise Julie Morris, Health Play Specialist at Kingston Hospital as our Play Specialist of the Year. Julie and her team work with no NHS budget, carrying out fundraising activities to raise money for play materials. Julie also led a £60k project to make the hospital paediatric garden accessible to all, from submitting a case to the Trust, planning the new garden and working with charities to raise funds to pay for it.

Our Play Team of the Year award went to the team at Ipswich Hospital, who work in a busy, acute care setting but find time for children not in their care too. They too work without an NHS budget for play materials.

It's a truly exceptional example of a team who have stepped out of the play room and into families' hearts... They have also supported bereaved siblings and children in Covid, for example when adults died on ITU. They have found a beautiful music therapist and worked to get her substantive role supported once a week, and she has been transformative for our long term patients."

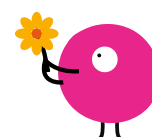


The new Power of Play award was open to nomination from families and our first winner was Tonya Webber, the Play Team Leader at Southampton General Hospital. Tonya was nominated by the mother of a six year old boy, saying:

It's so important for children to have a 'safe' person in these situations, one who isn't going to come in their hospital room and give them a blood test/medicine/swab etc. Tonya is this person for him and she's made him feel important by helping her to do a few jobs and he's comfortable enough to be his normal cheeky self when she's around. She brings normality and fun to what can be very anxious and scary situations for him."

Our Protector of Play award went to Nursery Nurse Dawn McCabe, solely responsible for play on the Paediatric Surgical & Trauma ward of Middlesborough's James Cook University Hospital. Like many others, Dawn doesn't let the lack of a budget for resources stop her and was highly praised for the work she did at children's bedsides during the height of the pandemic.

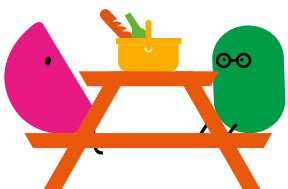
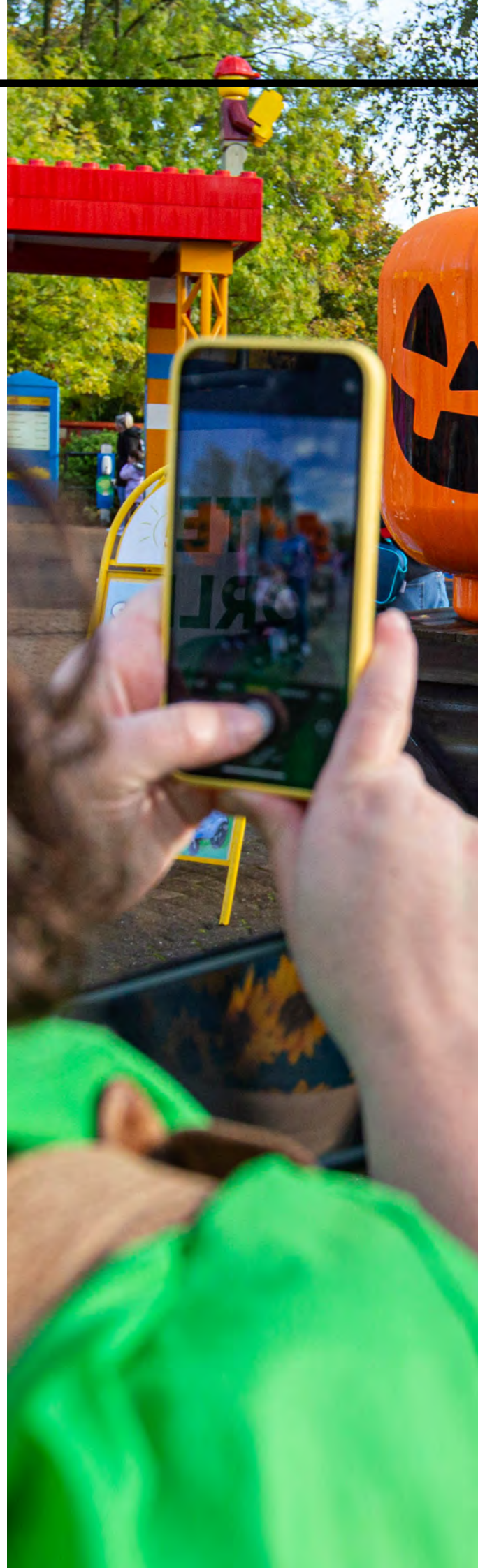
We are indebted to the National Association of Health Play Specialists Chair (NAHPS), Penelope Hart-Spencer and Tina Clegg, Chair of Healthcare Play Specialist Education Trust (HPSET) for being the expert judges on our panel along with Starlight CEO, Cathy Gilman.



## SOCIAL CONNECTION THROUGH OUR FAMILY SERVICES

Social connection is critical for all of us and research tells us that playing with others gives children the opportunity to build broader relationships beyond their families and gain skills vital for their emotional and social development. For many seriously ill children, the welcome end of lockdowns and restrictions has increased their isolation as lives for those children around them return to normal. Our new Family Services programme aims to provide children and families with the time, space and opportunity to connect with others and do things they enjoy in a safe environment. Flexibility was key, with covid restrictions changing regularly and a full programme of events not possible, but we monitored the situation closely and delivered events whenever restrictions allowed and we felt it was safe to do so.

For families like us, where time is precious, these fun, happy memories are priceless. This has given us something to look forward to as a family that we can enjoy together.”





### During the year we:

- Held our first Summer Festival, a socially distanced, outdoor event where 33 families enjoyed a picnic, a live performance of Peter Pan and other entertainment as well as a box of crafting goodies.
- Gave 30 families of children with complex conditions the chance to get away through our new Starlight Breaks, short holidays with specially planned activities at Alton Towers and Brickhouse Farm Cottages.
- Launched our programme of Starlight Days, giving 87 children the opportunity to spend some time together doing something they love including a football coaching day at England training facility, St George's Park.
- Entertained 83 families at drive-in movie screenings, allowing them to enjoy a shared big-screen experience in a safe environment.
- Sent out 120 Summer Family Adventure Boxes, encouraging seriously ill children at home, often still isolating from their friends, to get out into any available green space and explore.
- Entertained 123 families via 9 virtual parties, magic and comedy shows and classes, giving children and their families the chance to play together.
- Provided Christmas presents for children to enjoy at home when the increase in Covid cases led to the cancellation of a much anticipated Christmas Party at Warwick Castle.

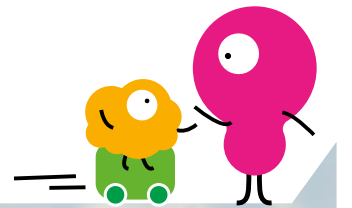
## WISHES

This year saw the completion of our wish programme, with the granting of almost a hundred wishes. Many of the children had waited-out the pandemic to have their wishes fulfilled and although we took the difficult decision that foreign travel remained impractical in the current climate, we worked hard with families to find suitable alternatives and a lot of children enjoyed the delights of UK holidays instead.

With restrictions lifted, 16-year-old Ella was able to meet her idol, Kate Winslet, to swap acting

lessons and read lines together. 15-year-old Charlie went on a much-needed family boating holiday on the Norfolk Broads where he and his family reconnected and relaxed and 16-year-old Elpida spent the day at Theo Fennell's jewellery workshop where she designed a very special ring to signify the end of her treatment.

Although our wish programme is now at an end, as you've been reading earlier in this report, children will continue to be able to enjoy a sense of escape and connection as part of our new Family Services programme. Our friends at the many excellent wish-granting charities continue to provide this service.



## LISTENING, LEARNING & SHARING KNOWLEDGE

Thanks to our experience of working with children, families and health professionals over the last 35 years, we have developed unique relationships where we are entrusted with details of lived experience of serious illness and long-term conditions. We also continue to develop new ways to listen to children's views about their experiences and feelings as well as their opinion of our services. We continually gather insight and review external research to supplement our first-hand knowledge; this enables us to adapt and respond to the needs of children and their families in an ever-changing world.

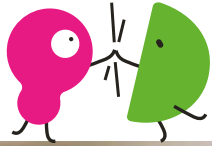
From this collective insight we have built a unique understanding of the play and distraction needs of children, especially in hospital, and of the inequalities between hospitals in the provision of play. Despite the Department of Health's recognition of the importance of supervised play in hospital; a recommendation that play professionals are employed on every ward and that the therapeutic purpose of play needs to be included in the care plan, there is no systemic adoption by the NHS. In fact, 50% of hospitals in the UK have no play budget and of those that do, a third have £250 or less to spend each year. One third have no dedicated play professionals.

These startling facts formed the basis of our second published insight report 'The importance of play in hospital 2021'. Across the country, Health Play Specialists, and other health professionals involved in play, are raising funds or using their own money to buy play materials for the children in their care. There still isn't a clear picture of the true state of play in hospitals and so we have started our own research, bringing in a data analyst to find answers to such questions as "how many health settings actually treat children for illness and long term conditions?" and "how many of these settings have professional play staff?" Not only will that let us target those health settings where there is the greatest need, it will provide critical information as we begin to work seriously to influence change in this area.



The insight we gather as part of our work puts us in a strong position to be a voice of influence for the need for systemic change in the delivery of Department of Health recommendations on the provision of play in hospitals. This year we were thrilled to be able to appoint our very first Head of Policy & Public Affairs, who has been busy building engagement and consulting with key stakeholders as part of developing a Policy & Public Affairs strategy. The ultimate aim is to improve the experience of seriously ill children and reduce inequalities in play provision in healthcare settings. A recent policy roundtable brought together Health Play Specialists, paediatricians, academics, health service executives, parents and former patients for a highly stimulating discussion of priorities, aimed to help us formulate a clear set of policy aims and develop a strategy for advocating for systemic change. Those attending recognised the unique role that Starlight can play in bringing together this influential group to develop a voice of influence. Alongside this we have commissioned the Centre for Research in Early Childhood to undertake a review of the policy landscape to enable us to prioritise and advocate effectively.





# OPTIMISING

# IMPACT

LAST YEAR WE SAID WE WOULD:

1

**In collaboration with children, families and Health Play Specialists, develop and pilot new services in five areas of key importance to children and young people dealing with serious illness or long term conditions.**

We ran a successful pilot project at Leeds Children's Hospital using virtual reality technology to create distraction and reduce anxiety during treatment. We trialled giant interactive games in the hospital's reception area and learned some of the difficulties of building and using technology in hospital. Both projects taught us a lot about working in partnership with both the NHS and technology providers. We developed relationships with a new partner, Rhino, and were able to deliver 35 of their immersive Sensory Voyager units to hospitals, allowing wards, or individual cubicles, to be turned into sensory spaces. We piloted services for imaginative play, for teenagers and for active outdoor play. We commissioned a service review, with children and young people at its heart, to understand how we might adapt our services in the future.

**2****Complete our Wishes programme and begin to deliver our Experiences programme, continuing to provide respite, social connection and escape to children and their families.**

We completed our wish commitments and developed and implemented our Family Services programme, aimed at providing seriously ill children and their families with opportunities for social connection and escape, as described earlier in this report.

**3****Strengthen and amplify our voice and influence as protectors of play.**

We appointed a new Head of Policy & Public Affairs and consulted with a wide group of stakeholders as part of our work to form a clear set of policy aims and develop a strategy for advocating systemic change in the role of play in children's healthcare, as set out in the 'Listening, Learning & Sharing Knowledge' section of this report.

**4****Identify inequalities in play access for children and young people dealing with serious illness or long term conditions and work in partnership with others to identify and develop solutions.**

We published our second 'Importance of Play in Hospital' report, which highlighted the inadequacy of play provision in many hospitals. We completed the project funded by Barclays and 3i Group to put £200,000 worth of services into hospitals in areas of social deprivation and in so doing gained further insight into the needs of those hospitals.

**5****Continue to keep children, their families and health professionals at the heart of all we do.**

We have continued to consult with children, families and health professionals and have commissioned 'A Place in Childhood', a research charity dedicated to helping organisations to involve children and young people in service design, to carry out a formal service review, seeking specifically to engage with children who benefit from the services and authentically incorporate their voices into our service development and delivery. We have taken the opportunity to review and refocus our Ambassador Programme to make it meaningful both to us and to our Ambassadors, so have worked for a steady 20% growth in the number of Starlight Ambassadors in the year.



## PLANS FOR THE YEAR AHEAD

We live in an ever changing world but the one thing that remains constant for Starlight is the relentless focus on our purpose. Plans of how we deliver that purpose evolve as we learn more; we continue, through our research and insight, to identify areas where there is the greatest need and to develop services accordingly. This year, we plan to:

**1**

**Deliver 5,000 Distraction Boxes, Boost Boxes and other boxes of resources for play and distraction into hospitals and hospices.**

We'll continue to gather insight and we'll use the findings of the service review we have commissioned to adapt these core services to make sure they stay relevant and impactful to the children, young people and health professionals who use them.

**2**

**Complete, evaluate and implement the results of three linked reviews as part of our commitment to evidence based decision making.**

- a. We will carry out a robust service review to update and improve our understanding of the needs of children in hospital for play and distraction.
- b. We will scope the policy landscape for children's play in healthcare, to inform our policy aims and strategic approach.
- c. We will undertake a project to understand the true state of play in children's healthcare settings and so increase the reach and impact of our services.

**3**

**Introduce Starlight Health Play Specialists in four healthcare settings.**

We will be working in partnership with both the NHS and an independent hospice on a three year project to provide Health Play Specialists in healthcare settings which could otherwise not afford to have them. Starlight Health Play Specialists may work within hospitals, hospices or community healthcare teams and are employed directly by the setting but funded by Starlight. We will work in partnership with the setting to provide training and support for the roles and to gather insight on their impact.

**4**

**Continue to strengthen and amplify our voice and influence as protectors of play.**

We will use our own research alongside an externally commissioned review to inform our Policy & Public Affairs work. We will continue to work with stakeholders to build a platform of influence and will begin work on our first ever public campaign to improve inequalities in play provision. We will publish our third annual 'Importance of Play' report in time for National Play in Hospital Week in October.

**5**

**Continue to build our Family Services, increasing the opportunities for social connection.**

We will deliver a programme of Escapes, Experiences and Starlight Breaks across the year, working with health professionals to identify children who can most benefit from these experiences.

**6**

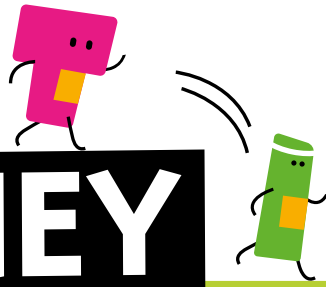
**Continue to research the value of technology for play and distraction in hospital settings by continuation of our Virtual Reality pilot.**

We will extend this pilot to three other hospitals, under the supervision of a funded Health Play Specialist, and continue to monitor impact.





# HOW WE RAISE MONEY



Just as relationships are at the heart of our work with children, families and health professionals, they are our most valuable asset in our fundraising, whether we are working with a major donor, a Trust or Corporate partner or an individual supporter taking part in a challenge event. The passion of our supporters for the work we do and their commitment to our cause is what allows us to provide our services.

The diversity of our income streams has sustained us well through this period of uncertainty and we are very grateful to the individuals who give regularly or at our fundraising events, the companies and Trusts who support our projects, and those who leave generous bequests in their wills. We have also begun to develop a potential new income stream from our partnership with the NHS vaccination programme. In a world of economic uncertainty, the fact that we are able to raise the funds to grow our services is a testament to the loyalty of our supporters and to the compelling message of the importance of our work.

For our fundraising, 2021-22 has been a year of strategic planning, of testing and trialling, of consolidation of all we have learnt over the past few years and of building a team with the expertise to deliver for the future.



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## BUILDING CASES FOR SUPPORT

The focus our new strategy brings to the delivery of our charitable purpose does far more than help us deliver impactful services. We have continued to build our High Value Fundraising team, with a focus on generating compelling, evidence-based, project focused cases for support for Trusts, Foundations and the many companies who have Corporate & Social Responsibility high on their agendas. This project based funding lets us carry out programmes that might otherwise be out of our reach and trial new services without interrupting our existing ones. We are very grateful to the many people who throughout this challenging year have willingly continued to introduce new networks and make warm introductions to potential Starlight supporters.

The research we do and insight we develop is also a powerful tool in attracting funders. In one example, our 'Importance of Play in Hospital' report, published in October 2021, was picked up by Sky News and we had the chance to tell the nation about the inequalities in hospital play provision. This opportunity increased our reach and the public's awareness both of Starlight and the importance of play in hospital; it and also led to significant donations and a new partnership with a Charitable Trust.



### Our three-year fundraising and marketing strategy focuses on five areas:

**CULTURE:** To give our colleagues and supporters the knowledge and tools they need to raise funds for our vital services

**INSIGHT:** To use evidence and insight to drive decisions on investment and supporter experience

**REACH:** To use every touch point to increase our reach and inspire action

**DIVERSIFY:** To have a wide range of offers

that meet audience needs and deliver income in the short, medium and long term

**TECHNOLOGY:** To maximise use of digital technology to deliver supporter experience and improve fundraising performance

There is always an urgent need to raise funds but we also take care, through our ethical fundraising policy, to ensure that people and activities are appropriately aligned to our values.

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## FORMING STRATEGIC PARTNERSHIPS

The clarity of our new strategy and values have enabled us to identify strong partnership alignment opportunities and to develop unique play related opportunities for partners.

We have been excited this year to be selected by management consultancy Oliver Wyman to be their Charity of the Year and to have the chance to demonstrate the importance of play and recreation for people of all ages with a 'play at work' workshop, where some of the team had the opportunity to play together, led by our play team.

Our multi-layered partnership with pladis has continued with generous supplies of biscuits and snacks being provided as gifts in kind for many of our family events. We have also worked in partnership with their Colleague Experience team to develop a Starlight colleague experience strategy, appropriate for our size and aligned to our values.

Lights 4 Fun have continued to dedicate one of their lovely products for donations to Starlight while also providing special lights in our packs for Starlight Ambassadors in hospitals to cheer up hospital wards. We're also working with other retailers, both online and on the high street, on driving point-of-sale customer donations.

Access to technology is a priority for children in hospital and thanks to our long partnership with Nintendo we have been able to continue to provide vitally important gaming bundles to hospitals across the UK. There are also many other companies that have generously donated toys, books and other play resources for our boxes. We especially thank Ryman and their suppliers, who despite having another very difficult year on the High Street, have continued to support us by donating hundreds of toys and arts and crafts materials.

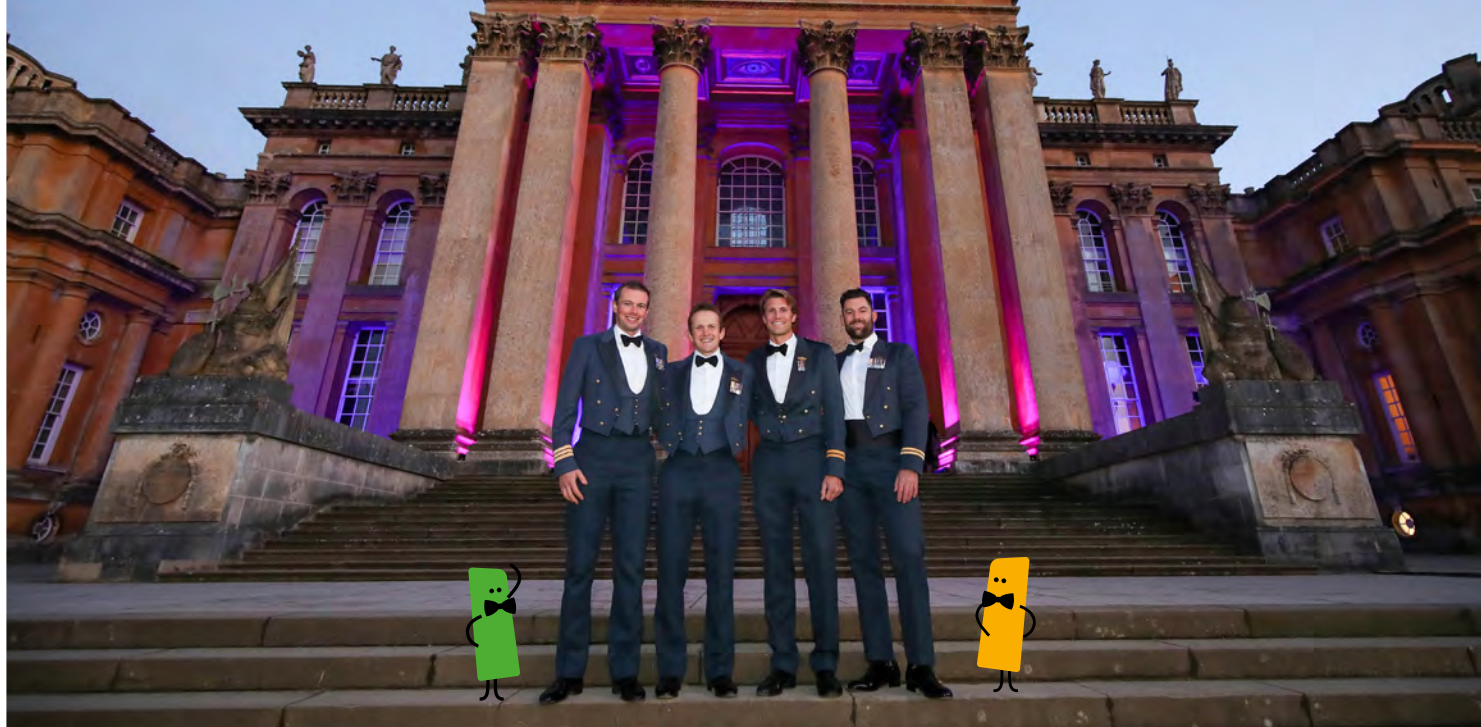
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## SPECIAL EVENTS

We were delighted and relieved to reintroduce fundraising events at the very end of the financial year in March with the Starlight Blenheim Ball. As our last event had been in May 2019 there was inevitably considerable uncertainty in the planning and the delivery of the event. As our Chair said in his introduction to this report, the exceptional Committee were determined to make this a record-breaking event and surpassed any expectations that we dared to have by raising an incredible £1.3m in the final month of the financial year. This has inevitably resulted in higher reserves at the year-end, but also the opportunity to immediately increase our planned expenditure on children's services in the coming year.

