

REGISTRAR'S COPY

THE CANDLELIGHTERS TRUST

Charity Registration No. 1045077
Company Registration No. 3020552

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

For the year ended 28 February 2019



Candlelighters

Together we *Can* fight children's cancer

THE CANDLELIGHTERS TRUST

Annual report and financial statements for the year ended 28 February 2019

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THE CANDLELIGHTERS TRUST
Legal and administrative information

Patron

Lady Emma Ingilby

Medical Trustees

Dr M Elliott

Dr E M Richards

C De Biase (appointed on 12/09/2018)

J Goodden (appointed on 31/10/2018)

Lay Trustees

Y Eaton

K Hardcastle

S Redman (Chair)

R Stocker

G Whitlam (resigned on 12/09/2018)

P Thompson

S Patterson

D Mayman (appointed on 06/11/2018)

Financial Sub Committee

Y Eaton

Dr E M Richards

G Whitlam (resigned on 12/09/2018)

D Mayman (appointed 06/11/2018)

Research Committee

M Elliott

C DeBiase (appointed on 12/09/2018)

J Goodden (appointed on 31/10/2018)

K Hardcastle

Family Support Committee

R Stocker

THE CANDLELIGHTERS TRUST

Legal and administrative information (continued)

Key management personnel:

E Wragg

L C Fletcher

Chief Executive

Company Secretary

Head office:

8 Woodhouse Square

Leeds, LS3 1AD

Independent auditors:

Thomas Coombs Limited

Chartered Accountants and Registered Auditors

3365 The Pentagon

Century Way

Thorpe Park

Leeds

LS15 8ZB

Bankers:

Yorkshire Bank

(Trading name of Clydesdale Bank plc)

94-96 Briggate

Leeds, LS1 6NP

Solicitors:

Wrigleys

19 Cookridge Street

Leeds, LS2 3AG

Investment Managers:

Brewin Dolphin Limited

10 Wellington Place

Leeds, LS1 4AN

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019

The Trustees present their report and audited accounts for the year ended 28 February 2019. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's articles, the Charities Act 2011 and the Charities SORP (FRS 102) '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).

Structure, Governance and Management

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

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

- **Trustees**

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

None of the Trustees had any personal beneficial interests requiring disclosure, either in the Charity or in its wholly owned subsidiary company, Candlelighters Trading Limited, other than disclosed in note 15 of the financial statements.

- **Appointment of Trustees**

With effect from January 2014 the structure of the board no longer consists of the automatic appointment of medical Trustees and matching parent/patient Trustees.

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

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

- **Training of Trustees**

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

- **Management**

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

- **Key Management Personnel and Remuneration Policy**

The board of Trustees together with the Chief Executive and Company Secretary are considered to be the key management personnel of the Charity.

All Trustees give their time freely and no Trustee remuneration or expenses were paid during the year.

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

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019 (continued)

- **Voluntary help and employees**

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

- **Risk management**

The Trustees regularly review the risk management strategy in accordance with the requirements of the Statement of Recommended Practice on Accounting and Reporting by Charities. The Trustees have a risk management strategy which comprises a bi-annual review of the risks the Charity may face and the systems and procedures to minimise any potential impact on the Charity should those risks materialise. Internal control risks are minimised by policies and procedures covering a wide range of risks including the authorisation of all grants and financial transactions. All new staff have to review the Charity's policies and procedures and existing staff have to review them on a periodic basis. Key risks and their mitigation include:

- *Research risk:* One major risk is to the extent to which the research grants successfully advance knowledge. All grants for scientific research over £50,000 are reviewed by an external committee who are called upon when required, prior to being presented to the board of Trustees. Only non-conflicted Trustees are able to approve.
- *Operational risk:* Policies and procedures are in place in order to reduce operational risk. These include regular staff training and a disaster recovery planning policy.
- *Financial risk:* A key element in the management of financial risk is the setting of a reserves policy and its periodic review by Trustees. The financial performance and position is monitored regularly including monthly management information and reviewed at each Trustee meeting. Liquidity risk is managed by regular monitoring of the cash held at bank and alternative funds available. Financial policies and procedures, and controls are in place for core financial activities.
- *Legal and compliance risk:* Guidelines are issued to all staff and volunteers in order to comply with charity and local authority regulations and to minimise risks to health and safety. The Charity seeks external legal advice when required.

- **Grant making policy**

- Research Grants**

- The Charity funds research into adolescent and childhood cancer and leukaemia. All grants in excess of £50,000 are reviewed by external scientific experts before being submitted for approval by the Board of Trustees.

- **Conflict of interest policy**

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

- **Objectives and activities for the public benefit**

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

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019 (continued)

Financial Review

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

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

- **Income**

Incoming resources for the year totalled £2,736,812, an increase on the previous year of £772,300. During the year the Charity had a special campaign to raise funds for the Candlelighters Cottage and also became entitled to a relatively high level of legacies amounting to £346,799.

The Charity relies on the support and assistance of much valued unpaid volunteers to organise fundraising activities.

The fundraising team at Candlelighters has grown in line with income expectations required to support the charitable activities. The team provides support to family fundraisers and corporate fundraisers, encouraging as much income diversity as possible.

The majority of these fundraisers first hear about the Charity when a child in their community is referred to the Children's Hospital for treatment. It is particularly fortunate to have a loyal band of regular fundraisers and local branches who work tirelessly to raise money on the Charity's behalf.

- **Expenditure**

Expenditure for the year increased to £3,271,388. This represented an increase of £1,106,062. A major element of this increase was the award of the final element of the Fellowship programme which amounted to £1,337,433.

Administration costs generally have been kept to a minimum to ensure efficient use of resources.

- **Investment policy and performance**

The Charity's investments are held in a mixture of equities, bonds, pooled funds and bank deposit balances.

The Charity's long term investment portfolio has a market value of £3,650,085 (excluding cash held for reinvestment of £34,026) as at 28 February 2019. The investments are held across two portfolios; being the General Trust and the Research Fund. Given the importance of the market value investment of the reserves of the Charity, the Trustees continue to closely monitor the performance of the portfolio.

Brewin Dolphin are the Charity's appointed Investment Managers with an investment mandate of "Income and Capital Growth Return, low to moderate investment risk.", and from an ethical perspective there will be no direct investment in tobacco. The portfolio has a benchmark of the WMA Private Investors Income Index (Total Return).

During the year to 28 February 2019, the investment portfolios performed roughly in line with the MSCI WMA Income Index. The General Trust returned 1.97% and the Research Fund returned 2.15% against an index return also of 2.15%. Underlying domestic indices saw a rise of 1.70% for the FTSE All Share index and 2.54% for the FTSE Government All Stocks index.

The remaining current assets of the Charity of £1,166,455 as at 28 February 2019 were held mainly as bank deposit balances in order to provide sufficient liquidity for the settlement of grant commitments.

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019 (continued)

- **Reserves policy**

In order to maintain continuity of charitable expenditure and to fulfil the aims and objectives of the Charity, a level of reserves must be maintained, especially due to commitments from which it is not possible to withdraw at short notice.

On 12th June 2019 the Trustees formally set a reserves target level of £2.5 million, this reflected an increase of £1.5 million from the previous level set. Such an increase and amount is deemed the most appropriate target at the current time whilst the Charity is building reserves to consider and allow for strategic options that best meet the Charity's objectives. Some of these options, expected to be made in the next financial year, may require multi-year funding where sufficient reserves are required to make such a commitment. The reserves level also reflects the higher cost base of the Charity from the increasing services we provide direct to the families in Yorkshire affected by childhood cancer. The reserves target level has been set in mind that it is not deemed excessive in order to allow for the timely and effective use of Charity funds.

- **Restricted and Unrestricted Funds**

Monies donated to the Research Fund are restricted solely for the purpose of funding research. Other restricted funds are detailed in note 17 of the financial statements.

Objectives and Activities for Public Benefit

Objectives

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

Activities and Performance

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

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

Funding is also provided for aromatherapy massage, media work and entertainers to provide distraction activities for patients during the long hours spent on the ward and in the outpatient's clinic. The Charity supports the upkeep of any technical equipment we purchased on the wards, this includes the play projector, the laptops and smart TV.

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Report of the Trustees for the year ended 28 February 2019 (continued)

Activities and Performance (continued)

Candlelighters @ The Square

Candlelighters @ The Square supports any member of a family affected by childhood cancer. The centre is a five minute walk from the Children's Hospital and can provide daily support for a family whilst on the ward, visiting clinic appointments and for additional support at the family's convenience.