Shortly after the year end we were able to deliver two further major fundraising events postponed by the pandemic – a clay pigeon shooting day at Highclere Castle and a race day at Newbury. We have learnt a lot from coming back to these events with a fresh eye and as part of our continuing development of fundraising plans will be conducting a strategic review of major fundraising events over the coming months.





## VALUING AND GROWING OUR SUPPORTER BEDROCK

We never forget that a significant proportion of our services are funded by the generosity of our individual supporters, who have continued to show us incredible loyalty at a time when we know many of them may have faced difficult times and financial uncertainty.

One of the real highlights of our fundraising year was our 2021 Time to Play Campaign, which demonstrated the power of a single, simple message: More than half of all hospitals don't have the budget or resources to make play happen for children. It's a stark fact and a compelling story. The campaign appealed to all audiences and included a direct appeal to 40,000 supporters; as well as raising public awareness through media coverage, it raised more than £400k for our work.

It's been a year in which some of the fundraising events made impossible by the pandemic were able to restart – we welcomed runners in the Marathon and Royal Parks Half and swimmers in the Thames at Henley. Community fundraising has also gradually returned and has allowed us to reassess how we engage with both our local and wider communities, audiences we want to explore further in the coming year.

Developing insights to inform our decisions is as much a part of our fundraising strategy as it is our service delivery and this year we have been carrying out a product lifecycle analysis across our public fundraising portfolio, to support our decision making. We have asked questions such as “how well does the product enhance Starlight's reputation? Is it the kind of thing the public would expect us to do?” as well as important questions around financial returns and audience reach. As we develop and implement our new fundraising and marketing strategy over time, we expect to steadily improve the return on investment of our fundraising.

We have recognised the importance of better integration of digital fundraising and are working with an expert digital agency, Social Social, on developing our first complete digital, audience first, fundraising strategy. We're asking questions such as “How can we maximise channels like YouTube and mobile?” and “How can we develop greater digital skills with our people?”.

As part of that we're also asking how we can move more supporters from print into a digital stewardship experience. We know that many of our supporters love to receive our appeals in the mail but we're conscious of the cost and the impact on the environment so we're aiming to make as many of our communications as possible electronic; we now have more than thirty five thousand people signed up to our fundraising e-newsletter.

## **BUILDING SUSTAINABLE INCOME GROWTH**

**Last year we said we would:**

**1. Maximise the potential power of our new brand and tell our new story to leverage more income.**

We have focused our appeals on the real life stories we see every day. It's motivated our loyal donors to continue to give and to give more. We have seen the power of our new brand, combined with these stories and the research we have done, in an increase in media coverage, which has raised awareness of our work and attracted new donors. The Sky News interview described earlier in this report is a powerful example of that.

**2. Develop and implement a strategic communications strategy to maximise the opportunities for telling our story, including producing a greater number of high quality compelling case studies and content.**

We have built a strategic communications strategy, with focused objectives, identification of audiences, channels and key messages and have formed a cross-organisational working group to implement the resulting plan for the coming year. We identified key moments in the calendar for media interest and saw the benefits of this in the media attention around the launch of our Importance of Play in Hospitals report.

**3. Build on our success of gaining substantial Trust funding to obtain multi-year funding.**

We have always known that building relationships with larger Trusts (and companies) to secure multi-year funding takes time, with most wanting to see successful use of shorter term funds before committing to longer term projects. We have also seen shifts in funding priorities over the last year, but we continue to work to develop and strengthen our Trust relationships. We have had some Trust funding for pilot programmes which we hope to be able to extend.

**4. Drive new business with corporate partners for both short-term funding and long-term strategic alignment purpose.**

We have secured a number of mid-level partnerships, providing both short-term (and the potential for longer term) funding and other support for our work. We work with a diverse range of companies where we see real alignment, whether in product or in values. We continue to work on our strategy for developing larger strategic alliances.

**5. Build on the success and learning from the Time to Play campaign to run two further integrated campaigns and increase our sustainable supporter base.**

We delivered two integrated campaigns – our summer Freedom to Play, focussing on the fact that for many seriously ill children the freedoms being enjoyed by most of us with the lifting of covid restrictions remained out of reach, and a hugely successful Time to Play 2021 campaign in the winter. The tie in of the latter with our strategic communications plan brought significant media coverage and with it new funding opportunities and supporters.

**6. Develop new offers that drive repeat giving with our core, growth and stretch audiences.**

To bring evidence to the heart of all our decision making, we have carried out a product lifecycle analysis across our high volume fundraising products to fully understand the role of our existing fundraising offers in our long term success and are now in the process of reviewing what this means for the future. At the same time, we have been building our digital strategy and identifying the products most likely to increase our sustainable supporter base over the coming years.

## Growing Support in the Year Ahead

With an unprecedented combination of economic, political and pandemic uncertainties in the year ahead, to achieve our income ambitions we know that we will need to find clever ways to reach and engage with existing and new supporters. We believe that the wide relevance of our new purpose, clarity of strategy, brand appeal and demonstration of tangible outcomes in service delivery, will equip us well in the year ahead. This year we aim to:

**1. Embed our new strategy**, using the outcomes of our Product Lifecycle analysis to make decisions about which of our current fundraising products are fit for the future, which need to be adjusted and which might need to stop. We'll focus on evidence-based decision making across our fundraising.

**2. Complete our Digital Fundraising Strategy development and begin to implement it.** We'll continue to draw on the expertise of our partner, Social Social, while we develop new skills within our teams to be self-supporting in the future.

**3. Run two public fundraising campaigns** – a community focused campaign and, for the third year, our highly impactful winter campaign, Time to Play.

**4. Use our reputation as Play specialists to build our existing and develop new strategically-aligned corporate partnerships**, bringing play into the corporate world whilst raising funds for and awareness of our work. We'll work towards partnerships with some large child-centred companies, recognising that these take time to build.

**5. Continue to build relationships with current Trusts and Foundations with the aim of securing multi-year funding to allow longer-term projects.** We'll also continue to use our networks for warm introductions and, now that our new strategy and evaluation framework are in place, aim to develop strategic relationships with some of the major institutional funders such as Big Lottery and Children in Need.

Our thanks to our Trust and Foundation funders, our corporate sponsors and partners who have helped make our work possible this year.

Barings  
Greendale Charitable Foundation  
The Hummingbird Charitable Trust  
The Lady Rothes Charitable Trust  
The Lancashire Foundation  
The Moondance Foundation  
Morrisons Foundation  
The Neumark Foundation  
The Story of Christmas  
The Tanlaw Foundation  
True Colours Trust  
Wates Family Enterprise Trust  
Amazon  
Barclays  
Ryman  
3i Group  
Barratt Developments PLC  
Go Charitable  
Lights4Fun  
pladis  
Red Carnation Hotels



Starlight is registered with the Fundraising Regulator and we are committed to meeting the Fundraising Code of Practice. Our fundraising activities are legal, honest, transparent and respectful. We take care of supporter data in line with GDPR and have processes to ensure we only contact those who want to hear from us for fundraising purposes. We also ensure that nobody who appears to be vulnerable is asked to commit to giving. During the year we sent just over 0.25 million communications by mail and email and received thirty complaints, all of which were resolved without escalation.

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## BUILDING OUR COLLEAGUE EXPERIENCE

The experience of our colleagues at Starlight is a key contributor to our success. A healthy culture in which people are valued as people can improve their experience and amplify organisational performance.

This year we have been focusing on how we can enable our people to be their best. In partnership with pladis, we have developed a 'Moments that Matter' strategy identifying key moments that are of importance in the experience of our colleagues at Starlight.

During the year we have defined our purpose and values and begun to deliver a Development Programme, initially for the Senior Management Team where we have focused on how our behavioural choices individually and as a team, can contribute to business results.

In the year ahead we will focus initially on three areas of this strategy, Choose, Grow and Celebrate. We want to ensure that our colleagues are fairly rewarded by benchmarking our reward package; we will extend the learning and development programme for leaders and we will consider the inclusivity of what and how we celebrate at Starlight.

The wellbeing and safety of our team has continued to be of paramount importance through the pandemic. We responded to government guidance and our own risk assessments as the situation changed and used the opportunity to understand what the physical future of work might look like. After consulting with our colleagues, we built our new working practices, where we work in the place that best fits what we need to do on any given day.

With a team of just 40 people to deliver an ambitious strategy, we have been delighted to recently involve a number of volunteers after a long gap because of the pandemic. All volunteers are required to sign up to the Starlight safeguarding and Data Protection policies and are briefed on the importance of the work of Starlight for the families that they will meet.

On the financial front, the Trustees approve the overall salary budget and specifically the remuneration of the Senior Management Team, which is set taking into account affordability for the Charity, inflation and market rates at the time.

**WE ARE  
STARLIGHT**



## Establishing Our Values

With a new purpose, strategy and plan in place, we have true clarity about what we want to achieve as a charity. This year we have focused on our culture and the way we want to be, thinking about the behaviours that matter to us and how they will contribute to our success, by creating a set of unique Starlight values.

**Working together for our purpose.** We aim high, think big, are imaginative and curious in everything we do. We celebrate our achievements and we help and support each other when challenges come. We all play our part in our purpose and have fun along the way.

**Responding to the world around us.** We are inspired by the changes in the world around us. We have the freedom and courage to try something new, always learning and adapting to people's needs. It means trying stuff out, seeing what happens and pushing our own boundaries.

**Taking time to understand.** We take the time to truly understand ourselves and our impact. We actively listen, seeking to learn and understand from everyone's experiences in life. We are open to the opportunities and possibilities this awareness brings to ourselves, others, and Starlight.

**Trusted to be our best.** The trust we have in each other and our purpose guides our decisions, choices, and actions. When we are trusted our confidence grows, we ask for help and we feel safe to be who we are. In any situation we say 'we' rather than 'they'. Most of all we trust in the Power of Play for children and adults alike.

## Equity, Diversity & Inclusivity

We value the individuality and differences of all of our colleagues and have open and honest channels for discussion and feedback.

Our internal EDI Action Group has three priority commitments:

- Our services will be accessible, relevant and inclusive to all the children and families we support
- Our supporter engagement opportunities and products will be accessible, relevant and inclusive to all our supporters
- We will bring our unique perspectives and experiences to Starlight and live and breathe our EDI commitments

In the year ahead we plan to:

- Gather diversity data across our service users to understand if there may be gaps in our reach which could indicate accessibility or inclusivity issues
- Begin gathering diversity data on our fundraising audience and use that data as part of our decision making to ensure diversity of audiences being engaged
- Ensure all our PR, digital and marketing plans feature touch points used by diverse communities
- Build on our Unconscious Bias training with a rolling programme of education



# FINANCIAL REPORT

2021-22 has been a year of steady and sustainable financial performance, despite the uncertainty of the external environment. We approached the year with ambition tempered with prudence, conscious that almost 20% of our income for the year was expected to come from the Starlight Ball in March 2022. As Covid restrictions evolved, our ability to run the event was in doubt for much of the year, so we focused on ensuring that we were committing to and delivering services in line with funds available and thus delivering maximum impact whilst maintaining our financial sustainability.

As reported last year, we came into the year with reserves higher than planned, and we therefore planned a deficit of approximately £1m for 2021-22. Our plans to reduce reserves significantly were overtaken by the outstanding success of fundraising in the final quarter of the year, with the Ball raising almost £0.5m more than expected, and the receipt of unexpected legacies and a significant corporate donation. We therefore ended the year with a much smaller deficit of £0.2m.

These additional funds will allow us to do even more than already planned in the 2022-23 financial year and, in fact, our modular approach to budgeting meant that within weeks of knowing how the year would end, the Trustees were able to review a new budget proposal supported by clear plans for approximately half of the additional surplus reserves. We continue to take a balanced approach; as described in the Risks section of this report there are some significant risks around fundraising levels in the coming year and we will be releasing more of the additional funds to service provision as the picture becomes clearer.

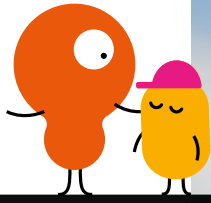
We came into the year with a clear strategy, based on our experience in the previous year, of how we would deliver services regardless of the status of the pandemic. We were able to deliver almost our full planned programme, meaning the amount we were able to spend on our charitable purpose increased by 66% from the previous year.

As a result of this, we ended the year with a reported deficit of £0.2m. Reserves stood at £4m, of which £0.5m is restricted funding relating to programmes due for delivery after the year end. This includes £0.2m for funding Health Play Specialist roles and £0.2m raised at the Starlight Ball for delivery of the 2022-23 Family Services programme.

In overview of the detail, donations and legacies for the year, excluding Gifts in Kind, totalled £4.6m, up £0.9m on last year and £0.7m ahead of our original budget. We made successful applications for just over £0.8m of Trust and Corporate grants, and generated donations totalling £1.3m from the Starlight Ball. Public Fundraising fell by £0.3m, raising £1.6m; this was largely expected when measured against the emergency appeal in the early days of the pandemic in the previous year, continued cancellation of challenge events and the current tough economic climate.

Legacies continued to perform strongly, almost reaching the £1m mark, although the earlier than expected settlement of some significant legacies in the last quarter of the year means that the future pipeline is lower than usual.

Spend on charitable service provision (including allocated overheads) was £2.9m against a previous year spend of £1.7m, demonstrating that the clarity of our strategy and our adaptability to the world around us, including navigation of



covid-restrictions, have allowed us to move back towards pre-pandemic levels of expenditure. Hospital services provision more than doubled in the year, reflecting both more confidence in funding and our investment in our ability to deliver it with our dedicated Play Team. In the coming year we expect to spend in the region of £3.5m on charitable services, growing our reach and impact still further.

Financial sustainability is about more than the current deficit or surplus and we continue to invest in our people and our central services to ensure we have a sustainable model of both fundraising and service provision for the years to come.

Looking to the future, reflecting our plans for significantly increased spend on charitable services, as well as the fact that substantial funds for the year's services were received prior to the year end, we have a planned deficit for 2022-23 of in the region of £1.5m. This is in line with our plans to reduce reserves to approximately £2m by the end of 2023.

Over the course of the year we have been investing in our strategy for the future as well as our immediate service delivery, building the experience and expertise we need to carry out, and fund our ambitious plans. Our new fundraising strategy is in its infancy and solid returns on investment for new products can take time to build. We expect our fundraising cost/income ratios to improve over time and are satisfied that they remain in line with those of similar charities. Our key measurement of success remains our impact on seriously ill children and their families. We measure this in a number of ways but when we consider the number of children reached by our services, our performance stands out amongst charities operating in similar spheres.



## RESERVES AND INVESTMENT POLICY

### Reserves

All charities are required to consider how much they need to hold in reserves, in the light of the scale and nature of the charity's activities. We do this by considering the funds needed for upcoming plans, taking into account the inherent uncertainties of fundraising and recognising always the need to consider the financial sustainability of the charity for years to come. The Trustees reviewed the Reserves Policy in the year, considering the level of reserves needed to allow maintenance of service provision should there be a particularly difficult fundraising year in the future without risking the financial sustainability of the charity. As a result of this review the charity has adopted a policy of holding reserves of in the region of £2m.

As at 31st March 2022, our total reserves, excluding amounts tied up in fixed assets used for the operation of the charity, amounted to £3.9m (FY20: £4m). The charity no longer holds endowment funds; having exhausted all avenues of attempting to contact the original donor of its remaining endowment the Trustees made a decision to transfer the endowment to general funds on the basis that the investment returns over past years had been so low that it was in the charity's long term best interests to do so. Of the £3.9m of available funds, £0.5m is restricted to specific projects, the delivery of which is expected to be completed in the new financial year, leaving £3.4m of free reserves. The Board have reviewed their approach to designation of funds, recognising that the planned deficit for the

coming year will be funded from reserves, and as such have designated £0.95m for this purpose (being the level of planned deficit less that covered by restricted funding), leaving £2.45m of general expendable funds.

The financial year end is only ever a snapshot at one point in time; funding streams and operational activities are a fluid process and the year end surplus and level of reserves has to be considered in the context of a planned deficit of £1.5m for the coming year. Because significant funds received in the last quarter of the year were earmarked for projects planned for the current year, whilst the Board accept that the current reserves level is in excess of their stated policy, they view this as a matter of timing which will reverse over coming months. They also make reference to the unusually high level of uncertainty around fundraising as the UK emerges from the economic and personal impact of the Covid-19 pandemic and feel that an increased level of caution to ensure financial sustainability is merited at this time. The Board are therefore comfortable that the level of reserves held at the end of the financial year are appropriate.

### Going concern

The Trustees have reviewed the accounts as well as the charity's budgets and plans for 2023, reserves position up to the date of signing off these accounts and the charity risk register. They have considered the risks, particularly, around fluctuations in fundraising levels as the country emerges from the pandemic and into a period of considerable economic uncertainty, and believe that the charity has sufficient reserves in place to absorb these. In addition, the flexibility of the

charity's expenditure model has been proven to allow it to adjust services to meet changes in fundraising levels and the Trustees are confident that the charity can continue to meet the needs of a significant number of families and children for the next twelve months and beyond. The Trustees are, therefore, confident that the charity should be considered as a going concern.

### **Investment Returns and Policy**

At 31st March 2022, the Charity held £0.2m in managed long-term investments. £3.6m of reserves were held as cash and short term deposits. To mitigate the risk of these holdings, funds are split between two leading UK banks. The charity takes a low risk profile attitude to investment of its surplus funds (those funds not required for immediate financial needs), recognising the need to diversify risk across institutions and asset classes. High risk investments such as traded options, futures, derivatives, and hedge funds are prohibited. Bank accounts and deposit amounts may only be held with major UK banks, which have specifically been approved by the Board and not more than £2m (or 50% of the total unrestricted reserves, whichever is the lesser) is held in any one financial institution. Funds over and above those required for operating purposes may be held with fund managers in line with the above risk profile. The charity does not permit its funds to be invested in any organisation which conflicts with our mission and aims to avoid investments which could adversely affect its ability to attract either beneficiaries or supporters. Investments in armaments, tobacco or pornography industries are specifically forbidden under the policy.



## PRINCIPAL RISKS AND UNCERTAINTIES

The Audit and Risk Committee is responsible for reviewing the risks faced by the charity and for agreeing the necessary controls to mitigate those risks. The committee meets at regular intervals and reports to the Board of Trustees. Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of our effective governance. In managing risk, the Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that we can make the most of opportunities and develop them with the confidence that any risks have been identified and appropriately managed.

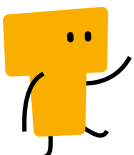
The charity continues to review its Risk Register, identifying in detail risks across the business and ensuring plans are in place to mitigate all major risks as much as possible and to monitor those where mitigation is inherently limited.

The most significant risk to Starlight in the medium term continues to be the uncertainty of the fundraising environment over the next few years and hence our ability to raise sufficient funds to carry out planned programmes of activity. As described elsewhere in this report, we are working to mitigate this risk by building long-term relationships with significant funders and to ensure we have a broad portfolio of fundraising options and a constant supply of strong cases for support.

Whilst this funding risk is also mitigated by our proven flexible operating model which allows us to scale back services in times of funding shortfall, thus protecting future sustainability, by its nature that reduces our ability to provide much needed services to the children and families for whom we exist.

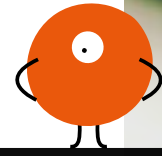
The second key risk identified by the charity is that of a slower than planned increase in service provision, which could in turn have implications for future funding. Whilst this risk is mitigated by an operational plan for the development of new services and the expansion of existing ones and a continual review of opportunities for new service provision, as a small team we are conscious of the impact of organic movement of colleagues as well as the risk of some pilots for new services failing and plans needing to be revised, with the associated time delays. The situation is being closely monitored and the Trustees are comfortable that there is a monitoring system in place which will identify at an early stage if delivery plans are not being met.

In these times of heightened cyber risk, with the threat level being raised by the NCSC, we have raised our awareness of potential risk to our systems and assets from a cyber attack. We have carried out a security review against the Cyber Essentials Plus standard which showed no critical cyber security issues but did identify areas where we could improve our protection and since the year end have carried out improvement works.





# GOVERNANCE



Starlight Children's Foundation is a company limited by guarantee (registered number 02038895) and a registered charity in England and Wales (charity number 296058) and Scotland (charity number SC047600).

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## LEGAL STRUCTURE AND PURPOSE

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 2nd December 1986. Our mission is to use the power of play to make the experience of illness and treatment better for children and their families.