The variety of support has evolved from family feedback over the past four years. The centre is open daily from 10.00am to 4.00pm and later on a Thursday evening. The type of services offered include:

- Well-being therapies including a variety of massages, reflexology and facials
- Talking therapy one to one, group support and mindfulness sessions for both children and adults
- A quiet space for relaxation and refreshments
- Grandparents tea parties
- Sibling support groups
- Support groups for parents
- Patient support groups
- Family events
- Hairdressing on the ward or @ The Square
- Family Network groups throughout Yorkshire.

The Family Network was launched in 2017 which is run and organised by volunteers themselves who have been affected by childhood cancer. This allows family members to connect with others who 'get it'. Our groups are running across Yorkshire to expand the support we offer. There are always a variety of family events held throughout the year which also allow families to meet other families outside of the hospital setting.

The team of support workers @ The Square provide flexible professional support. The team keep families updated throughout the year via a variety of methods. The service has supported over 350 families in the last four years. Each year in Yorkshire we see on average 90 plus families diagnosed with a cancer. This is a good sign that we are on track to support each family as required after diagnosis.

Candlelighters Bus

Our support bus has now been running since September 2016 and will be in its final year of delivery in 2019. The Candlelighters bus was a 3 year 'research project' enabling us to talk with families in the community to establish how we might be able to provide more locally based support in the future. The bus has two therapy rooms and a general area where we can meet families and offer any support they require. The bus has had over 300 visitors and attracts a higher proportion of families who have finished treatment or who are sadly bereaved. This shows that the bus reaches a different demographic to The Square and is vital for those families who cannot reach us here in Leeds. The findings from the bus research project will be analysed next year so that we can look at how we can better provide local support to families across Yorkshire from 2020 and beyond.

Candlelighters Cottage (Brandon Cottage)

Our Cottage officially opened in November 2018 to families. We know how important it is for families to be together and our Cottage provides a comfortable and homely place for them to stay to enable them to be near to the wards when their child is an inpatient at Leeds Children's Hospital. The cottage provides an additional four en suite bedrooms to help alleviate the pressure on Eckersley House.

Christmas Party

The Charity is enormously grateful to the Royal Armouries who lent us their banqueting facilities and provided refreshments for the Children's Christmas Party in December. This annual event allows patients to meet up with friends made during treatment and is a great morale booster for new patients as it gives them the opportunity to meet families whose children have finished treatment and for whom life has returned to "normal". The party has grown so much over the years and in 2018 we had 450 attend. The presents and entertainment are paid for by sponsorship and donations. The party is run by volunteers and staff at Candlelighters and is huge fun for all involved.

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019 (continued)

Activities and Performance (continued)

Holiday Breaks

Candlelighters provides funding for two holidays for families during treatment to spend time at various holiday resort locations in the UK. The Charity can now provide a holiday throughout the whole year for varying length of times.

Each year 200 families are able to take a break away from the routine of treatment and hospital visits secure in the knowledge that if necessary, they are within easy travelling distance of the hospital. We provide financial support to families to be able to pay for travel or other expenses for their holiday. Candlelighters offer these holidays to patients and families during treatment when life can be unpredictable and we aim to take the stress away for a short time. The holidays are also offered to those families whose child may have died during the year and would welcome a break to get away.

Eckersley House

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

Teenage Cancer Unit Ward L33

Funding is provided for social activities for the Teenage Support Group.

Families of teenage patients up to 19 years old are also able access support grants and use the Candlelighters Holiday provision.

Paediatric Radiographer

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

Playleaders Ward L31, L33 and Bone Marrow Transplant Unit

Candlelighters fund 2.5 WTE play leaders to provide support for the Play Team on Ward L31, the Bone Marrow Unit and Radiotherapy. The team continues to provide a high quality play service and has put in place a number of initiatives over the last four years. The play team now works across all clinical areas, and with other members of the multidisciplinary team to use play to support children as they undergo a range of treatments and interventions. The Band 5 Play Specialists in the team ensure consistency in play and preparation across the wards and the clinic, and the team provides preparation and, when required, daily support to children in radiotherapy. They support children and families at times when they are elsewhere in the hospital, for example before and following surgery, or in intensive care. The additional resource in the team (when available) gives increased flexibility to cover whichever part of the service has children with greatest need, and respond to short notice requirements, such as preparation for urgent scans. Following feedback from children and their parents and the increased numbers of children requiring Bone Marrow Transplantation, we have identified a key play leader to develop and have a specialist interest in supporting children and their families undergoing this treatment.

Regional Outreach Play Leader

Candlelighters is in its second year of funding the outreach play leader. The role supports families by providing therapeutic play within the child's own home. Addressing anxieties where the child feels safe and putting action plans together.

The play leader liaises with the hospital play team to ensure preparation work at home is continued in hospital and action plans followed to provide continuity of care and increase the child and family's confidence in hospital, providing a less frightening experience for the child and family. The role has provided our families with a unique facility that is able to respond to the family's needs. We are proud of the work carried out but recognise that we may have to continue to fund and even increase the support at home for families.

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019 (continued)

Activities and Performance (continued)

Speech and Language Therapist ("SLT")

Candlelighters have funded this new post to ensure that children receive the right SLT interventions at the right time in order to maximise/retain communication, eating and drinking function and therefore an enhanced quality of life. The newly appointed staff member is working in partnership with families and carers ensuring they receive the right information and support throughout their journey. Every effort is made to facilitate communication between families and SLT including a direct phone line and use of SKYPE or Facetime as appropriate. The funding is for 2 years and has been approved to be taken over by the LTHT when our input comes to an end.

Youth Worker

Candlelighters has approved joint funding with other charities and LTHT within the Children's Hospital to fund a role to support the work within the Place 2B. The Place 2B is a communal youth area to support patients who are able to get away from their bed or ward for a time whilst being treated.

Family Help

Candlelighters has provided funding for two support workers to provide support for families when on the ward. This is a new non-medical post and commenced in June 2013. The role of the support worker has evolved to become a parents bedside help, to enable them to take a break or look after another sibling when spending long periods of time on the ward. Our families are appreciative of this support and we are delighted by the impact it has had on life for families on the ward. Such has been the success of the role, after the year end during 2019, Candlelighters has employed family support workers directly.

Dinner Lady

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

Social Support Team

Candlelighters part fund (with Clic Sargent) a TYA social worker who covers the older children. Candlelighters also part fund an additional 3 social workers (in total 51 hours per week) who play an important role in the multi-disciplinary paediatric oncology team. The impact that the diagnosis of childhood cancer has on family life cannot be overstated. The social support team works closely with the families to provide both emotional and practical help during their child's treatment.

Equipment

The Charity routinely provides funding for the replacement of play equipment, books, games and videos for the wards, outpatient's clinic, paediatric radiotherapy department and bone marrow unit.

Current Research Grants

During the year, the Charity awarded new research grants of £1,469,340. The main activity during the year on current and existing grants was as follows:

- The Candlelighters Research Fellows programme was created to utilise the research expertise and facilities of the University of Leeds and Leeds Teaching Hospitals NHS Trust to support the research training of academic paediatric oncologists and haematologists. There are currently five Fellows in post and the programme completed its fourth year in 2018/19. During the year, Candlelighters approved a further £1,337,433 of funding which includes the recruitment of an additional two new Fellows.
- Candlelighters continued to fund the Yorkshire Specialist Register of Cancer in Children and Young People. This is a research database which is used to support research into the effectiveness of cancer treatments and any complications which emerge several years after therapy has been completed.
- Candlelighters continued to support research into improving the treatment of children with neuroblastoma with the aim of achieving better outcomes for these children.
- Candlelighters commenced funding to contribute towards making it possible for the University of Leeds and the Leeds NHS Trust to create a joint academic-clinical position in neurosurgery and for this post to have dedicated research time. This is the first position of its kind at Leeds.

THE CANDLELIGHTERS TRUST

Report of the Trustees for the year ended 28 February 2019 (continued)

Plans for the Future

This coming year, Candlelighters will be identifying its priorities for the next few years. The priorities will involve the continuation of its essential support services to families and current research projects, as well as new, long term support and research projects which will require significant investment. To enable us to commit to new projects whilst continuing to provide established support services to families via the Hospital, The Square, in the community and via the Candlelighters Cottage, we will also need to increase our income generation.