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## PUBLIC BENEFIT

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives, and planning. Starlight Children's Services are designed to support the estimated 100,000 children and young people in the UK diagnosed with a life-limiting or life-threatening condition and their families together with the millions of children and young people who pass through the doors of our hospitals every year. Our insight team work to keep our services relevant and in line with need by talking to health professionals,

children and families about access to play, about the issues they face and about the benefits that they experience from our services and how they might be improved. Many hospitals do not have a budget for play and distraction and staff tell us that Starlight resources are often the only ones available. Our policy work aims to heighten awareness of inequalities in play provision in hospitals and to bring about systemic change.

Children, their families, and health professionals tell us that our services help to:

- Reduce anxiety and distress and help children relax in stressful medical environments
- Improve the hospital environment and hence give children a more positive experience, reducing anxiety about future treatment
- Reduce pain and the need for medication during medical procedures
- Give families opportunities for respite and fun
- Let children do things they thought impossible, building confidence and increasing wellbeing
- Provide opportunities for otherwise isolated children and families to build friendships, networks, and relationships with their peers
- Bring families together for quality time and create special memories.



# BOARD OF TRUSTEES

The Board of Trustees, who also constitute the Directors for Company Law purposes, are legally responsible for directing the affairs of the charity. They meet as a full Board four times a year although as a result of the uncertainty created by the pandemic they currently meet for less extensive meetings in most intervening months. We continue to monitor the skills and diversity of the Board to ensure that the charity has governance across all key areas.

This year saw the retirement of three long-serving Trustees; Nick Mustoe (Chair), Chris Hanvey and James Innes. In addition, Frenchesca James resigned as the year ended due to other commitments. Since the last report we have welcomed two new Trustees, Dr Chris Kelly and, in May of this year, Anna Gawn. Chris brings a broad skill set to the Board; a paediatrician and innovator who is now working at Google Health. Anna has significant experience and expertise in safeguarding as part of organisational culture and is a member of the Safeguarding Committee.

The Board continues to monitor skill gaps and prepare succession and recruitment plans for Trustees.

## COMMITTEES

Five Committees support the work of the Board as a whole, each made up of Trustees, Executive and in three cases external experts in the relevant area.

**The Safeguarding Committee** is responsible for oversight of all Safeguarding matters at Starlight and is currently chaired by Dr Krutika Pau, Director of Children's Services & Deputy CEO. Following a thorough review and update of safeguarding policies and practice in the previous year, the Committee has this year focused on monitoring and advising on safeguarding.

**The Audit and Risk Committee**, chaired by Alain Wolffe, works with the Executive team to oversee, manage and mitigate risks across the organisation and is responsible for oversight of the risk register, with key risks being regularly reviewed by the Board of Trustees. The Committee also meets with the charity's Auditors at the end of the annual audit process and both they and the Board have the opportunity to question them both with and without the presence of the Executive.

**The Development Committee** is headed up by Alasdair Hadden-Paton and has this year focused on the Starlight Blenheim Ball, continuing planning whilst the event was uncertain and being instrumental, with their knowledge of the attendees, to the decision to go ahead in March 2022. We are very grateful to Committee members Alasdair Hadden-Paton, Camilla Blandford, Kate Deighton, George Farquhar, Oliver Hardcastle, Carrie McCardle and Alex Spencer-Churchill, as well as to George Blandford, for giving their time and expertise.

**The Advisory Committee**, led by Dr. Chris Evans, works to bring valuable professional expertise to our programme of research and to help Starlight develop a child-centric, outcomes-focused strategy and the services that will deliver maximum impact. We are very grateful to Kath Evans - Director of Nursing (Children's) at Bart's Health; Professor Lucy Bray - Professor of Child Health Literacy at Edge Hill University and Dr Luca May Brady - Independent Consultant/Senior Research Fellow at UCL Institute of Ophthalmology for sharing their wealth of experience and expertise.

**The EDI Committee** was formed in the autumn of 2020 to oversee all matters relating to Equality, Diversity and Inclusivity. It meets intermittently but holds itself ready to advise or review as required. The remit of the Committee will be reviewed in the coming year to ensure it remains relevant.

The Board comprises eight trustees, as follows:

**Alain Wolffe** sits on the Audit and Risk and EDI Committees and is a former Executive Director of Strategy and Governance at Canada Life. Alain has an empathy and interest in Starlight as the father of a 15-year old with cerebral palsy.

**Alasdair Hadden-Paton** is Vice Chair and heads up the Development Committee. He is a Chartered Accountant with over 30 years' financial experience in the luxury goods, hotel, property investment and venture capital sectors.

**Dr Chris Evans** is Chair of the Advisory Committee and is an NHS Paediatric Anaesthetist who has an in-depth understanding of the UK health care system and the psychological burden of hospital visits. Chris is helping Starlight develop new services in response to the insights from our research, as well as sharing valuable experience of innovation and digital technologies.

**Frenchesca James (resigned May 2022)** is a Senior Youth Support Co-ordinator at UCLH, working mostly with teenagers and is heavily involved there with young people with safeguarding or mental health issues, as well as those involved in gang violence. She was Starlight's first ever Health Play Specialist of the Year and brings us experience from the front line of healthcare.

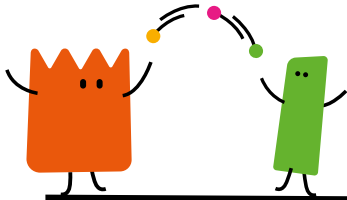
**Ian Harding** is a Managing Partner at Arcus Infrastructure and brings fundraising, financial and governance expertise to the Board.

**Dr Chris Kelly** is a clinician research scientist in the Health artificial intelligence team at Google, and a paediatrician at the Evelina Children's Hospital in London. He brings experience of children's services in the NHS, combined with an interest in how technology can improve the experience of children with healthcare needs.

**Hina Patel** also sits on the Audit and Risk and EDI Committees and is a senior strategic product manager at iCapital Network. She has also experienced the power of a Starlight wish in her own family.

**Mark Tasker** is Head of M&A and Corporate Finance Team at law firm Bates Wells. He has more than 30 years' experience of advising clients on corporate transactional work and provides valuable advice on legal matters to Starlight.

**Anna Gawn** (appointed May 2022) is a senior consultant who advises NGOs, UN agencies, Governments and others on protection from abuse and safeguarding in international development and humanitarian aid. She provides valuable advice to Starlight on matters that relate to safeguarding.



**TRUSTEES'**

**DECLARATION OF**

**RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the Charity and of the incoming resources and application of resources, including its income and expenditure, of the Charity for the year. In preparing those 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 judgments and accounting estimates that are reasonable and prudent
  - State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 requirements of the Companies Act 2006. They 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 Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.



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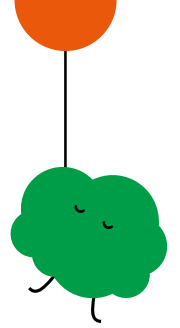
## STATEMENT OF DISCLOSURE TO OUR AUDITORS

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor relating to preparing their report, of which the group's auditor is unaware
- The Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Board and signed on its behalf:

**Alain Wolffe**  
Chair of Trustees



# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STARLIGHT CHILDREN'S FOUNDATION

## Opinion

We have audited the financial statements of Starlight Children's Foundation (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## **Other Information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

## **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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## USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Joanna Pittman** (Senior statutory auditor)

**Date:** 20th July 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006



# FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 MARCH 2022



# STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)  
For the year ended 31 March 2022

	Note	2022			2021		
		Unrestricted £	Restricted and endowment funds £	Total £	Unrestricted £	Restricted and endowment funds £	Total £
<b>INCOME FROM:</b>							
Donations	2	3,147,334	571,000	<b>3,718,334</b>	1,910,937	723,606	<b>2,634,543</b>
Value of goods and services donated	2	1,794	309,178	<b>310,972</b>	42,507	221,949	<b>264,456</b>
Legacies	2	928,519	-	<b>928,519</b>	1,073,256	-	<b>1,073,256</b>
Grants	4	-	-	-	55,321	-	<b>55,321</b>
Investments		381	-	<b>381</b>	5,197	-	<b>5,197</b>
<b>Total income</b>		<b>4,078,028</b>	<b>880,178</b>	<b>4,958,206</b>	<b>3,087,218</b>	<b>945,555</b>	<b>4,032,773</b>
<b>EXPENDITURE ON:</b>							
Raising funds	5	2,269,208	-	<b>2,269,208</b>	1,611,676	-	<b>1,611,676</b>
Charitable activities							
Provision of children's services	5	2,190,536	691,253	<b>2,881,789</b>	1,068,747	663,256	<b>1,732,003</b>
<b>Total expenditure</b>		<b>4,459,744</b>	<b>691,253</b>	<b>5,150,997</b>	<b>2,680,423</b>	<b>663,256</b>	<b>3,343,679</b>
<b>Surplus / (deficit) before net gains / (losses) on investments</b>		<b>(381,716)</b>	<b>188,925</b>	<b>(192,791)</b>	<b>406,795</b>	<b>282,299</b>	<b>689,094</b>
Net gains / (losses) on investments		17,452	-	<b>17,452</b>	42,572	-	<b>42,572</b>
Surplus / (deficit) for the year		(364,264)	188,925	<b>(175,339)</b>	449,367	282,299	<b>731,666</b>
Transfers between funds		75,000	(75,000)	-	100,000	(100,000)	-
<b>Net expenditure for the year and movement in funds</b>		<b>(289,264)</b>	<b>113,925</b>	<b>(175,339)</b>	<b>549,367</b>	<b>182,299</b>	<b>731,666</b>
<b>RECONCILIATION OF FUNDS:</b>							
Total funds brought forward		3,754,805	431,026	<b>4,185,829</b>	3,205,436	248,727	<b>3,454,163</b>
<b>Total funds carried forward</b>		<b>3,465,539</b>	<b>544,951</b>	<b>4,010,490</b>	<b>3,754,803</b>	<b>431,026</b>	<b>4,185,829</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

# BALANCE SHEET

as at 31 March 2022

	Note	2022		2021	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	11		149,246		174,302
Investments	12		238,202		220,750
			<b>387,448</b>		<b>395,052</b>
<b>CURRENT ASSETS:</b>					
Debtors	13	844,274		526,212	
Stock	14	200,785		269,588	
Short term deposits		1,222,326		1,971,945	
Cash at bank and in hand		2,341,554		1,643,884	
		<b>4,608,939</b>		<b>4,411,629</b>	
<b>LIABILITIES:</b>					
Creditors: amounts falling due within one year	15	(985,897)		(620,852)	
<b>Net current assets</b>			<b>3,623,042</b>		<b>3,790,777</b>
<b>Total net assets</b>			<b>4,010,490</b>		<b>4,185,829</b>
<b>THE FUNDS OF THE CHARITY:</b>					
Endowment funds:	17				
Kathy's Courageous Kids Fund			-	100,000	
<b>Total endowment funds</b>			<b>-</b>	<b>100,000</b>	
<b>Restricted income funds</b>			<b>544,951</b>	<b>331,026</b>	
<b>UNRESTRICTED INCOME FUNDS:</b>					
Designated funds		950,000		2,374,702	
General funds		2,515,539		1,380,101	
<b>Total unrestricted funds</b>			<b>3,465,539</b>	<b>3,754,803</b>	
<b>Total charity funds</b>			<b>4,010,490</b>	<b>4,185,829</b>	

Approved by the trustees on 20th July 2022 and signed on their behalf by Alain Wolffe, Chair of Trustees.

# STATEMENT OF CASH FLOWS

For the year ended 31 March 2022

	2022		2021	
	£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net (expenditure) for the reporting period (as per the statement of financial activities)	(175,339)		731,666	
Depreciation charges	37,161		51,922	
(Gains)/losses on investments	(17,452)		(42,572)	
Dividends and interest from investments	(381)		(5,197)	
(Profit)/loss on the disposal of fixed assets	-		393	
(Increase)/decrease in stock	68,803		(178,898)	
(Increase)/decrease in debtors	(318,062)		(126,345)	
Increase/(decrease) in creditors	365,045		58,578	
<b>Net cash provided by / (used in) operating activities</b>		<b>(40,225)</b>		<b>489,547</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Dividends and interest from investments	381		5,197	
Purchase of fixed assets	(12,105)		(33,448)	
Proceeds from sale of property, plant and equipment	-		-	
Proceeds from sale of investments	-		-	
<b>Net cash provided by / (used in) investing activities</b>		<b>(11,724)</b>		<b>(28,251)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(51,949)</b>		<b>461,296</b>
Cash and cash equivalents at the beginning of the year	3,615,829		3,154,533	
<b>Cash and cash equivalents at the end of the year</b>		<b>3,563,880</b>		<b>3,615,829</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS AND OF NET DEBT:</b>				
		<b>1 April 2021</b>	<b>Cash flows</b>	<b>31 March 2022</b>
		£	£	£
Cash at bank and in hand	1,643,884		697,670	2,341,554
Money market deposits	1,971,945		(749,619)	1,222,326
<b>Total cash and cash equivalents</b>		<b>3,615,829</b>	<b>(51,949)</b>	<b>3,563,880</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

## 1 ACCOUNTING POLICIES

### A) STATUTORY INFORMATION

Starlight Children's Foundation is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 227 Shepherd's Bush Road, London, W6 7AU.

### B) BASIS OF PREPARATION

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) - (Charities SORP FRS 102) and the Companies Act 2006.

The charity also has a wholly owned subsidiary, Starlight General Trading Limited, a company incorporated and registered in the United Kingdom. The company was dormant in this and the previous financial year and therefore consolidated accounts have not been prepared as the difference between parent and group is immaterial.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### C) PUBLIC BENEFIT ENTITY

The charity meets the definition of a public benefit entity under FRS 102.

### D) GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, they consider the charity's budget and plans together with the risk register and levels of reserves, to form a view that the charity can continue to meet the needs of children for a period of at least twelve months from the date of signature of the accounts.

### E) INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Donations are recognised on receipt or when the charity has received a documented pledge or other formal confirmation which creates a constructive obligation to pay, whichever is earlier.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income received from the government Coronavirus Job Retention Scheme is recognised in the SOFA under the heading of 'Grants'. The cost of salaries for staff furloughed under this scheme are accounted for as part of Staff Costs and allocated to activities in line with the parts of the year in which they were not furloughed.

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## F) DONATIONS OF GIFTS, SERVICES AND FACILITIES

Donated goods, facilities, and services in the financial statements comprise the provision of services and other gifts to grant wishes, run events, and carry out other charitable activities, including support and administration services, and include discounts given for such goods and services where these are over and above normal commercial discount terms. These are included in the Statement of Financial Activities at the value of the gift to the charity; a corresponding amount is then recognised in expenditure in the period of receipt or, in the case of stock items donated, in the period of distribution. Goods, facilities, and services donated for charitable activities are treated as restricted in nature, while those donated for support activities are treated as unrestricted.

In accordance with the Charities SORP (FRS 102), volunteer time, including that of the trustees, is not recognised.

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## G) INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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## H) FUND ACCOUNTING

Restricted funds are to be used for specific purposes as laid down by the donor or have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure which meets these criteria is charged to the fund.

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

Unrestricted funds are donations and other incoming resources received or generated for the furtherance of the general objects of the Charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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## I) EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities to further the purposes of the charity and their associated support costs

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## J) ALLOCATION OF SUPPORT COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Salaries and associated staff costs are allocated on the basis of time spent on charitable activities, generating funds, and governance. Costs of support staff are shown separately and allocated to each activity based on estimates of the amount of time spent. This is a change in policy from previous years, where support staff costs, although allocated on that same basis, were included with direct staff costs.

Where information about the aims, objectives and projects of the charity is provided to potential service users, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements.

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## K) OPERATING LEASES

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

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## L) TANGIBLE FIXED ASSETS

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Office improvements: 15 years
- Furniture: 10 years
- Office equipment: 5 years
- Computers: 3 years

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## M) LISTED INVESTMENTS

Investments are a form of basic financial instrument. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments are included at the higher of their market value using the current bid price at the year end and guaranteed minimum value. Investment income is included, gross of applicable taxation, when receivable. Realised and unrealised gains and losses arising on revaluation of investments are included in the Statement of Financial Activities.

Starlight Children's Foundation does, from time to time, receive donated shares which are listed on the AIM market and which are subject to certain time restrictions. Until these restrictions are met the shares cannot be actively traded on the market. The Charity's policy, due to the volatility of these shares is to dispose of them as soon as the time restriction has passed and the shares can be actively traded and sold.

Where such shares are donated and can be valued they are included in the financial statements as fixed asset investments from such time as they can be sold. Shares held by the Charity which cannot be valued owing to the absence of an active market in which to sell them are disclosed in note 12 to the financial statements.

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## N) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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## O) STOCK

Stock represents goods held pending distribution to service users.

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## P) SHORT TERM DEPOSITS

Short term deposits includes cash balances invested in an instant access money market account.

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## Q) CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with at maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## R) CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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## S) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## T) PENSIONS

The Charity contributed an agreed percentage of the salary to the personal pension plans of permanent employees. For employees who have chosen to join the company pension scheme the pension provider is selected by the employer. Other employees have chosen to select their own pension scheme. All pension schemes are independently administered by, and the funds held by, a recognised pension company. The pension cost charge represents contributions payable by the Charity to the pension funds.

## 2 INCOME FROM DONATIONS AND LEGACIES

	2022			2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations	2,118,497	359,000	<b>2,477,497</b>	1,900,727	723,606	<b>2,624,333</b>
Fundraising events	1,028,837	212,000	<b>1,240,837</b>	10,210	-	<b>10,210</b>
Value of other goods and services donated (note 3)	1,794	309,178	<b>310,972</b>	42,507	221,949	<b>264,456</b>
Legacies	928,519	-	<b>928,519</b>	1,073,256	-	<b>1,073,256</b>
	<b>4,077,647</b>	<b>880,178</b>	<b>4,957,825</b>	<b>3,026,700</b>	<b>945,555</b>	<b>3,972,255</b>

## 3 VALUE OF OTHER GOODS AND SERVICES DONATED

	2022	2021
	Total £	Total £
Charitable activities	<b>309,178</b>	221,949
Support services	<b>1,794</b>	42,507
	<b>310,972</b>	<b>264,456</b>

As at 31st March £72,543 of donated goods were held in stock (2021: £57,124)

## 4 GRANT INCOME

	2022	2021
	Total £	Total £
Coronavirus Job Retention Scheme	-	<b>55,321</b>
	-	<b>55,321</b>

## 5A ANALYSIS OF EXPENDITURE (CURRENT YEAR)

	Raising funds £	Charitable activities £	Governance costs £	2022 Total £
Staff costs (Note 7)	552,476	548,056	-	1,100,532
Direct costs	956,242	1,296,647	-	2,252,889
Donated goods and services	1,397	294,167	-	295,564
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	373,146	372,411	19,606	765,163
Rent & services	137,555	134,804	2,751	275,110
Professional services	6,446	6,317	15,429	28,192
Depreciation	18,581	18,209	372	37,162
Disposals	-	-	-	-
Other office costs	205,451	188,427	2,507	396,385
	2,251,294	2,859,038	40,665	5,150,997
Governance costs	17,914	22,751	(40,665)	-
<b>Total expenditure 2022</b>	<b>2,269,208</b>	<b>2,881,789</b>	<b>-</b>	<b>5,150,997</b>

## 5B ANALYSIS OF EXPENDITURE (PRIOR YEAR)

	Raising funds £	Charitable activities £	Governance costs £	2021 Total £
Staff costs (Note 7)	531,387	460,179	-	991,566
Direct costs	366,606	384,095	-	750,701
Donated goods and services	21,779	185,553	-	207,332
<b>SUPPORT COSTS:</b>				
Staff costs (Note 7)	326,703	362,059	14,363	703,125
Rent & services	132,776	130,121	2,656	265,553
Professional services	9,887	9,689	13,878	33,454
Temporary staff	-	-	-	-
Depreciation	25,961	25,442	519	51,922
Disposals	-	-	-	-
Other office costs	177,961	159,007	3,058	340,027
	1,593,060	1,716,145	34,474	3,343,680
Governance costs	18,616	15,858	(34,474)	-
<b>Total expenditure 2021</b>	<b>1,611,676</b>	<b>1,732,003</b>	<b>-</b>	<b>3,343,679</b>

## 6 NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	2022	2021
	Total £	Total £
Depreciation	37,161	51,923
Loss on disposal of tangible fixed assets	-	393
<b>Operating lease rentals payable:</b>		
Property	207,367	200,587
Other	5,099	2,767
<b>Auditor's remuneration:</b>		
Audit (excluding VAT, which is irrecoverable)	11,800	11,400

## 7 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2022	2021
	Total £	Total £
Salaries and wages	1,557,594	1,358,582
Social security costs	173,746	143,431
Employer's contribution to defined contribution pension schemes	104,866	92,474
Termination payments	-	35,000
	<b>1,836,206</b>	<b>1,629,487</b>
Agency and temporary staff costs	29,489	65,204
<b>Total</b>	<b>1,865,695</b>	<b>1,694,691</b>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	2	2
£70,000 - £79,999	-	-
£80,000 - £89,999	2	1
£90,000 - £99,999	1	2
£100,000 - £109,999	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £469,957 (2021: £444,499) of which £nil (2020: £17,500) were paid as agency and temporary staff costs.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2021: £nil) relating to attendance at meetings of the trustees. Trustees' indemnity insurance was purchased during the year for £1,267 (2021: £781).