Auditors

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

Small Company Exemptions

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

Approved by the Board of Trustees on 2nd October 2019 and signed on its behalf by:



L Fletcher, Company Secretary

THE CANDLELIGHTERS TRUST
Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

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



S Redman
Chair - Trustee

Dr E M Richards
Trustee

Date: 2nd October 2019

THE CANDLELIGHTERS TRUST

Independent auditors' report to the members of THE CANDLELIGHTERS TRUST

We have audited the financial statements of The Candlelighters Trust for the year ended 28 February 2019 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet and the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

THE CANDLELIGHTERS TRUST

Independent auditors' report to the members of THE CANDLELIGHTERS TRUST

material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

C. Darwin

Christopher Darwin FCA (Senior Statutory Auditor)

for and on behalf of Thomas Coombs Limited

Statutory Auditor & Chartered Accountants

3365 Century Way, Thorpe Park, Leeds, West Yorkshire LS15 8ZB

Date: 2nd October 2019

THE CANDLELIGHTERS TRUST (Company number 3020552)

Consolidated statement of financial activities for the year ended 28 February 2019

(incorporating statutory income & expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
INCOME AND ENDOWMENTS FROM					
Donations and legacies:					
Donations and grants		1,256,786	761,165	2,017,951	1,533,603
Branch fundraising events		137,434	74,581	212,015	158,893
Legacies		346,799	-	346,799	119,769
Trading activities – sale of goods		24,193	-	24,193	15,990
Investment income	2	74,846	61,008	135,854	136,257
		<hr/>	<hr/>	<hr/>	<hr/>
Total Income and Endowments		1,840,058	896,754	2,736,812	1,964,512
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on					
Raising funds	3	471,271	60,084	531,355	506,396
Charitable activities	4	1,188,425	1,551,608	2,740,033	1,658,930
		<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditure	6	1,659,696	1,611,692	3,271,388	2,165,326
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/ (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		180,362	(714,938)	(534,576)	(200,814)
Transfers to restricted research	17	(275,345)	275,345	-	-
Transfer following fulfilment of restriction	17	743,411	(743,411)	-	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR AFTER TRANSFERS		648,428	(1,183,004)	(534,576)	(200,814)
		<hr/>	<hr/>	<hr/>	<hr/>
Net Gains and Losses					
Gains / (losses) on fixed asset investments					
Realised		3,899	2,749	6,648	18,433
Unrealised	8	(36,912)	(27,464)	(64,376)	79,382
		<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS		615,415	(1,207,719)	(592,304)	(102,999)
Reconciliation of funds					
Balances brought forward at 1 March 2018		2,657,349	1,642,224	4,299,573	4,402,572
		<hr/>	<hr/>	<hr/>	<hr/>
BALANCES CARRIED FORWARD AT 28 February 2019	17	£3,272,764	£434,505	£3,707,269	£4,299,573
		<hr/>	<hr/>	<hr/>	<hr/>

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

The notes on pages 18 to 31 form part of these financial statements.

THE CANDLELIGHTERS TRUST (Company number 3020552)
Balance sheet at 28 February 2019

		Group		Charity	
	Note	2019 £	2018 £	2019 £	2018 £
Fixed assets					
Tangible fixed assets	7	882,556	541,361	882,556	541,361
Investments	8	3,684,111	3,747,049	3,710,918	3,773,856
		<u>4,566,667</u>	<u>4,288,410</u>	<u>4,593,474</u>	<u>4,315,217</u>
Current assets					
Stock		18,056	13,024	18,056	13,024
Debtors	9	364,954	165,821	364,954	165,821
Branch funds		37,692	61,107	37,692	61,107
Cash at bank and in hand		745,753	814,818	745,753	814,818
		<u>1,166,455</u>	<u>1,054,770</u>	<u>1,166,455</u>	<u>1,054,770</u>
Liabilities: amounts falling due within one year					
Grant awards	10	(1,309,923)	(681,388)	(1,309,923)	(681,388)
Other	10	(25,223)	(28,227)	(52,030)	(55,034)
		<u>(168,691)</u>	<u>345,155</u>	<u>(195,498)</u>	<u>318,348</u>
Net current assets		<u>(168,691)</u>	<u>345,155</u>	<u>(195,498)</u>	<u>318,348</u>
Total assets less current liabilities		<u>4,397,976</u>	<u>4,633,565</u>	<u>4,397,976</u>	<u>4,633,565</u>
Liabilities: amounts falling due after more than one year					
Grant awards	11	(690,707)	(333,992)	(690,707)	(333,992)
		<u>(690,707)</u>	<u>(333,992)</u>	<u>(690,707)</u>	<u>(333,992)</u>
Net assets	13	<u>£3,707,269</u>	<u>£4,299,573</u>	<u>£3,707,269</u>	<u>£4,299,573</u>
Funds of the Charity					
Unrestricted - free charitable reserve	17	2,244,901	158,908	2,244,901	158,908
Unrestricted – fixed assets reserve	17	882,556	541,361	882,556	541,361
Unrestricted- designated: fellowship	17	-	1,337,433	-	1,337,433
Unrestricted- designated: brain tumour	17	145,307	145,307	145,307	145,307
Unrestricted- designated: multiyear grants	17	-	474,340	-	474,340
Restricted	17	434,505	1,642,224	434,505	1,642,224
		<u>434,505</u>	<u>1,642,224</u>	<u>434,505</u>	<u>1,642,224</u>
Total funds	17	<u>£3,707,269</u>	<u>£4,299,573</u>	<u>£3,707,269</u>	<u>£4,299,573</u>