## 8 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 38 (2021:34).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2022	2021
	No.	No.
Children's services	13.6	10.7
Raising funds	11.7	9.0
Support staff	11.3	10.0
	36.6	29.7

## 9 RELATED PARTY TRANSACTIONS

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

## 10 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 11 TANGIBLE FIXED ASSETS

	Fixtures and fittings	Office furniture and equipment	Total
	£	£	£
<b>COST:</b>			
At the start of the year	223,143	137,488	360,631
Additions in year	-	12,105	12,105
Disposals in year	-	(3,467)	(3,467)
<b>At the end of the year</b>	<b>223,143</b>	<b>146,126</b>	<b>369,269</b>

### DEPRECIATION

At the start of the year	89,257	97,072	186,329
Charge for the year	14,876	22,285	37,161
Eliminated on disposal	-	(3,467)	(3,467)
<b>At the end of the year</b>	<b>104,133</b>	<b>115,890</b>	<b>220,023</b>

### NET BOOK VALUE

<b>At the end of the year</b>	<b>119,010</b>	<b>30,236</b>	<b>149,246</b>
<b>At the start of the year</b>	<b>133,886</b>	<b>40,416</b>	<b>174,302</b>

All of the above assets are used for charitable purposes.

## 12 LISTED INVESTMENTS

	2022	2021
	£	£
Fair value at the start of the year	220,748	178,176
Net gain / (loss) on change in fair value	17,452	42,572
	238,200	220,748
Investment in trading subsidiary	2	2
<b>Fair value at the end of the year</b>	<b>238,202</b>	<b>220,750</b>

### INVESTMENTS COMPRISE:

	2022	2021
	£	£
32,497.165 units - Charishare Common Investment Fund	232,680	216,171
2,000 ordinary shares - Tesco	5,520	4,577
	238,200	220,748

## 13 DEBTORS

	2022	2021
	£	£
Trade debtors	49,050	11,400
Amounts due from associated undertakings	790	790
Prepayments and accrued income	630,090	423,051
Gift Aid debtor	164,344	90,971
	844,274	526,212

## 14 STOCK

	2022	2021
	£	£
Stock held for distribution	200,785	269,588
	200,785	269,588

## 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Taxation and social security	52,489	41,597
Creditors and accruals	856,558	472,555
Deferred income	76,850	106,700
	985,897	620,852

Deferred income relates to income received for future fundraising events.

## 16A ANALYSIS OF NET ASSETS BETWEEN FUNDS (CURRENT YEAR)

	General unrestricted £	Designated £	Restricted £	Endowment £	Total funds £
Tangible fixed assets	149,246	-	-	-	149,246
Investments	238,202	-	-	-	238,202
Net current assets	2,128,091	950,000	544,951	-	3,623,042
<b>Net assets at 31 March 2021</b>	<b>2,515,539</b>	<b>950,000</b>	<b>544,951</b>	<b>-</b>	<b>4,010,490</b>

## 16B ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	General unrestricted £	Designated £	Restricted £	Endowment £	Total funds £
Tangible fixed assets	174,302	-	-	-	174,302
Investments	220,750	-	-	-	220,750
Net current assets	985,049	2,374,702	331,026	100,000	3,790,777
<b>Net assets at 31 March 2020</b>	<b>1,380,101</b>	<b>2,374,702</b>	<b>331,026</b>	<b>100,000</b>	<b>4,185,829</b>

## 17A MOVEMENTS IN FUNDS (CURRENT YEAR)

	At 1 April 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
<b>ENDOWMENT FUNDS</b>					
Kathy's Courageous Kids Fund	100,000	-	-	(100,000)	-
<b>Total endowment funds</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>
<b>RESTRICTED FUNDS:</b>					
Donations					
<b>Hospital Programmes</b>					
Areas of poverty and deprivation programmes	85,119	-	(85,119)	-	-
Play and distraction box provision	12,901	40,000	(37,252)	-	15,649
Starlight Health Play Specialists	-	190,000	-	-	190,000
Pilot programmes	-	50,000	(50,000)	-	-
Other hospital programmes	56,278	79,000	(105,519)	-	29,759
<b>Family Services programmes</b>	<b>-</b>	<b>212,000</b>	<b>-</b>	<b>-</b>	<b>212,000</b>
<b>Wish Fund</b>	<b>119,604</b>	<b>-</b>	<b>119,604</b>	<b>25,000</b>	<b>25,000</b>
<b>Total donated restricted funds</b>	<b>273,902</b>	<b>571,000</b>	<b>(397,494)</b>	<b>25,000</b>	<b>472,408</b>
Gifts in Kind					
Play and distraction box provision	57,124	192,491	(104,072)	-	45,543
Other hospital programmes	-	163,840	(136,840)	-	27,000
Wishes	-	52,847	(52,847)	-	-
<b>Total gifts in kind held as restricted funds</b>	<b>57,124</b>	<b>309,178</b>	<b>(293,759)</b>	<b>-</b>	<b>72,543</b>
<b>Total restricted funds</b>	<b>331,026</b>	<b>880,178</b>	<b>(691,253)</b>	<b>25,000</b>	<b>544,951</b>

	At 1 April 2022	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
<b>UNRESTRICTED FUNDS</b>					
<b>Designated funds:</b>					
Planned deficit funding	-	-	-	950,000	<b>950,000</b>
Hospital Programmes	540,702	-	(540,702)	-	-
Family services	221,000	-	(221,000)	-	-
New Activity Development and Pilots	202,000	-	(202,000)	-	-
Insights & Impact	85,000	-	(85,000)	-	-
Operational costs	1,326,000	-	(1,326,000)	-	-
<b>Total designated funds</b>	<b>2,374,702</b>	<b>-</b>	<b>(2,374,702)</b>	<b>950,000</b>	<b>950,000</b>
<b>GENERAL FUNDS</b>					
General funds	1,205,799	4,095,480	(2,047,881)	(887,105)	<b>2,366,293</b>
Fixed Asset Reserve	174,302	-	(37,161)	12,105	<b>149,246</b>
	1,380,101	4,095,480	(2,085,042)	(875,000)	<b>2,515,539</b>
<b>Total unrestricted funds</b>	<b>3,754,803</b>	<b>4,095,480</b>	<b>(4,459,744)</b>	<b>75,000</b>	<b>3,465,539</b>
<b>Total funds</b>	<b>4,185,829</b>	<b>4,975,658</b>	<b>(5,150,997)</b>	<b>-</b>	<b>4,010,490</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17B MOVEMENTS IN FUNDS (PRIOR YEAR)

	At 1 April 2020	Income & gains	Expenditure & losses	Transfers	At 31 March 2021
	£	£	£	£	£
<b>ENDOWMENT FUNDS</b>					
The Barry & Shaun Springer Memorial Fund	100,000	-	-	(100,000)	-
Kate Sweeney Fund	100,000	-	-	-	<b>100,000</b>
<b>Total endowment funds</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>100,000</b>
<b>RESTRICTED FUNDS:</b>					
Hospital programme	33,102	447,107	(325,911)	-	<b>154,298</b>
Wish fund	15,625	276,499	(172,520)	-	<b>119,604</b>
<b>Total donated restricted funds</b>	<b>48,727</b>	<b>723,606</b>	<b>(498,431)</b>	<b>-</b>	<b>273,902</b>
Gifts in Kind held as restricted funds	-	221,949	(164,825)	-	<b>57,124</b>
<b>Total restricted funds</b>	<b>48,727</b>	<b>945,555</b>	<b>(663,256)</b>	<b>-</b>	<b>331,026</b>
<b>UNRESTRICTED FUNDS:</b>					
Designated funds:					
Hospital Programmes	148,463	-	(148,463)	540,702	<b>540,702</b>
Social Connections	-	-	-	221,000)	<b>221,000</b>
Wish fund	541,860	-	-	(541,860)	-
New Activity Development & Pilots	-	-	-	202,000	<b>202,000</b>
Insights & Impact	40,000	-	(40,000)	85,000	<b>85,000</b>
Operational costs	1,173,000	-	(1,173,000)	1,326,000	<b>1,326,000</b>
<b>Total designated funds</b>	<b>1,903,323</b>	<b>-</b>	<b>(1,361,463)</b>	<b>1,832,842</b>	<b>2,374,702</b>
<b>GENERAL FUNDS</b>					
General funds	1,302,113	3,087,227	(1,267,038)	(1,959,066)	<b>1,205,799</b>
Fixed Asset Reserve	-	-	(51,922)	226,224	<b>174,302</b>
	1,302,113	3,087,227	(1,318,960)	(1,732,842)	<b>1,380,101</b>
<b>Total funds</b>	<b>3,205,436</b>	<b>3,087,227</b>	<b>(2,680,423)</b>	<b>100,000</b>	<b>3,754,803</b>
	<b>3,454,163</b>	<b>4,032,782</b>	<b>(3,343,679)</b>	<b>100,000</b>	<b>4,185,829</b>

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## PURPOSES OF RESTRICTED AND ENDOWMENT FUNDS

### Endowment Funds

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

The Trustees have taken all reasonable measures to trace the original donor of Kathy's Courageous Kids' Fund in order to gain permission to release it to that investment returns have meant the endowment income has fallen to a minimal level. These attempts have been unsuccessful and, as allowed by the Charities Commission, the Trustees have taken the decision to release the restriction on this fund.

### Hospital Programmes

Donated funds restricted to the various activities within Starlight's Hospital Programme.

### Family Services

Donations for our Family Services programme (previously known as 'Parties, Events and Escapes'), which provides opportunities for seriously ill children and their families to enjoy time together, with other families, in a safe and fun environment. In the current year the balance on this fund has been generated by pledges from the Starlight Blenheim Ball.

### Wish Fund

Donated funds restricted to the granting of wishes.

### Gifts in Kind funds

The cost value of items donated to us for use in providing our services. The fund balance represents items received in the year but not yet distributed; these items are held in stock on the balance sheet.

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## PURPOSES OF DESIGNATED FUNDS

Historically the charity has set aside funds equal to the full amount needed for the coming year's service programme and 50% of overheads, ensuring that service delivery is fully protected, even in a situation where there is little or no funding, a legacy of its past as a wish-granting charity, where commitments were often made years in advance. The Trustees have now re-evaluated this approach and have taken a more pragmatic view that it is expected that, as a general rule most expenditure in a year will be funded by

income from that year. They have therefore adopted a policy of designating funds only where it is intended that expenditure is paid out of reserves.

### Planned deficit funding

Funds set aside to cover the element of the planned deficit for the coming year which is not covered by restricted reserves. Full details of this are given in the Trustees report which accompanies these accounts.

### Hospital Programmes (previous year only)

Funds set aside for programme delivery in the coming year, ensuring that a full service delivery programme is possible even if funding falls.

### Family services (previous year only)

Funds set aside for the family services programme in the coming year, ensuring that a full service delivery programme is possible even if funding falls.

### Wish Fund (previous year only)

Funds set aside to ensure that wish commitments can be met.

### New Activity Development (previous year only)

There was a programme of innovation and pilot for new services planned for 2021-22. The Trustees designated funds equal to the cost of this programme as it was integral to the future sustainability of the charity.

### Insights & Impact (previous year only)

The Trustees designated funds to cover the insight and impact work for 2021-22 on the basis that without this work the charity would be at risk of not remaining relevant.

### Operational Costs (previous year only)

Transfer made from general funds to ensure fund balance is equivalent to six months total budgeted salaries and overheads costs for 2021/22.

### Fixed Asset reserve

Some of the charity's reserves are tied up in fixed assets which are used for the purposes of the charity. These reserves are not, therefore, available for use and the charity recognises this by means of a Fixed Asset Reserve, within its General Reserves. Depreciation is charged to this reserve and fixed asset additions are added to it, with the reserve balance always being equal to the net book value of fixed assets.

## 18 OPERATING LEASE COMMITMENTS

Amounts payable under non-cancellable operating leases are as follows for each of the following periods:	PROPERTY		OTHER	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	216,306	216,306	4,590	4,590
One to five years	865,224	865,224	-	-
Over five years	739,736	956,042	-	-
	1,821,266	2,037,572	4,590	4,590

## 19 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

# STARLIGHT

**Starlight Children's Foundation**  
227 Shepherds Bush Road  
London W6 7AU  
[www.starlight.org.uk](http://www.starlight.org.uk)  
**020 7262 2881**

 Registered with  
**FUNDRAISING  
REGULATOR**



**STARLIGHT CHILDREN'S FOUNDATION**

England & Wales - Charity number 296058

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# Accounts

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**STARLIGHT**



**ANNUAL  
REPORT  
AND  
FINANCIAL  
STATEMENTS**

**STARLIGHT CHILDREN'S FOUNDATION**

**YEAR ENDED 31 MARCH 2021**



A company limited by guarantee 02038895  
Registered charity 296058 (England & Wales) SC047600 (Scotland)

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**Royal Patron**

HRH Princess Alexandra KG GCVO

**Co-Founder**

Emma Samms MBE

**President**

Major Christopher Hanbury

**Trustees**

Nick Mustoe (Chair and Trustee to July 2021)

Dr Christopher Evans

Alasdair Hadden-Paton ACA (Vice Chair)

Dr Christopher Harvey (Resigned July 2021)

Ian Harding

James Innes (Resigned July 2021)

Frenchesca James (Appointed June 2021)

Hina Patel

Mark Tasker

Alain Wolffe (Chair from July 2021)

**Senior Management Team**

Cathy Gilman, CEO

Dr Krutika Pau, Director of Children's Services

Nicky Wade, Director of Finance and Resources  
(Appointed May 2020)

Sarah Woods, Director of Fundraising and  
Marketing

**Registered Office**

Starlight Children's Foundation

227 Shepherds Bush Road

London W6 7AU

[www.starlight.org.uk](http://www.starlight.org.uk)

020 7262 2881

**Audit and Risk Committee**

James Innes (Chair)

Ian Harding

Hina Patel

Alain Wolffe

**Safeguarding Committee**

Dr Chris Harvey (Chair)

Samuel Butler

Sandy Gulyurtlu

Dr Krutika Pau

**Advisory Committee**

Dr Chris Evans (Chair)

Dr Luca May Brad, Senior Research Fellow,  
UCL Institute of Ophthalmology

Professor Lucy Bray, Professor of Child Health  
Literacy, Edge Hill University

Kath Evans, Director of Nursing (Children's)  
at Bart's Health

**Development Committee**

Alasdair Hadden-Paton (Chair)

Camilla Blandford

Kate Deighton

Oliver Hardcastle

Hattie Mauleverer

Carrie McArdle

Alex Spencer-Churchill

**Bankers**

HSBC, Plc25 Wigmore Street  
London W1H 0DP

Lloyds Bank, Plc25 Gresham Street  
London EC2V 7HN

**Solicitors**

BDB Pitmans, One Bartholomew Close  
London EC1A 7BL

**Auditors**

Sayer Vincent LLP, Invicta House  
108-114 Golden Lane  
London EC1Y 0TL





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# THANK YOU



# FROM

# OUR CHAIR

Our mission at Starlight is to use the power of play to make the experience of illness and treatment better for children and their families. This clarity of purpose, keeping the wellbeing of children central to all that we do, has been our one certainty in a year of unparalleled unpredictability.

We know that play is vital for the wellbeing of children. They need access to play as a crucial part of their development and to help them cope with life's challenges. This is never more important than when they face the anxiety and uncertainty of serious illness, long-term conditions and hospital stays. Research has already shown that play has helped children to cope through the pandemic.

The clarity of our research findings over the last three years as well as the development of a new strategy have enabled our team to be agile and adaptable in response to the challenges and opportunities of dealing with the pandemic when it hit. Our ability to gain real insight into the lived experience of children and their families has even enabled us to innovate in this very different environment.

This year we have relentlessly focused on adapting our services to be Covid-safe and ensuring continuity of delivery despite the evident challenges. Families have often been kept in isolation while waiting for appointments with longer waiting times and nothing to do. Children staying in hospital have had very little opportunity for social connection and have often only been allowed visits from one parent. By the necessity of making room for Covid-19 patients, children have also been moved from familiar spaces and faces, and many playrooms have been closed and toys removed.

By listening carefully to the challenges faced by health professionals you will see that, aligned to our new strategy, we have adapted our services where we can to ensure that children don't miss out on play. Because of social distancing and travel restrictions most of our wish granting programme was inevitably suspended and instead we've focused on the development of our play services. To support this, our fundraising team has quickly refocused resources and the evident need and tangibility of our services have proved to be a strong case for support for urgent Covid-19 funding, more than replacing the income lost from cancelled events - something we simply couldn't have predicted at the start of the year.

"I am delighted that we have defied our best expectations and we end the year with confident plans for the expansion of our services."

We have also been looking to the future and the pandemic has in fact been an opportunity to test and accelerate a new strategy that was already under development. When we have honoured our existing wishes to families, we will focus entirely on making the hospital experience more positive for children and creating opportunities for social connection which will build on our experience and expertise in wish granting. We have also started to share our insight and work with others who share our vision including charities, hospitals and universities.

You will see some differences in our appearance as we bring in a new look to make us more appealing and accessible to children, help our services stand out in hospitals, and work harder for our new and exciting fundraising plans. Special thanks to agencies Heavenly and Spencer du Bois for going above and beyond with a very limited budget.

In conclusion, after an especially strong second half to the year, I am delighted that we have defied our best expectations and we end the year with confident plans for the expansion of our services. It's now the right time for me to step down as Chair of Starlight, along with Trustees Dr. Chris Hanvey and James Innes who have contributed to the transformation of Starlight in recent years. I'm delighted to welcome Frenchesca James, a highly experienced Health Play Specialist, to our Board and with our new strategy in place I feel very confident that Starlight is in very safe hands as I handover to Trustee, and now Chair, Alain Wolffe.

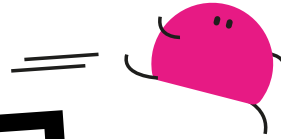
My sincerest thanks to the very many people who have so loyally supported us over the last 12 months and over my many years at Starlight. It has never been more appreciated.



**Nick Mustoe**



# MOMENTS OF LIGHT



Our guiding mission is to use the power of play to make the experience of illness and treatment better for children and for their families. Childhood is a critical time in anyone's development, it is when we begin to discover the things that shape our nature and start to acquire the knowledge that makes us who we are. It should also be a time of positivity, no matter what life later brings, and we believe that it should be as carefree, fun and unconditional as possible for every child, so when serious illness intervenes, it is vitally important that childhood is not lost.



At Starlight, we are passionate about protecting this time of play, championing its importance and defending every child's right to it. Our passion takes us to the bedsides of some of the most poorly children in the UK who are in hospital, often without hope of leaving. We use the power of play to create a sense of escape from the difficult reality in which these children find themselves. To delight and distract, entertain and enlighten them. But, most of all, to restore a smile to their faces, making moments of light when the day is at its darkest.

Since we began, 35 years ago, as a wish-granting charity, we have deepened our understanding of the impact that illness has for children and their families. We now work with almost 500 hospitals and hospices to provide play, distraction and entertainment services, helping to improve mental, physical, social and emotional wellbeing in the most challenging circumstances. This year we have especially focused on hospitals in areas of multiple deprivation where there is currently limited access to play services and where children and parents report a poor hospital experience.

Over the last three years, our Insight and Impact team has conducted a programme of research; listening to children, their families and the health professionals who provide care, play and distraction. We have used this evidence to help us understand what is important to families during serious illness and we've taken

time to understand the services that are already available from other charities and organisations. This has enabled us to define a unique new position for Starlight and agree a new strategy.

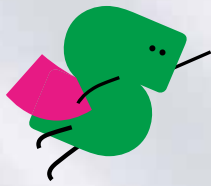
From summer 2021 we will no longer fulfil wishes for children and families. There are many UK charities that do grant wishes and our friends there do an amazing job of finding that one true wish for a poorly child. This enables us to focus on expanding and improving our services in hospitals and hospices and on removing some of the barriers to social connection that can prove to be such a challenge. We will use our expertise and knowledge to provide group trips in the UK and days out at Starlight Escapes and we will also be working on service innovation, especially how we can better integrate the technology that children and parents want to see.

To help us achieve this new ambition we have also developed a colourful new visual identity, including a friendly cast of characters, that will help us reach and engage with more children and families in hospitals, as well as supporters. Spending money on anything other than directly helping children has taken very serious consideration but we think that our new identity will benefit children and families – the characters alone make you smile. Importantly, it will support our fundraising, working better for new areas of income generation and helping us to encourage even more people to join our mission to be Protectors of Play.

*"I am even more impressed by your organisation this year, and your efforts to still ensure that the children are supported. My work as a GP and on paediatric wards made me very much aware of the trauma experienced by children and their families when they are seriously ill. What you all do to bring some happiness into their lives plays a big part in improving their health and chances of recovery."*

Retired GP, spring 2021

# PROTECTOR OF PLAY



Our mission: To use the power of play to make the experience of illness and treatment better for children and for their families.

We know that play is fundamental to children's positive development and for their ability to develop the skills they need. Play offers physical, emotional and social benefits that allow children and young people to develop the motor skills which are vital for everyday physical activity; to experiment with social behaviour and to better navigate their world.

Children in hospital can face obstacles that negatively impact play, and this can then affect their development beyond the illness itself. Giving children access to play helps with resilience, supports healthy development and enables children to better cope with the negative consequences of their illness. It can also help to support and strengthen a family even in the most challenging circumstances.

**Children have a right to play: it helps their resilience, their development and their ability to cope with illness.**

The child's right to play is enshrined in Article 31 of the United Nations Convention on the Rights of the Child. It is nearly 50 years since the Department of Health recommended the employment of play staff in children's wards and nearly 20 years since they stated that children staying in hospital should have daily access to a play specialist and that the therapeutic purpose of play should be included in their care plan. Inequalities in provision still remain and still impact the experience of children in hospital. We know from Care Quality Commission data that a positive experience of hospital reported by parents and children is linked to having access to staff to play with and having enough things to do.

Our strategy has three pillars which address: the needs of children to have access to play and improving the experience of hospital; a child's access to opportunities for social connection; our objective to listen, learn and share knowledge as we work towards more systemic change to meet the immediate needs of seriously ill children.





**1.**

**We make the experience of hospital more positive**

We improve access to play in health settings across the UK, by providing play and distraction resources that make a big difference to children's lives when it matters most. These services improve experience, engagement with treatment, recovery and overall wellbeing and so lead to better outcomes for life. We have identified better integration of technology as a priority to help us to tailor play for different age groups and in different settings more effectively. A more visible presence of our services in hospitals, created with our new visual identity, will help to improve the reach and profile of Starlight as well as becoming a brand which appeals more directly to children.

**2.**

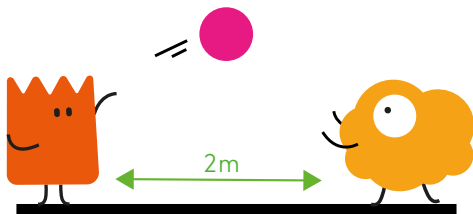
**We create opportunities for social connection**

Social connection is vital for the health and development of everyone. Positive social connections improve wellbeing by providing lots of physical and mental benefits including increased cognitive ability, communication skills and even independence. They can also help children develop creativity, empathy and confidence. Illness in childhood can be an alienating and stressful experience for everyone involved. We use play to connect children and their families to others, helping to build support networks, maintain friendships and experience the self-worth that depends so much on human interaction.

**3.**

**We listen, learn and share knowledge**

Through the work we do and the people we work with, we prioritise actively listening and learning to ensure the voices and experiences of children and their families are at the heart of our service development, innovation and evaluation. This also enables us to provide guidance and support to parents and health professionals and to connect and collaborate with other organisations to work towards systemic change in the provision of play in healthcare settings.



## OUR COVID-19 RESPONSE

In common with most organisations, when Covid-19 hit the UK in early 2020 we had no idea what was ahead. We didn't imagine that a year on we would still be a remote workforce, with little or no face-to-face contact with the children, families and healthcare professionals with whom we work. We did, however, know that our services in hospitals would be needed more than ever before. As the country moved into lockdown, shared play spaces, toys, and even health play specialists themselves, were removed from the wards, with visitors severely restricted. Children already isolated by their illness found themselves moved from familiar wards and people. They were now surrounded by staff in PPE and could only be visited by a single family member.

We knew, when the crisis first hit, that we had to adapt immediately, but there was little information available and no previous experience to rely on. There was the potential for hugely increased demand for our hospital services and, as hospitals locked down, doubts about whether we could deliver them on site. Combined with uncertainty about how income could be generated, this meant that we took quick decisions based on the information available. With a focus on our charitable purpose, we made sure we managed the immediate business, adapting services to be covid-secure and relevant, concentrating fundraising efforts on what was possible, particularly digital opportunities. We took difficult decisions around redundancies, furloughing some staff, bringing in short-time working for the remainder, enabling as much income as possible to be spent on services despite the uncertainty of financial projections.

We were clear that emergency action was only part of the picture. We needed to continue to develop a strategic response to this changing world, to not only deliver as many of our existing services as possible but to adapt and innovate to bring in new ones. We listened to health professionals to understand what was needed, allowing us to adapt services quickly, whilst our position as a health charity within the NHS allowed us to maximise our case for support for funding opportunities.

As the demand became clearer and fundraising stabilised, by September we had our staff back at full capacity. Our new strategy was also in place, designed to take us through the further uncertainties of the pandemic and beyond. With the country back in near-lockdown, we delivered our busiest ever Christmas of activities for children and families.



## IMPACT OF COVID-19 FOR CHILDREN IN HOSPITAL

- Longer waiting times in hospitals with nothing to do
- Only one parent permitted
- Most hospital playrooms have been closed, with toys removed due to risk of infection
- Moved from familiar people and places to make space for Covid-19 patients
- Increased pressure on parents supporting seriously ill children with treatment, home schooling and work commitments



# TRANSFORMING LIVES WITH THE POWER OF PLAY



## EMBEDDING OUR NEW STRATEGY

For many years Starlight has used the power of play to make the experience of illness and treatment better for seriously ill children and create a sense of escape for those living with long-term conditions. Our new strategy, with its three pillars of making the hospital experience positive, creating opportunities for social connection and listening, learning and sharing our insight and knowledge to further our mission, will allow us to reach more children than ever before. In order to achieve this, we have made the decision to end wish granting, which has required us to restructure our Children's Services function. We have been able to harness the skills and experience of most of the wish granting team in different roles within the organisation and have created new roles under a single Head of Service Delivery. You can read about the impact of the new strategy below.

## MAKING THE HOSPITAL EXPERIENCE POSITIVE

Time in hospital can be an isolating, anxious and often boring experience for children even in normal times. Add to that the impact of the pandemic, with its restrictions on visiting, removal of shared play spaces and toys, and the replacement of familiar staff and it's clear that our aim of using the power of play to improve the hospital experience has never been more important. This year, we have been able to continue some services, adapt others and introduce new ones.

We have provided play and distraction and created a sense of escape to bring moments of light when the day is at its darkest. We continue to work to increase the number of children and young people we reach: in 2019-20 we delivered Starlight services for 234 hospitals and hospices across the UK; in 2020-21 that figure was 444.

### Delight and distract

Our Distraction Boxes are our most iconic service for health professionals - a portable toolkit filled with toys, puzzles and conversation starters that help health professionals to distract children during medical procedures and engage them in conversation, whether on a hospital ward, in a hospice, in A&E or even the back of an ambulance. Health professionals tell us that using the boxes improves the experience of medical procedures for children by reducing anxiety and distress and creating a rapport between children and medical staff.

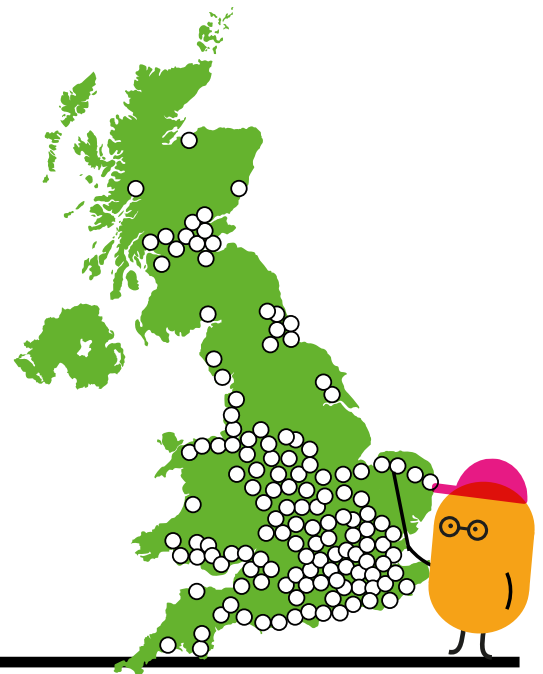
Each Box costs us £105 to provide for a health professional to use as an important part of their toolkit. Infection control measures have meant that we weren't able to send out as many of these boxes, with their shared content, as usual but we still sent out 648 boxes in the year and our research tells us that the materials of each box can be used in up to 1,000 interactions which means that overall these helped in well over 500,000 cases with children and young people in the year.

## Giving a boost

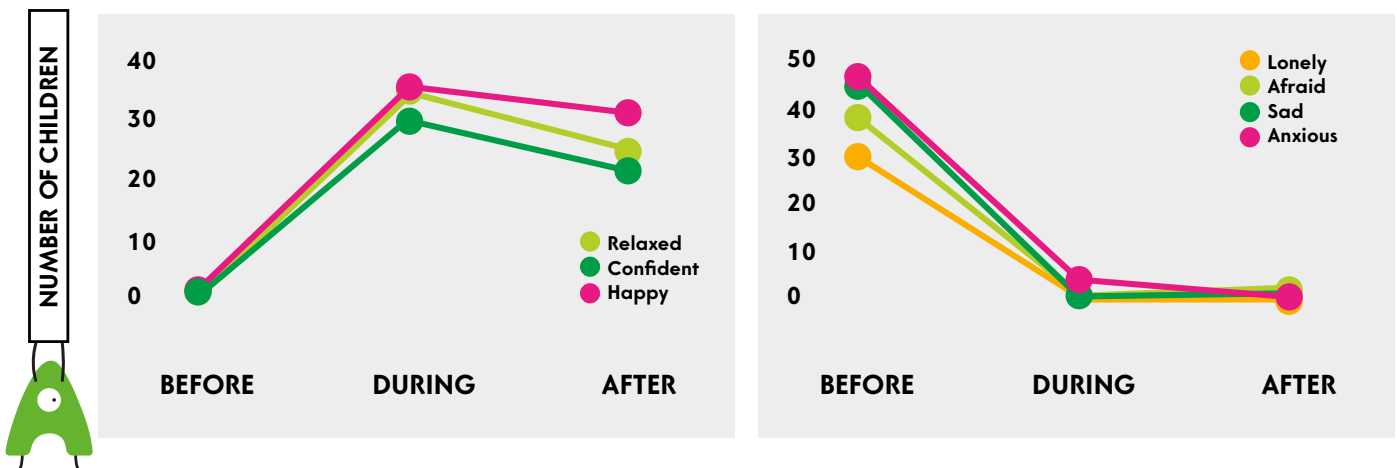
Our Boost Boxes are packed with toys and games, arts and crafts designed to entertain and educate, delight and distract. Mostly sent to Health Play Specialists, they provide a variety of items for different age groups to be produced when needed the most. Since the start of the pandemic we have adapted them to be used to create Isolation Packs, given to a child to keep, to avoid issues around infection control.

With fewer visitors and, for a time, even many Health Play Specialists not able to be on the wards, these resources have never been needed more. We sent out a record 3,063 boxes to hospitals and hospices across the country, 50% more than in the previous year. Costing us £130 each to provide, each box has roughly 50 items, allowing us to reach approximately 150,000 children.

Christmas in hospital can be a particularly challenging time and hospital staff told us how stark the wards were looking this year. That inspired us to produce the first of our 'special edition' boxes, a festive craft box, thanks to a donation from Amazon, with 600 being sent out to 498 hospitals across the UK in time for Christmas.



## HOW OUR BOOST BOXES AFFECT CHILDREN'S WELLBEING



## OUR WORK WITH HEALTH PROFESSIONALS

It is only thanks to Health Play Specialists, some of the many unsung heroes of the NHS, who work tirelessly in ensuring the children in their care can still experience the value and joy of play, that we are able to provide many of our services. Together with children and parents, it's they who tell us what is happening on the front line, what is needed. They told us how they have had to adapt to Covid-19 and helped us learn how we need to re shape our services too. We currently have nearly 1,500 Health Play Specialists with whom we engage in different ways.

As part of our work to raise the issue of the importance of play in the health and wellbeing of children, each year we support National Play in Hospital Week, organised by the National Association of Health Play Specialists. We also recognise the critical role these staff play and the fantastic work they do with our annual Health Play Specialist of the Year award. This year we had 113 nominations for the award, spread across 46 hospitals and were thrilled to recognise Lisa Beaumont, Therapeutic Play Service Manager at Leeds Children's Hospital, as the winner. Lisa's nomination stood out because of her dedication not only to the play provision of the children in her team's care but also to her team and to the families of the children and young people at Leeds Children's Hospital.

"During the Covid-19 pandemic, many staff who were classed as non-clinical were removed from the ward environment, Lisa felt that although play staff were not medical it was vital that they remain working on the wards to support patients and families in these difficult times. All play staff were given the option of taking on different roles and working in other areas if they did not feel comfortable and were supported by Lisa. Without Lisa in her role the play staff could have easily been removed from the wards during Covid meaning 100's of children would have gone without play input and support during this difficult time... Due to the nature of some of our patients and families we had many that were shielding on the wards and not allowed visitors or to leave the ward, Lisa was the one who made sure that parents were fed off the hospital food trolley and that food donations coming in were not all given to staff but care packages were made up for shielding families so they had snacks and toiletries."



For the first time we also invited nominations for Play Team of the Year, to recognise a team that made a real difference. There were a large number of entries for this and, after reducing it to a shortlist of 24, we made the award to the Medical Play team at Leeds Children's Hospital.



"The whole play team at Leeds have worked throughout Covid to try to give the patients and families some normality in a strange and scary time but I feel the medical play team have been extremely short staffed and pulled together to provide the best possible service and support while working with shielding families and with Covid positive patients. Without the medical play team many patients would have had swabs with no prep or support, shielding families would have gone without snacks and supplies and patients would have gone through major surgeries without family and friends being able to visit and many families would have missed out on important end of life memory making.

They truly are amazing people who have gone above and beyond their usually job role to provide and care for the patients and their families."

We are indebted to the National Association of Health Play Specialists (NAHPS) Chair, Penelope Hart-Spencer, and Tina Clegg, Chair of Healthcare Play Specialist Education Trust (HPSET) for being the expert judges on our panel along with Cathy Gilman, Starlight's CEO. Our thanks also go to Ryman, and their suppliers, who have once again supported us by providing prizes of vouchers and arts and crafts materials to help the winners and runners-up keep their play cupboards well stocked.

These links with frontline Health Play Specialists are part of the life-blood of Starlight – it is one of the important ways that we are able to gain real insight into what is needed. From Lisa's nomination and the subsequent conversations we had with the Leeds Children's Hospital, we discovered that they are building a completely new hospital in the next five years and are currently engaging in exploring how they can use technology to improve the patient experience.

As a result, with funding from the True Colours Trust, since the year-end we have undertaken a shared project to test the use of technology to improve the reception and waiting experience in the current hospital and to test virtual reality as a distraction tool.

Towards the end of the year we also launched our Starlight Ambassador programme, appointing a nominated staff member (sometimes more than one) within a hospital to consolidate and co-ordinate hospital services, recommend families for our Social Connection programmes and be a central point of feedback.



## CREATING SOCIAL CONNECTION – COVID AND PLAY DEPRIVATION

With lockdowns and social restrictions having been a part of our lives for the last 12 months, many of us have had a small taste of the difficulties of social connection and contact with others often faced by children living with serious illness or long-term conditions. A recent report by Great Ormond Street Hospital Children's Charity (State of Play, March 2021) highlighted that one of the most significant challenges of the pandemic has been sustaining and maintaining friendships and family connections whilst being apart. Throughout 2020 and into 2021, there have been different lockdowns and restrictions, meaning children have often not had the freedom to play together or play in the way they usually would. The main consequence of this appears to be children missing playing with their friends.

Two thirds (64%) of parents say their child misses playing with their friends because of different lockdowns and restrictions limiting children from playing together or playing how they normally would. This freedom to play with whom, when and how they want to gives children the opportunity to build broader relationships beyond the familial home and gain skills vital for their emotional and social development. In this respect, it can be argued children are experiencing a form of play deprivation during COVID-19 at a time when they need the freedom to play more than ever. Many parents express their concern at the loss of this freedom with 66% saying that they are worried that restrictions on how children play will impact on their child's future well-being."

State of Play Report, Great Ormond Street Hospital Children's Charity, March 2021

Positive social connections with people at all stages of life help to ensure healthy development, both physically and emotionally and that's what we aim to achieve with our programme of escapes and parties. This would usually involve physically bringing children and their families together for a day of fun, strengthening family bonds, creating memories and connecting with others but that hasn't been possible this year. Despite this we were able to offer a series of online activities tailored for different ages and interests from magic shows to dance classes, with all of the advantages of meeting remotely. We know just how important these events were families from the feedback that we received.

It's given us a break from our normal routine and gave Lachlan something to look forward to. The fact that Starlight considers children and families like ours is amazing. I'm sure a lot of families are having to isolate and so the virtual escape was like a virtual wave and hug that says 'Hi, we see you!' and that means a lot. Thank you!"

Parent at a Virtual Escape



#### During the year we:

- Entertained 180 families via 15 Virtual Escapes, magic and comedy shows and workshops, giving children and their families the chance to play together. One parent wrote "Everyone has missed out on so much this year but for families like us where time is precious these fun happy memories are priceless. This has given us something to look forward to as a family and access and enjoy together. Our son's time is precious to us all it's lovely to be able to do this with him! Thank you"
- Commissioned a pre-recorded virtual pantomime (a Starlight version of Jack and the Beanstalk), a fun-filled, edible science show presented by award-winning BBC presenter Stefan Gates, and a Christmas story read by Santa himself. We sent this to 524 Health Play professionals across 250 hospitals and hospices to help bring Christmas onto the wards, and also circulated it to more than 1,100 families to watch at home.
- Took advantage of the break in restrictions to hold a socially distanced, covid-secure drive-in cinema where 28 families had a drive-thru-grotto visit with Santa before a screening of 'Elf' with traditional cinema snacks.

“The Starlight Pantomime improved the feeling of the environment, making it happier and giving permission to be silly again. Everyone - staff and children - all had smiles and laughter. Before the performance there was a feeling of apprehension, like before any show and then once the show started it was lovely to see the children relax and enjoy it. One young man said, 'it was the best afternoon ever thank-you!'. I think that says it all.”

Claire, Play Specialist, Derian House Children's Hospice

## WISHES

Although we are closed to new wish applications, we have still been working hard to deliver wishes already promised. Many of these wishes were originally for foreign travel, meeting celebrities, and attending big events. While none of these have been possible in the current climate (and with international travel likely to be problematic for some time to come), we have been determined to do our best not to leave any child disappointed.

We talked to all of our wish children and families and worked with them to identify alternative wishes that could be delivered and enjoyed during the long months of isolation at home. During the year we successfully delivered wishes to 84 different children, ranging from gaming PCs and specially adjusted bicycles to hot tubs the whole family could enjoy. We had log cabins built in gardens and, once it was safe to do so, provided bedroom makeovers to make that stay-at-home time more pleasurable.

Thanks to the generosity of our corporate supporters, including Harrods, Simon & Schuster and Beyond the Bow, we were able to send Christmas gifts to the 127 children still waiting for their wish.



Thank you so very much for the surprise gifts for George. He absolutely loved them and we are currently reading the wonderful book. The timing of this surprise really couldn't have been better, as we sadly lost George's grandad to Covid on Tuesday night so it's been a very difficult week."

With foreign travel off the cards, many children asked for a UK holiday instead and we have just over 50 children waiting to enjoy these once restrictions are lifted. A total of 99 wishes remain to be delivered in 2021-22. Although this will bring our wish programme to an end, children will continue to be able to enjoy the escape and connection of Starlight UK Group trips as part of our new Experiences programme within the social connection pillar of our new strategy.

## LISTENING, LEARNING & SHARING KNOWLEDGE

Thanks to our experience of working with children, families and health professionals over the last 35 years, we have developed unique relationships where we are entrusted with details of the lived experience of serious illness and long-term conditions.

This insight, as well a literary review of 138 pieces of research about play and distraction and 1,000 feedback surveys from health professionals and parents together, have created a unique Starlight data set. We continue to develop new ways to listen to children's views about their experiences and feelings as well as their opinion of our services to ensure their voices are at the heart of our service development and delivery.

We have also reviewed Care Quality Commission Data which, when asking questions of parents and children about the experience of hospital, asks 'Did hospital staff play with you or do any activities with you while you were in hospital?' and 'Were there enough things for you to do in the hospital?' Negative responses to these questions indicate a poorer hospital experience.

From this collective insight we are gaining a unique understanding of the play and distraction needs of children, especially in hospital and have begun to get a better understanding of the inequalities between hospitals in the provision of play.





Despite the Department of Health's recognition of the importance of supervised play in hospital; a recommendation that play staff are employed on every ward and that the therapeutic purpose of play needs to be included in the care plan there is no systemic adoption by the NHS. It is clear that children need access to both play professionals and activities to have a better hospital experience.

The right to play for every child is enshrined in the UN Convention on the Rights of the Child. Our Insight & Impact team have started work to gain a better understanding of the inequalities of play between hospitals and where there is play deprivation. We have also been gathering data to build a clearer picture of the diversity of the children and families we work with. Whilst not a simple exercise – to a large extent we are reliant on publicly available demographic data to understand our hospital service users – this will, in time, allow us to address inequalities in play provision which arise from socio-economic inequality but also to ensure services remain relevant to the communities they serve.

Thanks to the generosity of two major funders, Barclays and the 3i Group, we have been able to identify 273 hospitals in areas of deprivation within the UK, many of which had not had contact with us before. We are now actively working with 165 of these to provide services which improve the access to play of their young patients.