Approved by the board of Trustees on 2nd October 2019 and signed on its behalf by:

S Redman (Chair - Trustee)

Dr E M Richards (Trustee)

The notes on pages 18 to 31 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement
For the year ended 28 February 2019

	Note	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from/ (used in) operations	a	<u>319,034</u>	<u>(475,860)</u>
Net cash generated from/ (used in) operating activities		<u>319,034</u>	<u>(475,860)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(433,742)	(11,758)
Purchase of fixed asset investments		(282,007)	(376,535)
Sale of fixed asset investments		304,235	685,612
Net cash (used in)/ generated from investing activities		<u>(411,514)</u>	<u>297,319</u>
Change in cash and cash equivalents in the reporting period		<u>(92,480)</u>	<u>(178,541)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>875,925</u>	<u>1,054,466</u>
Cash and cash equivalents at the end of the reporting period	b	<u>£783,445</u>	<u>£875,925</u>

The notes on pages 18 to 31 form part of these financial statements.

THE CANDLELIGHTERS TRUST
Consolidated Cash Flow Statement Notes
For the year ended 28 February 2019

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

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(592,304)	(102,999)
Adjustments for:		
Depreciation charges	92,547	85,296
Net unrealised (gains)/losses on fixed asset investments	64,376	(79,382)
Net realised gains on fixed asset investments	(6,648)	(18,433)
Increase in cash held within investments	(17,018)	(925)
Increase in stock	(5,032)	(11,698)
Increase in debtors	(199,133)	(18,461)
Increase/(decrease) in creditors	982,246	(329,258)
Net cash generated from/ (used in) operating activities	<u>£319,034</u>	<u>£(475,860)</u>

b. COMPOSITION OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Branch funds	37,692	61,107
Cash at bank and in hand	745,753	814,818
Cash and cash equivalents	<u>£783,445</u>	<u>£875,925</u>

The notes on pages 18 to 31 form part of these financial statements.

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019

1 Accounting Policies

Basis of Preparation

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Basis of Consolidation

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

Fund Accounting

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

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

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

Income

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

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

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

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

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (continued)

1 Accounting Policies (continued)

Volunteers and Donated Services and Facilities

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

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

Expenditure

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

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

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

Cost Allocation

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

Costs of Raising Funds

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

Charitable Activities

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

Governance Costs

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

Pension Contributions

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

Operating Leases

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

THE CANDLELIGHTERS TRUST**Notes to the financial statements for the year ended 28 February 2019 (continued)****1 Accounting Policies (continued)****Tangible Fixed Assets**

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

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

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

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

Fixed Asset Investments

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

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

Stock

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

2 Investment Income

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Income from listed investments	72,417	60,737	133,154	135,505
Bank and other interest	2,429	271	2,700	752
	<u>£74,846</u>	<u>£61,008</u>	<u>£135,854</u>	<u>£136,257</u>

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (*continued*)