It is a Starlight priority to share our unique insight for the benefit of others working in play and distraction. This year we shared our insight through the publication of our first ever 'Impact of Children's Play in Hospital' report, released during National Play in Hospital Week in October 2021 and by a jointly presented webinar with Cambridge University on 'Play in Challenging Circumstances.'

We have also met with children's hospitals to explore how Starlight might play an important role in sharing the experience, knowledge and tools of better resourced hospitals for play with those less well-resourced to reduce some of the inequalities in access, quality and experience of play.

In the year ahead we plan to appoint a policy and public affairs professional to use our insight to build the public affairs profile of Starlight and contribute a voice to the need for systemic change in the delivery of Department of Health recommendations on the provision of play in hospitals.

## DOING WHAT WE SAID

Last year we said we would:

**1. Continue to respond** to the specific needs of children in hospital who are more isolated and receiving fewer visitors because of Covid-19

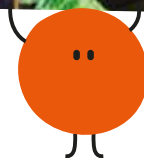
We asked children, families and health professionals about the impact of Covid-19 on them and discovered that our Boost Boxes, containing toys to be shared, could no longer be used so we adapted them to create Isolation Packs which could be given to children to keep, allowing them to be distracted and entertained in the long hours by themselves. We commissioned a virtual pantomime which was available to children in more than 200 hospitals and hospices across the country, more than twice the number we could reach with our previous touring pantomime. We sent Arts & Crafts boxes out to hospitals for the first time, complete with online videos to inspire and demonstrate.

**2. Gain a better understanding of** the specific needs of children and young people living with poverty and deprivation

Aided by funding from Barclays and 3i Group, we were able to identify 273 hospitals in areas of deprivation within the UK, many of whom we had had no previous contact with, and provide bundles of services to 165 of them. We collected feedback from children, families and health professionals and discovered that families in areas of poverty and deprivation are experiencing higher levels of isolation, less access to play, and have less access to outdoor spaces. Local and community hospitals in these areas are also likely to have lower play provision. Our research is in the very early stages and will continue as a focus in the year ahead.

**3. Extend** our consultation groups to include children and young people and **actively involve** these groups in the development and testing and trialling of our services

We now have two cohorts of children and young people (24 in all) actively participating in our Recollective programme, by which they share their stories, videos and photos of their hospital experience on an online platform. We have undertaken in depth interviews with parents to understand their experiences and the pressures serious illness puts on family life and have used this to inform our new Children's Service strategy and the new services outlined elsewhere in the report.





**4. Ensure** that we have a mix of digital and physical escapes that are **more accessible** to a wider audience.

With social restrictions in place for almost the whole year, our Escapes programme has been almost entirely digital, with 15 separate events, including virtual parties and magic shows, being delivered with an average of 12 children and families each. This programme will continue when restrictions end, allowing us to involve children who are not well enough to attend a physical event or for whom geographical distance is a prohibiting factor.

**5. Review** how we can use our wealth of knowledge and experience of **creating unique moments** for children and their families in a changing world.

Our wish granting experience has equipped us with a wealth of knowledge about what matters to seriously ill children and their families and our insight gives us a better understanding of their needs. We have also developed many special relationships over the years with partners and suppliers to fulfil wishes, which still have a valuable role in our new strategy. With some of the budget made available by our decision to end wishes, we planned to bring all of this together to provide lower-cost Escapes and experiences which would enable us to reach more families this year. Although we have been limited in what we have been able to deliver because of lockdown, we have used the time to plan for the year ahead and are optimistic about delivery of a new programme of special experiences subject to restrictions being lifted.

**6. Continue** to refine our strategy as we understand even more about the needs of seriously ill children and **our unique role** in meeting them

We have used our evidence and insight about children's experiences and needs to develop a new strategy for Starlight this year. In consultation with families, health professionals, the Starlight team and Trustees we have developed and agreed the new strategy to use the power of play to make the experience of illness and treatment better for children and their families. Detailed implementation plans have been developed, which can be dialed up or down depending upon the funds that we raise and we have completed a restructure of the Children's Services team to ensure that we have the experience and expertise to deliver.

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## PLANS FOR THE YEAR AHEAD

At the time of writing, the UK is starting to open up after the winter and early spring of lockdown. The path ahead remains uncertain in terms of our ability to deliver those services involving face-to-face contact but we are confident in our ability to continue to adapt. Whilst the detail of plans may change, we hope to:

- 1. In collaboration with children, families and Health Play Specialists, develop and pilot new services in five areas of key importance to children and young people dealing with serious illness or long-term conditions.** These include use of technology for immersive play in hospital; creating opportunities for increased physical activity; imaginative play to stimulate creativity; and promoting wellbeing through play by bringing opportunities for respite and mindfulness.
- 2. Complete our Wishes programme and begin to deliver our Experiences programme, continuing to provide respite, social connection and escape to children and their families** by facilitating UK group trips and themed, regional special days.
- 3. Strengthen and amplify our voice and influence as protectors of play** by using our insight and national reach to increase our network of partners and develop a collective voice; appointing a policy and public affairs professional to lead this new area of work.
- 4. Identify inequalities in play access for children and young people dealing with serious illness or long-term conditions and work in partnership with others to identify and develop solutions** by continuing our research, talking to health professionals, children and their families and by building connections with other organisations who share and can help further our aims.
- 5. Continue to keep children, their families and health professionals at the heart of all we do** by increasing the variety of ways in which we consult with children and their parents and by building our Starlight Ambassador programme in hospitals to increase insight and input from Health Play professionals.





HOW WE

RAISE

MONEY



Just as relationships are at the heart of our work with children, families and health professionals, they are our most valuable asset in our fundraising, whether we are working with a major Trust or Corporate partner or an individual supporter taking part in a challenge event. The passion of our supporters for the work we do and their commitment to our cause is what allows us to provide our services.



Relationships are at the heart of our work with children and at the heart of our fundraising.”



We remain incredibly grateful to all those who support us but this year we do want to give special thanks to the companies and trusts who have given us funding, much of it in direct response to the Covid-19 crisis. Major fundraising events planned for the year, such as the Blenheim Ball, had to be cancelled and mass participation events such as the Virgin Money London Marathon were also unable to take place, further reducing our fundraising options. All of this, combined with the uncertainty of the general economic climate, meant that our emergency Covid-19 budget, prepared in the last weeks of the previous financial year, anticipated income could be £1.5 million lower than the plans we'd just made for the year ahead. As the year progressed, and with the help of some generous legacy bequests, our ability to react quickly and turn challenges into opportunities made it possible to make up most of this ground.



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## FORMING STRATEGIC PARTNERSHIPS

We aim always to work in partnership - with our children and their families, with health professionals and with our supporters. In fundraising, it makes sense to work with strategically aligned organisations where there is likely to be more mutual benefit from the partnership. With a focus on better integration of technology into our services, our partnerships with Nintendo and Amazon have been especially important this year.

For many children and young people confined to a hospital ward, gaming is one of the few parts of 'normal' life they are able to enjoy, giving them not only a means of distraction but an activity in common with their friends. Our ongoing partnership with Nintendo has allowed us to put more than 300 Nintendo Gaming Bundles (a games console and games) into hospitals in the year.

We have been fortunate to have support from Amazon for a few years, particularly around Christmas, but this year we were thrilled to be approached to partner them in a STEM (Science, Technology, Engineering & Mathematics) programme. A group of Health Play Specialists, based in hospitals near Amazon distribution centres, were trained to teach seriously ill children STEM skills on the ward and to build a robot. There can be barriers to accessing STEM education in hospital but it can really help children to better understand the world and relate to it, by introducing them to new concepts through activities and games. Thanks to this partnership, children were given a unique opportunity to develop their creativity, innovation and problem-solving skills.

We do also want to say a huge thank you to Ryman and their suppliers who, despite a very difficult year on the High Street, have continued to support us by donating hundreds of toys, and arts and crafts materials as well as the boxes to put them in.

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## BUILDING CASES FOR SUPPORT

We welcomed a new Head of High Value Fundraising in the year, with particular responsibility for Trust and Corporate funding; two of our Events staff, whose plans had disappeared overnight, stepped up to support; and a new strategy of 'Be Ambitious, Be Strategic, Be Speculative' came into being. Clear cases for support were drawn up for specific programmes, bold applications were made and networks were called upon for warm introductions and to accelerate conversations.

Our particular thanks go to Barclays and the 3i Group, who funded services into hospitals in areas of deprivation, the Hummingbird Trust, whose grant is allowing us to complete delivery of our Wishes programme and Julia and Hans Rausing whose flexibility around funding has been invaluable as we had to suspend some of our wish granting programme and were able to invest more in the capacity of our hospital services team. We are also very grateful to the many other Trusts, Foundations and Companies who made our work possible.



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## VALUING AND GROWING OUR SUPPORTER BEDROCK

We never forget that a significant proportion of our services are funded by the generosity of our individual supporters, who have shown incredible loyalty at a time when we know many of them may have faced difficult times and financial uncertainty. As the sheer scale of the impact of Covid-19 began to be clear, our April 2020 appeal was hastily converted to an urgent funding appeal to help us adapt our services for the changing environment. Mailed to 50,000 supporters, it raised an amazing £198k. This included a short online video appeal from Dr Chris Evans, Starlight Trustee and an NHS paediatric anaesthetist, which was promoted across our social media channels to bring the extent of the need to life. Over the course of the year we sent just under 250,000 appeal letters and emails; our aim is to integrate more digital communication but we know from feedback that for many of our supporters, a piece of mail is the thing which inspires them to give.

Much of the Community and Challenge fundraising activity was simply not possible this year because of restrictions on social gatherings, but we are immensely grateful to the runners who completed the 'virtual' London Marathon. Running 26.2 miles with no crowd to cheer you on is a challenge many of us would find hard even to contemplate. We have kept in close contact with our community fundraisers and we now have more than 13,000 people signed up to our fundraising e-newsletter.



## **AGAINST ALL ODDS: BUILDING SUSTAINABLE INCOME GROWTH**

**Last year we said we would:**

**1. Deliver a new website, fundraising-led brand and integrated campaign – a big fundraising moment – in Autumn / Winter 2020**

We launched our new website, with revised design, navigation structure and content, in time for Play in Hospital Week in October 2020, giving us a more contemporary look and user-friendly public face. Alongside this, our new brand launched in June 2021, with its engaging characters and serious message of 'Protectors of Play' designed to appeal to children, families, health professionals and supporters alike.

In the run-up to Christmas, we delivered our first ever integrated fundraising campaign 'Time to Play' with its stated aim of raising £300k to help 30,000 children access play at Christmas. Over the campaign period we actually raised £420k and we tried and learnt from new things along the way. A second integrated campaign was launched in June 2021.

**2. Drive reach and engagement to grow our audiences**

This year has seen us accelerate our digital activity and take a test and learn approach, allowing us to develop our digital strengths, maximise opportunities and use what we learn to further develop the digital strategy. We have used more video content, launched digital marketing campaigns and developed a streaming product to take us to a whole new audience. In more traditional media we grew both quantity and quality of PR coverage, particularly around Play in Hospital Week, featuring in MailOnline and on BBC Radio 4.

**3. Develop new offers that drive repeat giving with our core, growth and stretch audiences**

With the reduction in capacity because of furlough and short-time working and the uncertainty of the fundraising market in general, following some initial research we agreed to delay this development to the current year.

**4. Increase digital fundraising activity including a test of 'Stream for Starlight' and a digital element to the autumn campaign**

We launched a highly successful digital fundraising activity as part of the Time to Play campaign, in the form of a Facebook Star Jump challenge, attracting 324 participants and raising £28k. We also launched 'Stream for Starlight', engaging the support of 12 Streamers and learning that we can more effectively do this via a gaming platform with its own community.

**5. Launch a campaign with Luella Fashion and continue to seek strategic corporate alignment partnerships**

The Luella partnership, involving a star-motif t-shirt and jumper, provided valuable insights into the world of strategic corporate alignment and led to a similar partnership with Lights4Fun. The appointment towards the end of the year of a dedicated Corporate New Business Manager will allow much wider scope for seeking new strategic partnerships.

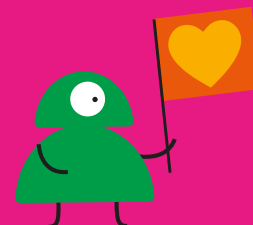
**6. Develop strategic, multi-year partnerships with funders**

The first stage of achieving such partnerships is often a single year funding arrangement and we have secured several of these, at a significant level, which we aim to develop into multi-year funding. This will provide a base of stable income in an uncertain world and allow us to commit to multi-year service provision projects.

## Growing Support in the Year Ahead

Whilst significant uncertainties remain in the fundraising environment, particularly around event delivery (due to the risk of ongoing Covid-19 restrictions) as well as the availability of emergency funding that was a mainstay of the past year, we have demonstrated our ability to adapt to the environment and aim to:

1. Maximise the potential power of our new brand and tell our new story to leverage more income.
2. Develop and implement a strategic communications strategy to maximise the opportunities for telling our story, including producing a greater number of high-quality compelling case studies and content.
3. Build on our success of gaining substantial trust engagement to obtain multi-year funding.
4. Drive new business with corporate partners for both short-term funding and long-term strategic alignment purposes.
5. Build on the success and learning from the Time to Play campaign to run two further integrated campaigns and increase our sustainable supporter base.
6. Develop new offers that drive repeat giving with our core, growth and stretch audiences.



## LOOKING AFTER OUR SUPPORTERS

Starlight is registered with the Fundraising Regulator and we are committed to meeting the Fundraising Code of Practice. When fundraising we are pledged to ethical and transparent activities which respect our supporters. We take care of supporter data in line with GDPR and have processes to ensure we only contact those who want to hear from us for fundraising purposes. We also ensure that nobody who appears to be vulnerable is asked to commit to giving. During the year we sent just under 250,000 communications by mail and email and received ten complaints, all of which were resolved without escalation.



# FINANCIAL REPORT

This has been a year in which, along with many other organisations, we have faced considerable uncertainty about funding and we were expecting to end the year with a deficit of more than £0.5m. Despite the success of our urgent appeal in April 2020, this uncertainty continued well into the year and it was only with the positive outcome of some significant Trust applications in the autumn, followed by the incredible success of the Time to Play campaign just before Christmas, that it became clear that our fundraising income could draw level with the previous year.

Alongside this uncertainty, service provision had a slow start to the year. When the extent of the Covid-19 crisis became clear, hospitals closed their doors to all but essential staff and supplies and it was not immediately clear how we would deliver those services while the pandemic lasted. We took time to talk to health professionals and understand how our services could be adapted but it was a few months into the year before we had clear parameters for service provision. With much of our wish programme impossible to deliver because of government restrictions and our summer Escapes not permitted for the same reason, service provision remained lower than expected for the first half of the year.

The combination of these factors, alongside the reductions in staffing we put in place from May until September and other cost cutting measures, meant that the expected deficit position was reversed. Significantly more funding than expected was secured in the second half of the year, including funding for the final stages of our wish programme, although many of the wishes themselves have had to wait for the easing of social restrictions.

As a result of this, we ended the year with a reported surplus of £0.73m, of which £0.28m is restricted funding relating to programmes due

for delivery after the year end, including £0.1m for completion of the delayed wish programme and £85k for the last stage of a project delivering services into hospitals in areas of deprivation. A further £270k had been expended at the year-end on stock for distribution to hospitals and hospices which was held at our fulfilment centre and sent out in the first weeks of the new year.

The financial year-end is only ever a snapshot at one point in time; funding streams and operational activities are a fluid process, and the year-end surplus has to be considered in the context of a £1.2m deficit in 2019-20 and a planned deficit of a similar level for 2021-22. The Trustees are not, therefore, concerned at the surplus level, especially given that, in addition to the commitments above, £200k of it has been set aside to fund new service development plans.

In overview of the detail, donations for the year, excluding Gifts in Kind, totalled £3.7m, up £0.3m on last year and £1m ahead of our Covid-19 emergency budget. We made successful applications for just under £0.9m of Trust and Corporate grants, which more than replaced the income lost from the cancellation of fundraising events. The success of our urgent appeal and Time to Play Christmas campaign meant that our Individual Giving income grew by 10% (£1.3m including Gift Aid against £1.15m in 2019-20) despite a much tougher general economic climate.

Legacies continued to perform strongly, exceeding the £1m mark, although the earlier than expected settlement of some significant legacies in the last quarter of the year means that the future pipeline is lower than usual. These excess legacy funds have therefore been retained to support spend in the coming year. Gifts in kind totalled £0.3m against £1.4m in 2019-20; this fall is due to the strategic run-down of the wishes programme, where most gifts in kind have historically occurred, and the



temporary suspension of the large, live 'Starlight Escapes' due to Covid-19.

Spend on direct charitable service provision was £1.7m against a previous year spend of £4.2m, with the difference being almost entirely due to the reduction in delivery of the Wishes programme (because of both Covid-19 restrictions and the decision in early 2020 not to accept new wish requests). Hospital services provision has remained steady across the two years, despite the difficulties of delivery in the early months of the pandemic and is expected to increase substantially in the coming year. In the coming year we expect to spend in the region of £2.5m on direct charitable services.

During the year we have invested in key positions which will increase our capacity both to raise funds and to increase our services. Significant development plans are in place for the coming year which are expected to deliver a deficit of in the region of £1m, reflecting the fact that substantial funds for the new services were received prior to the year-end.

On the fundraising front, the cost to income ratio (including allocation of support costs and Gifts in Kind) has risen slightly from 37% to 40% because of the significant number of high value Gifts in Kind involved in wishes in 2019-20 which have not occurred this year. If only direct fundraising costs and income are considered, this ratio has been reduced from 37% to 24%, partly by increased efficiency, partly by the replacement of cost-intensive events fundraising with Trust income and partly by savings from furlough and short-time working as a result of the pandemic. We expect some of this saving to be retained in the coming year although some will be lost when Events return to the schedule. The ratio remains comparable to other charities of similar scope and size.



## RESERVES AND INVESTMENT POLICY

### Reserves

All charities are required to consider how much they need to hold in reserves, in the light of the scale and nature of the charity's activities. In setting the reserves policy, the Board have considered the funds needed for upcoming plans, the inherent uncertainties of fundraising and their responsibility to ensure the financial sustainability of the charity for years to come. We are wholly reliant on donations, grants and legacies to carry out our work and these can fluctuate significantly from year to year. We need reserves to ensure we can continue to maintain critical services, particularly in hospitals, in the event of these fluctuations. We also want to have funds available to support our new focus on tackling inequalities in play for seriously ill children. Based on these factors, the Board have set a target range of £2.5m to £3m for unrestricted reserves.

As at 31st March 2021, our total reserves, excluding amounts tied up in fixed assets used for the operation of the charity, amounted to £4m (FY20: £3.3m). This includes £0.1m of historical endowment funds; during the year the charity obtained permission for a second endowment of £0.1m to be released to general funds. Of the £3.9m of available funds, £0.3m is restricted to specific projects, the delivery of which is expected to be completed in the first part of the new financial year, leaving £3.6m of free reserves. Of this the Board have designated £2.4m for specific operational purposes over the coming year, leaving £1.2m of general expendable funds.

Because significant funds received in the last quarter of the year were earmarked for projects planned for the current year, whilst the Board accept that the current reserves level is in excess of their stated policy, they view this as a matter of timing which will reverse over coming months, as evidenced by the planned deficit of £1m for the coming year. They also make reference to the unusually high level of uncertainty around fundraising as the UK emerges from the economic and personal effects of the Covid-19 pandemic and feel that an increased level of caution to ensure financial sustainability is merited at this time. The Board are therefore comfortable that the level of reserves held at the end of the financial year are appropriate.

### Going concern

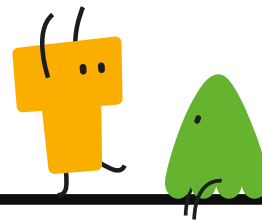
The Trustees have reviewed the accounts as well as the charity's budgets and plans for 2021-22, reserves position up to the date of signing off these accounts and the charity risk register. They have considered the risks, particularly, around fluctuations in fundraising levels as the country emerges from the pandemic and believe that the charity has sufficient reserves in place to absorb these. In addition, the flexibility of the charity's expenditure model has been proven to allow it to adjust services to meet changes in fundraising levels and the Trustees are confident that the charity can continue to meet the needs of a significant number of families and children for the next twelve months and beyond. The Trustees are, therefore, confident that the charity should be considered as a going concern.

### **Investment Returns and Policy**

At 31st March 2021, the Charity held £0.2m in managed long-term investments. £3.6m of reserves were held as cash and short-term deposits. To mitigate the risk of these holdings, funds are split between two leading UK banks. The charity takes a low risk profile attitude to investment of its surplus funds (those funds not required for immediate financial needs), recognising the need to diversify risk across institutions and asset classes. High risk investments such as traded options, futures, derivatives, and hedge funds are prohibited. Bank accounts and deposit amounts may only be held with major UK banks, which have specifically been approved by the board and not more than £1.5m (or 50% of the total unrestricted reserves, whichever is the lesser) is held in any one financial institution.

Cash balances held towards the end of the year exceeded the £3m anticipated by the above policy, for reasons described in the main financial report. Given the short-term nature of that situation and having assessed the alternative of placing funds with a third leading UK bank and the very low likelihood of failure of either of the current banks, the Board approved a temporary change to the policy which allows up to £2m to be held with each institution. The charity does not permit its funds to be invested in any organisation which conflicts with our mission and aims to avoid investments which could adversely affect its ability to attract either children and families or supporters.





## EMPLOYEES AND VOLUNTEERS

It has been an unprecedented year for our small team of talented staff and one in which they have shown their dedication and commitment to our cause more than ever before. In March 2020, in line with government guidance, we closed our offices and provided the resources for everyone to work from home, hoping that it would be a relatively short-term arrangement. In the early autumn of last year, when the government began to suggest a return to work, we talked to our staff about their concerns about a return, about infection and about the risks of public transport and took the decision to continue to work remotely for the time being. We took steps to make the office covid-secure, in line with HSE regulations, installing clear screens between desks and ensuring social distancing could be maintained, allowing a small number of staff who were comfortable with it to come in at intervals to carry out tasks not easy to do from home or have a change of scenery.

The office was once again formally closed to most staff when London moved into Tier 4 in December 2020 and then back into lockdown. By the year end we had 10 staff who had been inducted remotely and had never met most of their colleagues. At the time of writing we are beginning to allow some office work for people who are struggling with poor home working conditions or with isolation. Whilst most staff have found full-time homeworking challenging at times, weekly virtual get togethers and regular social events have helped to keep morale steady and while we look forward to returning to the office when it is safe to do so, it is likely that it will be with a working model which allows staff to mix the flexibility of home working with the much-needed physical interaction of office life.

As we reported last year, in April 2020 we also took the difficult decision to furlough a number of staff under the government's Coronavirus Job Retention Scheme and to move the remaining workforce to short-time working.

We kept this under constant review and by the beginning of August we were able to bring back the last of our furloughed staff, by the end of that same month we were able to end short-time working. Staff affected by the second closure of the schools in January 2021 were able to take advantage of part-time furlough to help with management of childcare.

As has been noted earlier in this report, the decision to end our wishes programme led to a restructure of the Children's Services department, which was completed shortly after the year-end. As a result of this there was one compulsory redundancy and one staff member asked for, and was granted, voluntary redundancy. Three other staff from the wish granting team were offered, and accepted, other roles within the charity. All costs associated with the restructure have been recognised in these accounts.

With only 38 full-time staff, in normal times we are dependent on teams of volunteers, particularly for the delivery of our Escapes programme. Whilst we have kept in touch with our volunteers, for the most part we have been unable to use their help because of social contact restrictions and we look forward to welcoming them back this summer. All volunteers are required to sign up to the Starlight safeguarding policy and code of conduct and are briefed on the importance of the work of Starlight for the families that they will meet. The Trustees of Starlight are very aware of the risks facing the people in their care and fully understand their responsibilities in terms of keeping them safe. Volunteers handling personal data, for example those assisting in research or administration, are also required to sign up to our Data Protection policies.

On the financial front, the Trustees approve the overall salary budget and specifically the remuneration of the Senior Management Team, which is set taking into account affordability for the Charity, inflation and market rates at the time.





## **EQUALITY, DIVERSITY & INCLUSIVITY**

In the summer of 2020 we launched our internal EDI Action Group and EDI Trustee Committee, as part of our commitment to ensuring that we bring the principles of equality, diversity and inclusivity into all that we do. The Action Group developed our first ever Statement of Anti-Racism Principles and an accompanying Anti-Racism policy, to ensure all our staff were clear on acceptable behaviour; training in Unconscious Bias was also undertaken by our staff and Trustees. We also:

- surveyed our staff on a number of points relating to EDI and held focus groups and one to one conversations to gain a better understanding
- reviewed our recruitment processes and made some changes, bringing in anonymised CVs for interview selection and ensuring the agencies we work with have strong EDI policies
- revisited our website and social media and discovered that our images were not always representative of the diversity of our children and families, so we made some changes and committed to gathering more diverse case studies and pictures
- started to monitor the diversity of applicants for jobs and to have conversations about how we might improve that
- looked at our social activities and consulted with staff on what they wanted so those who wanted to be included could be
- began to gather diversity data on those children and families with whom we have direct contact, to measure whether this was in line with the communities we aim to serve.

## PRINCIPAL RISKS AND UNCERTAINTIES

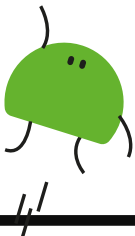
The Audit and Risk Committee is responsible for reviewing the risks faced by the charity and for agreeing the necessary controls to mitigate those risks. The committee meets at regular intervals and reports to the Board of Trustees. Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of our effective governance. In managing risk, the Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that we can make the most of opportunities and develop them with the confidence that any risks have been identified and appropriately managed.

During the year the charity carried out a full overhaul of its main Risk Register, identifying in detail risks across the organisation and ensuring plans were in place to mitigate all major risks as much as possible and to monitor those where mitigation was inherently limited.

The most significant risk to Starlight in the medium term continues to be the uncertainty of the fundraising environment over the next few years and hence our ability to raise sufficient funds to carry out planned programmes of activity.

As described elsewhere in this report, we are working to mitigate this risk by building long-term relationships with significant funders and to ensure we have a broad portfolio of fundraising options and a constant supply of strong cases for support. Whilst this funding risk is also mitigated by our proven flexible operating model which allows us to scale back services in times of funding shortfall, thus protecting future sustainability, by its nature that reduces our ability to provide much needed services to the children and families for whom we exist.

The second key risk identified by the charity is that of a slower than planned increase in service provision as we move to full implementation of our new strategy, which could have implications for future funding. Whilst this risk is mitigated by an operational plan for the development of new services and the expansion of existing ones and a continual review of opportunities for new service provision, there are factors which may affect ability to deliver. These are both internal – the impact of organic movement of staff on a small delivery team, the risk of some pilots for new services failing and plans needing to be revised, with the associated time delays – and external, for example further hospital restrictions or social gathering restrictions as a result of a resurgence of Covid-19. The situation is being closely monitored and the Trustees are comfortable that there is a monitoring system in place which will identify at an early stage if delivery plans are not being met.



# GOVERNANCE

## LEGAL STRUCTURE AND PURPOSE

Starlight Children's Foundation is a company limited by guarantee (registered number 02038895) and a registered charity in England and Wales (charity number 296058) and Scotland (charity number SC047600).

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 2nd December 1986. Our mission is to use the power of play to make the experience of illness and treatment better for children and their families.

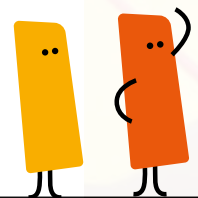
## PUBLIC BENEFIT

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives, and planning. Starlight Children's Services are designed to support the estimated 100,000 children and young people in the UK diagnosed with a life-limiting or life-threatening condition and their families (Fraser et al, 2020), together with the millions of children and young people who pass through the doors of our hospitals every year. Our insight team work to keep our services relevant and in line with need by talking to health professionals, children and families about access to play, about the issues they face and about the benefits that they experience from

our services and how they might be improved. Many hospitals do not have a budget for play and distraction and staff tell us that Starlight resources are often the only ones available.

Children, their families, and health professionals tell us that our services help to:

- Reduce anxiety and distress and help children relax in stressful medical environments.
- Improve the hospital environment and hence give children a more positive experience, reducing anxiety about future treatment.
- Reduce pain and the need for medication during medical procedures.
- Give families opportunities for respite and fun.
- Let children do things they thought impossible, building confidence and increasing wellbeing.
- Provide opportunities for otherwise isolated children and families to build friendships, networks, and relationships with their peers.
- Bring families together for quality time and create special memories.





# BOARD OF TRUSTEES

The Board of Trustees, who also constitute the Directors for Company Law purposes, are legally responsible for directing the affairs of the charity. They meet as a full Board four times a year although as a result of the uncertainty created by the pandemic they currently meet for less extensive meetings in most intervening months. With three Trustees due to retire in July 2021, a skills audit was conducted and it was established that the most critical need was to replace the children's services and safeguarding experience which will be lost when Chris Hanvey steps down in July. The Board has skills gaps in high value fundraising (although there is an active Development Committee) and in Technology, which is becoming increasingly important, and it has been agreed that Technology will be the next focus for recruitment. It has also been identified that a young person on the Board could add real insight but agreed that the charity is not yet quite ready to take this step.

As the Board bids farewell to Chris Hanvey and also to James Innes, thanking them for all their work over the years, we welcome Frenchesca James as a Trustee. Frenchesca was our first ever Health Play Specialist of the year and is currently Senior Youth Support Co-ordinator at UCLH, working mostly with teenagers and seeing a lot of young people with safeguarding or mental health issues as well as those involved in gang violence. As such she brings a wealth of relevant experience from the hospital frontline.

This July sees further change as, after five years, Nick Mustoe steps down as Chair. Nick has overseen huge progress at Starlight, including the installation of a qualified and experienced Executive Director team. He has been actively involved in strategic change and the Board thanks him for his service and wishes him well. The role of Chair will be taken by Alain Wolffe.

## COMMITTEES

Five Committees support the work of the Board as a whole, each made up of Trustees, Executive and in three cases external experts in the relevant area.

**The Safeguarding Committee** is chaired by Dr. Chris Hanvey, former CEO of the Royal College of Paediatrics and Child Health. When he retires from the Board in July, the Committee will be chaired on an interim basis by Krutika Pau, our Director of Children's Services, and will be joined by Frenchesca James. During the year, the Committee has undertaken a thorough review of safeguarding policies and practice. The following documents were revised and approved: safeguarding and child protection policy; lost child policy (events); safeguarding children and technology guide; safeguarding information for suppliers. The safeguarding code of conduct was also updated and everyone involved with Starlight activities must sign up to the policy and code of conduct and they form part of volunteer training at every event. All staff directly involved in delivering services to children and families also undertook the NSPCC 'Keeping children safe online' training.

**The Audit and Risk Committee**, chaired by James Innes, works with the Executive team to oversee, manage and mitigate risks across the organisation and is responsible for oversight of the risk register, with key risks being regularly reviewed by the Board of Trustees. The Committee also meets with the charity's Auditors at the end of the annual audit process and both they and the Board have the opportunity to question them both with and without the presence of the Executive. On James' retirement from the Board in July, the Committee will be chaired by Alain Wolffe.



**The Development Committee** is headed up by Alasdair Hadden-Paton and was, pre-Covid, focussed on the Blenheim Ball due to take place in March 2020. Since the cancellation of that event, whilst continuing with planning for March 2022, the Committee has taken on a broader role in developing High Value Fundraising and has been instrumental in several significant donations in the year. We are very grateful to Camilla Blandford, Kate Deighton, Oliver Hardcastle, Hattie Mauleverer, Carrie McArdle, Alex Spencer-Churchill and Amelisa Wright for giving their time and expertise.

**The Advisory Committee**, led by Dr. Chris Evans, works to bring valuable professional expertise and contemporary thinking to our programme of research and to help Starlight develop a child-centric, outcomes-focused strategy and the services that will deliver maximum impact. We are very grateful to Kath Evans, Professor Lucy Bray and Dr Luca May Brady for sharing their wealth of experience and expertise.

**The EDI Committee** was formed in the autumn of 2020 to oversee all matters relating to Equality, Diversity and Inclusivity. It meets quarterly and monitors the progress of the staff EDI Action Group as well as leading on EDI in Trustee recruitment.

The Board comprised nine trustees as at 31st March 2021, as follows:

**Nick Mustoe** has chaired the Board since 2016 and has been actively involved in the development of the new impact-led Children's Services strategy. He is Chairman of a creative communications agency and holds several non-executive board positions.

**Alasdair Hadden-Paton** is Vice Chair and heads up the Development Committee. He is a Chartered Accountant with over 30 years' financial experience in the luxury goods, hotel, property investment and venture capital sectors.

**Dr Chris Evans** is Chair of the Advisory Committee and is an NHS Paediatric Anaesthetist who has an in-depth understanding of the UK health care system and the psychological burden of hospital visits. Chris is helping Starlight develop new services in response to the insights from our research, as well as sharing valuable experience of innovation and digital technologies.

**Dr Chris Hanvey** is Chair of the Safeguarding Committee and was the former CEO of the Royal College of Paediatrics and Child Health. He has a passionate interest in child health and brings extensive experience of working with children's services providers as well as charity governance and management.

**Ian Harding** is a Managing Partner at Arcus Infrastructure and brings fundraising, financial and governance expertise to the Board.

**James Innes** is Chair of the Audit and Risk Committee and qualified as a chartered accountant. He has over 24 years' experience working as a corporate finance advisor and private equity investor and he co-founded Chrystal Capital in 2009.

**Hina Patel** also sits on the Audit and Risk and EDI Committees and is a senior strategic project manager at BlackRock. She has also experienced the power of a Starlight wish in her own family.

**Mark Tasker** is Head of M&A and Corporate Finance Team at law firm Bates Wells. He has more than 25 years' experience of advising clients on corporate transactional work and provides valuable advice on legal matters to Starlight.

**Alain Wolffe** sits on the Audit and Risk and EDI Committees and is a former Executive Director of Strategy and Governance at Canada Life. Alain has an empathy and interest in Starlight as the father of a 15-year old with cerebral palsy.

# TRUSTEES' DECLARATION OF RESPONSIBILITIES



The Trustees (who are also directors of Starlight Children's Foundation for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those 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 judgments and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 requirements of the Companies Act 2006. They 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.

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

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

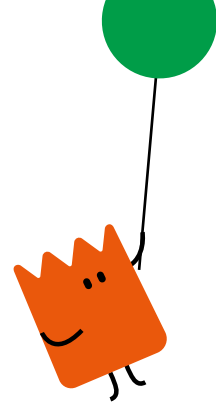
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Approved by the Board and signed on its behalf:

**Nick Mustoe**  
Chair of Trustees

**Date:**





# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STARLIGHT CHILDREN'S FOUNDATION

## Opinion

We have audited the financial statements of Starlight Children's Foundation (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

### **Other Information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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## USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Joanna Pittman** (Senior statutory auditor)

**Date:**

for and on behalf of Sayer Vincent LLP, Statutory Auditor Invicta House,  
108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212  
of the Companies Act 2006



# FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 MARCH 2021



# STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)  
For the year ended 31 March 2021

	Note	2021			2020		
		Unrestricted £	Restricted and endowment funds £	Total £	Unrestricted £	Restricted and endowment funds £	Total £
<b>INCOME FROM:</b>							
Donations	2	1,910,937	723,606	<b>2,634,543</b>	2,348,600	186,796	<b>2,535,396</b>
Value of goods and services donated	2	42,507	221,949	<b>264,456</b>	8,309	1,375,880	<b>1,384,189</b>
Legacies	2	1,073,256	-	<b>1,073,256</b>	925,709	-	<b>925,709</b>
Grants	4	55,321	-	<b>55,321</b>	-	-	-
Investments		5,197	-	<b>5,197</b>	17,616	-	<b>17,616</b>
<b>Total income</b>		<b>3,087,218</b>	<b>945,555</b>	<b>4,032,773</b>	<b>3,300,234</b>	<b>1,562,676</b>	<b>4,862,910</b>
<b>EXPENDITURE ON:</b>							
Raising funds	5	1,611,676	-	<b>1,611,676</b>	1,829,419	-	<b>1,829,419</b>
Charitable activities							
Provision of children's services	5	1,068,747	663,256	<b>1,732,003</b>	2,600,239	1,570,226	<b>4,170,465</b>
<b>Total expenditure</b>		<b>2,680,423</b>	<b>663,256</b>	<b>3,343,679</b>	<b>4,429,658</b>	<b>1,570,226</b>	<b>5,999,884</b>
<b>Surplus / (deficit) before net gains / (losses) on investments</b>		<b>406,795</b>	<b>282,299</b>	<b>689,094</b>	<b>(1,129,424)</b>	<b>(7,550)</b>	<b>(1,136,974)</b>
Net gains / (losses) on investments		42,572	-	<b>42,572</b>	(31,003)	-	<b>(31,003)</b>
Surplus / (deficit) for the year		449,367	282,299	<b>731,666</b>	(1,160,427)	(7,550)	<b>(1,167,977)</b>
Release of endowment		100,000	(100,000)	-	-	-	-
<b>Net expenditure for the year and movement in funds</b>		<b>549,367</b>	<b>182,299</b>	<b>731,666</b>	<b>(1,160,427)</b>	<b>(7,550)</b>	<b>(1,167,977)</b>
<b>RECONCILIATION OF FUNDS:</b>							
Total funds brought forward		3,205,436	248,727	<b>3,454,163</b>	4,365,863	256,277	<b>4,622,140</b>
<b>Total funds carried forward</b>		<b>3,754,803</b>	<b>431,026</b>	<b>4,185,829</b>	<b>3,205,436</b>	<b>248,727</b>	<b>3,454,163</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

The prior year figures have been restated to reflect the treatment of goods purchased by or donated to the Charity as Stock and not Prepayments.

# BALANCE SHEET

as at 31 March 2021

	Note	2021		2020 RESTATED	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	11		174,302		193,169
Investments	12		220,750		178,178
			<b>395,052</b>		<b>371,347</b>
<b>CURRENT ASSETS:</b>					
Debtors	13	526,212		399,867	
Stock	14	269,588		90,690	
Short term deposits		1,971,945		970,951	
Cash at bank and in hand		1,643,884		2,183,582	
		<b>4,411,629</b>		<b>3,645,090</b>	
<b>LIABILITIES:</b>					
Creditors: amounts falling due within one year	15	(620,852)		(562,274)	
<b>Net current assets</b>			<b>3,790,777</b>		<b>3,082,816</b>
<b>Total net assets</b>			<b>4,185,829</b>		<b>3,454,163</b>
<b>THE FUNDS OF THE CHARITY:</b>					
Endowment funds:	17				
The Barry & Shaun Springer Memorial Fund			-	100,000	
Kathy's Courageous Kids Fund		100,000		100,000	
<b>Total endowment funds</b>			<b>100,000</b>		<b>200,000</b>
<b>Restricted income funds</b>			<b>331,026</b>		<b>48,727</b>
<b>UNRESTRICTED INCOME FUNDS:</b>					
<b>Designated funds</b>		2,374,702		1,903,323	
<b>General funds</b>		1,380,101		1,302,113	
<b>Total unrestricted funds</b>			<b>3,754,803</b>		<b>3,205,436</b>
<b>Total charity funds</b>			<b>4,185,829</b>		<b>3,454,163</b>

Approved by the trustees on 20th July 2021 and signed on their behalf by Nick Mustoe, Chair of Trustees.

The prior year figures have been restated to reflect the treatment of goods purchased by or donated to the Charity as Stock and not Prepayments.

Starlight is a company limited by guarantee (registered number 02038895).

# STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

	2021		2020	
	£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net (expenditure) for the reporting period (as per the statement of financial activities)	731,666		(1,167,977)	
Depreciation charges	51,922		44,396	
(Gains)/losses on investments	(42,572)		31,003	
Dividends and interest from investments	(5,197)		(17,616)	
(Profit)/loss on the disposal of fixed assets	393		2,544	
(Increase)/decrease in stock	(178,898)		(21,766)	
(Increase)/decrease in debtors	(126,345)		1,027,822	
Increase/(decrease) in creditors	58,578		(71,829)	
<b>Net cash provided by / (used in) operating activities</b>		<b>489,547</b>		<b>(173,423)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Dividends and interest from investments	5,197		17,616	
Purchase of fixed assets	(33,448)		(23,346)	
Proceeds from sale of property, plant and equipment	-		-	
Proceeds from sale of investments	-		1,000,000	
<b>Net cash provided by / (used in) investing activities</b>		<b>(28,251)</b>		<b>994,270</b>
<b>Change in cash and cash equivalents in the year</b>		<b>461,296</b>		<b>820,847</b>
Cash and cash equivalents at the beginning of the year		3,154,533		2,333,686
<b>Cash and cash equivalents at the end of the year</b>		<b>3,615,829</b>		<b>3,154,533</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS AND OF NET DEBT:</b>				
		<b>1 April 2020</b>	<b>Cash flows</b>	<b>31 March 2021</b>
		£	£	£
Cash at bank and in hand		2,183,582	(539,698)	1,643,884
Money market deposits		970,951	1,000,994	1,971,945
<b>Total cash and cash equivalents</b>		<b>3,154,533</b>	<b>461,296</b>	<b>3,615,829</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## A) STATUTORY INFORMATION

Starlight Children's Foundation is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 227 Shepherd's Bush Road, London, W6 7AU.

## B) BASIS OF PREPARATION

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 2015) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

The charity also has a wholly owned subsidiary, Starlight General Trading Limited, a company incorporated and registered in the United Kingdom. The company was dormant in this and the previous financial year and therefore consolidated accounts have not been prepared as the difference between parent and group is immaterial.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

## C) PUBLIC BENEFIT ENTITY

The charity meets the definition of a public benefit entity under FRS 102.

## D) GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, they consider the charity's budget and plans together with the risk register and levels of reserves, to form a view that the charity can continue to meet the needs of children for a period of at least twelve months from the date of signature of the accounts.

## E) INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income received from the government Coronavirus Job Retention Scheme is recognised in the SOFA under the heading of 'Grants'. The cost of salaries for staff furloughed under this scheme are accounted for as part of Staff Costs and allocated to activities in line with the parts of the year in which they were not furloughed.

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## **F) DONATIONS OF GIFTS, SERVICES AND FACILITIES**

Donated goods, facilities, and services in the financial statements comprise the provision of services and other gifts to grant wishes, run events, and carry out other charitable activities, including support and administration services, and include discounts given for such goods and services where these are over and above normal commercial discount terms. These are included in the Statement of Financial Activities at the value of the gift to the charity; a corresponding amount is then recognised in expenditure in the period of receipt or, in the case of stock items donated, in the period of distribution. Goods, facilities, and services donated for charitable activities are treated as restricted in nature, while those donated for support activities are treated as unrestricted. In accordance with the Charities SORP (FRS 102), volunteer time, including that of trustees, is not recognised.

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## **G) INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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## **H) FUND ACCOUNTING**

Restricted funds are to be used for specific purposes as laid down by the donor or have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure which meets these criteria is charged to the fund.

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

Unrestricted funds are donations and other incoming resources received or generated for the furtherance of the general objects of the Charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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## **I) EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities to further the purposes of the charity and their associated support costs

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## **J) ALLOCATION OF SUPPORT COSTS**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Salaries and associated staff costs are allocated on the basis of time spent on charitable activities, generating funds, and governance. Costs of support staff are allocated on that same basis within the main Staff costs line.

Where information about the aims, objectives and projects of the charity is provided to potential service users, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements.

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## **K) OPERATING LEASES**

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

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## **L) TANGIBLE FIXED ASSETS**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Office improvements: 15 years
- Furniture: 10 years
- Office equipment: 5 years
- Computers: 3 years

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## **M) LISTED INVESTMENTS**

Investments are a form of basic financial instrument. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments are included at the higher of their market value using the current bid price at the year end and guaranteed minimum value. Investment income is included, gross of applicable taxation, when receivable. Realised and unrealised gains and losses arising on revaluation of investments are included in the Statement of Financial Activities.

Starlight Children's Foundation does, from time to time, receive donated shares which are listed on the AIM market and which are subject to certain time restrictions. Until these restrictions are met the shares cannot be actively traded on the market. The Charity's policy, due to the volatility of these shares is to dispose of them as soon as the time restriction has passed and the shares can be actively traded and sold.

Where such shares are donated and can be valued they are included in the financial statements as fixed asset investments from such time as they can be sold. Shares held by the Charity which cannot be valued owing to the absence of an active market in which to sell them are disclosed in note 12 to the financial statements.

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## **N) DEBTORS**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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## **O) STOCK**

Stock represents goods held pending distribution to service users. This has previously been accounted for as part of the Prepayments and Accrued Income figure which forms part of Debtors on the balance sheet.

Changes in emphasis on service provision mean that stocks held are more significant than in previous years and this treatment has therefore been altered to show stocks as a separate figure on the balance sheet.

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## **P) SHORT TERM DEPOSITS**

Short term deposits includes cash balances invested in an instant access money market account.

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## **Q) CASH AT BANK AND IN HAND**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## **R) CREDITORS AND PROVISIONS**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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## **S) FINANCIAL INSTRUMENTS**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## **T) PENSIONS**

The Charity contributed an agreed percentage of the salary to the personal pension plans of permanent employees. For employees who have chosen to join the company pension scheme the pension provider is selected by the employer. Other employees have chosen to select their own pension scheme. All pension schemes are independently administered by, and the funds held by, a recognised pension company. The pension cost charge represents contributions payable by the Charity to the pension funds.

## 2 INCOME FROM DONATIONS AND LEGACIES

	2021			2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations	1,900,727	723,606	<b>2,624,333</b>	2,055,792	165,160	<b>2,220,952</b>
Fundraising events	10,210	-	<b>10,210</b>	292,808	21,636	<b>314,444</b>
Value of other goods and services donated (note 3)	42,507	221,949	<b>264,456</b>	8,309	1,375,880	<b>1,384,189</b>
Legacies	1,073,256	-	<b>1,073,256</b>	925,709	-	<b>925,709</b>
	<b>3,026,700</b>	<b>945,555</b>	<b>3,972,255</b>	<b>3,282,618</b>	<b>1,562,676</b>	<b>4,845,294</b>

## 3 VALUE OF OTHER GOODS AND SERVICES DONATED

	2021	2020
	Total £	Total £
Goods and services to fulfil wishes	<b>10,411</b>	1,192,421
Hospital Services, Escapes, and other charitable activities	<b>211,538</b>	183,459
Support services	<b>42,507</b>	8,309
	<b>264,456</b>	<b>1,384,189</b>

## 4 GRANT INCOME

	2021	2020
	Total £	Total £
Coronavirus Job Retention Scheme	<b>55,321</b>	-
	<b>55,321</b>	-

## 5A ANALYSIS OF EXPENDITURE (CURRENT YEAR)

	Raising funds	Charitable activities	Governance costs	2021 Total
	£	£	£	£
Staff costs (Note 7)	858,090	822,238	14,363	1,694,691
Direct costs	366,606	384,095	-	750,701
Donated goods and services	21,779	185,553	-	207,332
<b>SUPPORT COSTS:</b>				
Rent & services	132,776	130,121	2,656	265,553
Professional services	9,887	9,689	13,878	33,454
Other staff related costs	6,764	6,629	135	13,528
Depreciation	25,961	25,442	519	51,922
Disposals	-	-	-	-
Other office costs	171,197	152,378	2,923	326,498
	1,593,060	1,716,145	34,474	3,343,679
Governance costs	18,616	15,858	(34,474)	-
<b>Total expenditure 2021</b>	<b>1,611,676</b>	<b>1,732,003</b>	<b>-</b>	<b>3,343,679</b>

## 5B ANALYSIS OF EXPENDITURE (PRIOR YEAR)

	Raising funds	CHARITABLE ACTIVITIES		Governance costs	2020 Total
		Wish granting	Children's services		
	£	£	£	£	£
Staff costs (Note 7)	937,553	545,211	400,579	12,302	1,895,645
Direct costs	542,821	1,087,086	420,576	-	2,050,483
Donated goods and services	8,309	1,192,421	183,459	-	1,384,189
<b>SUPPORT COSTS:</b>					
Rent & services	135,728	94,104	52,934	-	282,766
Professional services	1,475	1,023	575	13,440	16,513
Other staff related costs	6,223	4,145	2,332	-	12,700
Depreciation	21,310	14,775	8,311	-	44,396
Disposals	-	-	-	-	-
Other office costs	161,235	92,728	52,159	7,070	313,192
	1,814,654	3,031,493	1,120,925	32,812	5,999,884
Governance costs	14,765	8,203	9,844	(32,812)	-
<b>Total expenditure 2020</b>	<b>1,829,419</b>	<b>3,039,696</b>	<b>1,130,769</b>	<b>-</b>	<b>5,999,884</b>

The change in presentation of this note reflects a change in emphasis of charitable activities undertaken by the organisation, so that wish granting is no longer material in its own right.

## 6 NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	2021	2020
	Total £	Total £
Depreciation	51,922	44,396
Loss on disposal of tangible fixed assets	393	2,544
<b>Operating lease rentals payable:</b>		
Property	200,587	204,407
Other	2,767	2,248
<b>Auditor's remuneration:</b>		
Audit (excluding VAT, which is irrecoverable)	11,400	11,200

## 7 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2021	2020
	Total £	Total £
Salaries and wages	1,358,582	1,298,936
Social security costs	143,431	137,684
Employer's contribution to defined contribution pension schemes	92,474	96,745
Termination payments	35,000	30,000
	<b>1,629,487</b>	<b>1,563,365</b>
Agency and temporary staff costs	65,204	332,280
<b>Total</b>	<b>1,694,691</b>	<b>1,895,645</b>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021	2020
	No.	No.
£60,000 - £69,999	1	-
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-
£90,000 - £99,999	2	-
£100,000 - £109,999	-	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £444,499 (2020: £562,882) of which £17,500 (2020: £150,330) were paid as agency and temporary staff costs.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £715) incurred by nil (2020: 1) members relating to attendance at meetings of the trustees. Trustees' indemnity insurance was purchased during the year for £781 (2020: £750).

## 8 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 34 (2020: 33).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2021	2020
	No.	No.
Children's services	15.3	16.3
Raising funds	14.4	15.4
	29.7	31.7

## 9 RELATED PARTY TRANSACTIONS

N Mustoe is a director of Kindred Ltd which provides services to Starlight without charge.

M Tasker is a senior partner at Bates Wells which provides services to Starlight without charge.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

## 10 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 11 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office furniture and equipment £	Total £
<b>COST:</b>			
At the start of the year	223,143	105,214	328,357
Additions in year	-	33,448	33,448
Disposals in year	-	(1,174)	(1,174)
<b>At the end of the year</b>	<b>223,143</b>	<b>137,488</b>	<b>360,631</b>
<b>DEPRECIATION</b>			
At the start of the year	74,381	60,807	135,188
Charge for the year	14,876	37,046	51,922
Eliminated on disposal	-	(781)	(781)
<b>At the end of the year</b>	<b>89,257</b>	<b>97,072</b>	<b>186,329</b>
<b>NET BOOK VALUE</b>			
<b>At the end of the year</b>	<b>133,886</b>	<b>40,416</b>	<b>174,302</b>
<b>At the start of the year</b>	<b>148,762</b>	<b>44,407</b>	<b>193,169</b>

All of the above assets are used for charitable purposes.

## 12 LISTED INVESTMENTS

	2021	2020
	£	£
Fair value at the start of the year	178,176	1,209,179
Disposal: 16.09.19 866.44 units Odey European Inc Euro Shares	-	(500,000)
Disposal: 16.09.19 2,029.89 units Odey European Inc Class A GBP Shares	-	(500,000)
Net gain / (loss) on change in fair value	42,572	(31,003)
	220,748	178,176
Investment in trading subsidiary	2	2
<b>Fair value at the end of the year</b>	<b>220,750</b>	<b>178,178</b>

### INVESTMENTS COMPRISE:

	2021	2020
	£	£
32,497.165 units - Charishare Common Investment Fund	216,171	173,600
2,000 ordinary shares - Tesco	4,577	4,576
	220,748	178,176

## 13 DEBTORS

	2021	2020
	£	Restated £
Trade debtors	11,400	13,650
Amounts due from associated undertakings	790	790
Prepayments and accrued income	423,051	286,681
Gift Aid debtor	90,971	98,746
	526,212	399,867

## 14 STOCK

	2021	2020
	£	Restated £
Stock held for distribution	269,588	90,690
	269,588	90,690

In prior years, stock held for distribution has been accounted for under Prepayments and accrued income. As set out in the accounting policy in note 1(o) to these accounts, the accounting treatment has been changed to recognise stocks held under a separate heading and the figures for the prior year have been restated to reflect this treatment.

## 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Taxation and social security	41,597	44,818
Creditors and accruals	472,555	411,656
Deferred income	106,700	105,800
	<b>620,852</b>	<b>562,274</b>

Deferred income relates to income received for future fundraising events.

## 16A ANALYSIS OF NET ASSETS BETWEEN FUNDS (CURRENT YEAR)

	General unrestricted £	Designated £	Restricted £	Endowment £	Total funds £
Tangible fixed assets	174,302	-	-	-	174,302
Investments	220,750	-	-	-	220,750
Net current assets	985,049	2,374,702	331,026	100,000	3,790,777
<b>Net assets at 31 March 2021</b>	<b>1,380,101</b>	<b>2,374,702</b>	<b>331,026</b>	<b>100,000</b>	<b>4,185,829</b>

## 16B ANALYSIS OF NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	General unrestricted £	Designated £	Restricted £	Endowment £	Total funds £
Tangible fixed assets	193,169	-	-	-	193,169
Investments	178,178	-	-	-	178,178
Net current assets	930,766	1,903,323	48,727	200,000	3,082,816
<b>Net assets at 31 March 2020</b>	<b>1,302,113</b>	<b>1,903,323</b>	<b>48,727</b>	<b>200,000</b>	<b>3,454,163</b>

All of the above assets are used for charitable purposes.

## 17A MOVEMENTS IN FUNDS (CURRENT YEAR)

	At 1 April 2020	Income & gains	Expenditure & losses	Transfers	Investment gains/ (losses)	At 31 March 2021
	£	£	£	£	£	£
<b>ENDOWMENT FUNDS</b>						
The Barry & Shaun Springer Memorial Fund	100,000	-	-	(100,000)	-	-
Kathy's Courageous Kids Fund	100,000	-	-	-	-	100,000
<b>Total endowment funds</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>	<b>100,000</b>
<b>RESTRICTED FUNDS:</b>						
Donations						
<b>Hospital Programmes</b>						
Barclays	-	100,000	(57,441)	-	-	42,559
3i Group	-	100,000	(57,441)	-	-	42,559
The National Lottery Community Fund	-	65,006	(65,006)	-	-	-
CAF	-	50,000	(50,000)	-	-	-
The Hummingbird Charitable Trust	-	37,800	(37,800)	-	-	-
Postcode Lottery	-	18,159	(4,926)	-	-	13,233
The Morrisons Foundation	-	13,162	(1,682)	-	-	11,480
Moondance Foundation	-	12,500	(12,500)	-	-	-
Barings	-	10,240	(10,240)	-	-	-
The Candy Foundation	-	10,240	-	-	-	10,240
Other	33,102	30,000	(28,875)	-	-	34,227
<b>Wish Fund</b>						
The Hummingbird Charitable Trust	-	100,000	(8,521)	-	-	91,479
Moondance Foundation	-	12,500	-	-	-	12,500
Amazon	-	10,000	(10,000)	-	-	-
Other	15,625	3,000	(3,000)	-	-	15,625
<b>Wishes, Hospital Programmes, and Insights</b>						
The Julia and Hans Rausing Trust	-	150,999	(150,999)	-	-	-
<b>Total donated restricted funds</b>	<b>48,727</b>	<b>723,606</b>	<b>(498,431)</b>	<b>-</b>	<b>-</b>	<b>273,902</b>
Gifts in Kind						
Nintendo (Hospital programmes)	-	99,900	(99,900)	-	-	-
Hospital programmes -Other	-	84,927	(27,803)	-	-	57,124
Wishes	-	10,411	(10,411)	-	-	-
Escapes	-	13,370	(13,370)	-	-	-
Insight	-	13,341	(13,341)	-	-	-
<b>Total gifts in kind held as restricted funds</b>	<b>-</b>	<b>221,949</b>	<b>(164,825)</b>	<b>-</b>	<b>-</b>	<b>57,124</b>
<b>Total restricted funds</b>	<b>48,727</b>	<b>945,555</b>	<b>(663,256)</b>	<b>-</b>	<b>-</b>	<b>331,026</b>

	At 1 April 2020	Income & gains	Expenditure & losses	Transfers	Investment gains/ (losses)	At 31 March 2021
	£	£	£	£	£	£
<b>UNRESTRICTED FUNDS</b>						
<b>Designated funds:</b>						
Hospital Programmes	148,463	-	(148,463)	540,702	-	<b>540,702</b>
Social Connections	-	-	-	221,000	-	<b>221,000</b>
Wish fund	541,860	-	-	(541,860)	-	-
New Activity Development and Pilots	-	-	-	202,000	-	<b>202,000</b>
Insights & Impact	40,000	-	(40,000)	85,000	-	<b>85,000</b>
Operational costs	1,173,000	-	(1,173,000)	1,326,000	-	<b>1,326,000</b>
<b>Total designated funds</b>	<b>1,903,323</b>	<b>-</b>	<b>(1,361,463)</b>	<b>1,832,842</b>	<b>-</b>	<b>2,374,702</b>
<b>GENERAL FUNDS</b>						
General funds	1,302,113	3,087,227	(1,267,038)	(1,959,066)	42,563	<b>1,205,799</b>
Fixed Asset Reserve	-	-	(51,922)	226,224	-	<b>174,302</b>
	1,302,113	3,087,227	(1,318,960)	(1,732,842)	42,563	<b>1,380,101</b>
<b>Total unrestricted funds</b>	<b>3,205,436</b>	<b>3,087,227</b>	<b>(2,680,423)</b>	<b>100,000</b>	<b>42,563</b>	<b>3,754,803</b>
<b>Total funds</b>	<b>3,454,163</b>	<b>4,032,782</b>	<b>(3,343,679)</b>	<b>-</b>	<b>42,563</b>	<b>4,185,829</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17B MOVEMENTS IN FUNDS (PRIOR YEAR)

	At 1 April 2019	Income & gains	Expenditure & losses	Transfers	Investment gains/ (losses)	At 31 March 2020
	£	£	£	£	£	£
<b>ENDOWMENT FUNDS</b>						
The Barry & Shaun Springer Memorial Fund	100,000	-	-	-	-	<b>100,000</b>
Kate Sweeney Fund	100,000	-	-	-	-	<b>100,000</b>
<b>Total endowment funds</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>
<b>RESTRICTED FUNDS:</b>						
Hospital programme	46,778	103,057	(116,733)	-	-	<b>33,102</b>
Wish fund	9,499	1,275,910	(1,269,784)	-	-	<b>15,625</b>
Parties, escapes and events	-	183,709	(183,709)	-	-	-
<b>Total restricted funds</b>	<b>56,277</b>	<b>1,562,676</b>	<b>(1,570,226)</b>	<b>-</b>	<b>-</b>	<b>48,727</b>
<b>UNRESTRICTED FUNDS:</b>						
Designated funds:						
Boost boxes	263,345	-	(152,072)	(11,273)	-	<b>100,000</b>
Wish fund	2,078,828	-	(1,267,576)	(269,392)	-	<b>541,860</b>
Fun centres	16,000	-	(10,057)	(5,943)	-	-
Distraction boxes	83,015	-	(48,765)	14,213	-	<b>48,463</b>
Impact	30,000	-	(30,000)	40,000	-	<b>40,000</b>
Operational costs	1,370,501	-	(1,370,501)	1,173,000	-	<b>1,173,000</b>
Total designated funds	3,841,689	-	(2,878,971)	940,605	-	<b>1,903,323</b>
<b>General funds</b>	<b>524,174</b>	<b>3,300,234</b>	<b>(1,550,687)</b>	<b>(940,605)</b>	<b>(31,003)</b>	<b>1,302,113</b>
<b>Total unrestricted funds</b>	<b>4,365,863</b>	<b>3,300,234</b>	<b>(4,429,658)</b>	<b>-</b>	<b>(31,003)</b>	<b>3,205,436</b>
<b>Total funds</b>	<b>4,622,140</b>	<b>4,862,910</b>	<b>(5,999,884)</b>	<b>-</b>	<b>(31,003)</b>	<b>3,454,163</b>

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## PURPOSES OF RESTRICTED AND ENDOWMENT FUNDS

### Endowment Funds

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

During the year, the Charity received permission from the Springer family to release the Barry & Shaun Springer Memorial Fund to general funds on the basis that investment returns have meant the endowment income has fallen to a minimal level.

### Hospital Programmes

Donated funds restricted to the various activities within Starlight's Hospital Programme including the provision of Boost Boxes and Distraction Boxes, Pantomime and Storytelling. Funding from Barclays and 3i Group is specifically for the provision of services to hospitals in areas of deprivation. In previous years, there have been separate restricted funds disclosed for Boost Boxes, Distraction Boxes and Pantomime & Storytelling

Due to the shift in nature of service provision to include 'bundled' services (including more than one of these elements) and the fact that funding is, therefore, not always for an individual element, the decision has been taken to merge these into a single Hospital programmes fund for disclosure purposes. The prior year figures have been aggregated accordingly.

### Wish Fund

Donated funds restricted to the granting of wishes.

### Insights & Impact

Donated funds restricted to the insights and impact activities.

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## PURPOSES OF DESIGNATED FUNDS

### Hospital Programmes

Funds set aside for programme delivery in the coming year, allowing for services to be maintained in case of fluctuating income.

### Social Connections

Funds set aside for the social connections programme in the coming year.

### Wish Fund

Funds set aside to ensure that wish commitments can be met. The balance on this fund is now nil as it is expected that all wish commitments can be met from restricted funds.

### New Activity Development

There is a programme of innovation and pilot for new services planned for 2021-22. The Trustees have designated funds equal to the cost of this programme in order to protect it if income falls as it is integral to the future sustainability of the charity.

### Insights & Impact

Without insight and impact, the charity cannot continue to innovate and improve its services and would be at risk of not remaining relevant. The Trustees have therefore designated funds to protect the year's insight and impact work if funding falls.

### Operational Costs

Transfer made from general funds to ensure fund balance is equivalent to six months total budgeted salaries and overheads costs for 2021/22.

### Fixed Asset reserve

Some of the charity's reserves are tied up in fixed assets which are used for the purposes of the charity. These reserves are not, therefore, available for use and the charity has now recognised this by the creation of a Fixed Asset Reserve, within its General Reserves. Depreciation is charged to this reserve and fixed asset additions are added to it, with the reserve balance always being equal to the net book value of fixed assets. As this is the first year of the reserve, an amount equal to the net book value of fixed assets at the start of the financial year has been transferred from general reserves.

## 18 OPERATING LEASE COMMITMENTS

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:	PROPERTY		OTHER	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	216,306	212,576	4,590	4,995
One to five years	865,224	865,224	-	4,590
Over five years	956,042	1,172,348	-	-
	<b>2,037,572</b>	<b>2,250,148</b>	<b>4,590</b>	<b>9,585</b>

## 19 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.



**Starlight Children's Foundation**

227 Shepherds Bush Road  
London W6 7AU

[www.starlight.org.uk](http://www.starlight.org.uk)  
020 7262 2881

**STARLIGHT**