3 Costs of Raising Funds

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Cost of raising funds:				
Postage	5,510	-	5,510	6,230
Newsletter	19,474	-	19,474	19,198
Meetings	2,444	-	2,444	2,362
Event expenses	-	-	-	537
Fundraising expenses	84,618	-	84,618	99,224
Opening stock	13,024	-	13,024	1,326
Closing stock	(18,056)	-	(18,056)	(13,024)
IT costs	5,014	-	5,014	5,562
Just giving site fees	3,332	-	3,332	2,555
Lottery licence	40	-	40	-
Website costs	4,266	-	4,266	4,507
Branch fundraising costs	34,997	48,180	83,177	86,017
Commercial trading operations	22,454	-	22,454	20
Investment management costs	16,033	11,904	27,937	27,143
Staff training	16,639	-	16,639	16,090
Other costs	397	-	397	2,040
Waverley premises costs	26,691	-	26,691	29,244
Support costs				
Apportioned staff costs	234,394	-	234,394	217,365
	<u>£471,271</u>	<u>£60,084</u>	<u>£531,355</u>	<u>£506,396</u>

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (continued)

4 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
<i>Research grants</i>				
Total grants awarded (see note 18)	-	1,469,340	1,469,340	266,393
Grants no longer required- Fellowship	-	-	-	(99,466)
<i>Other grants</i>				
Total grants awarded (see note 18)	248,244	15,000	263,244	429,993
Grants no longer required	(1,698)	-	(1,698)	(10,168)
<i>Other charitable activities</i>				
Family financial support	110,836	4,820	115,656	116,143
Support groups and parent information	12,479	-	12,479	10,170
Holidays for families	91,869	-	91,869	98,248
Depreciation of pavilion improvements	62,050	-	62,050	62,040
Recruitment costs	26,510	-	26,510	10,672
Equipment	12,886	1,386	14,272	14,242
Candlelighters bus	34,602	-	34,602	54,737
Brandon cottage costs	-	13,709	13,709	2,749
Depreciation of Brandon cottage and fittings	7,615	-	7,615	-
Global Make Some Noise- Twin Vision Animation	12,027	15,753	27,780	22,143
<i>@The Square</i>				
- Running costs	63,789	-	63,788	70,778
- Depreciation of The Square	22,536	-	22,536	22,536
- Wellbeing treatments and support	129,380	-	129,380	164,186
- Front line staff costs	158,602	29,770	188,372	172,923
<i>Support costs</i>				
Depreciation	346	-	346	720
Other support costs	8,735	-	8,735	15,100
Auditors' remuneration – payroll	1,378	-	1,378	1,881
Other staff costs- charity management and central support	170,228	-	170,228	204,680
Governance costs (note 5)	16,011	1,830	17,841	28,230
	<u>£1,188,425</u>	<u>£1,551,608</u>	<u>£2,740,033</u>	<u>£1,658,930</u>

5 Governance Costs

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Auditors' remuneration – audit services	7,911	-	7,911	7,650
Legal and professional	4,381	1,830	6,211	13,287
Apportioned staff costs	3,719	-	3,719	7,293
	<u>£16,011</u>	<u>£1,830</u>	<u>£17,841</u>	<u>£28,230</u>

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (continued)

6 Total Resources Expended

	Staff Costs £	Depreciation £	Other Costs £	2019 Total £	2018 Total £
Costs of raising funds	234,394	-	296,961	531,355	506,396
Charitable activities (excluding governance)	358,600	92,547	2,271,045	2,722,192	1,630,700
Governance costs	3,719	-	14,122	17,841	28,230
	<u>£596,713</u>	<u>£92,547</u>	<u>£2,582,128</u>	<u>£3,271,388</u>	<u>£2,165,326</u>

Staff Costs	2019 £	2018 £
Salaries paid by Leeds Teaching Hospitals NHS Trust and recharged to the Trust	15,312	37,129
Wages and salaries	515,222	502,521
Social security costs	46,658	42,769
Pension costs	19,521	19,842
	<u>£596,713</u>	<u>£602,261</u>

The gross remuneration of the key management personnel during the year was £68,473 (2018: £66,838).

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

The Trustees received no remuneration and were not reimbursed for any expenses during the year (or previous year).

All Trustees give their time freely and no Trustee remuneration was paid in the year. During the year monetary donations made by Trustees to the Charity totalled £60 (2018: £60).

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2019 Number	2018 Number
£60,001 - £70,000	-	1
	<u> </u>	<u> </u>

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

	2019 Number	2018 Number
Administration, management, fundraising and charitable expenditure support	22	20
	<u> </u>	<u> </u>

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019(*continued*)

7 Tangible Fixed Assets

Group and Charity:

	Freehold Property	Leasehold Improvements		Fittings & fixtures	Equipment	
	Brandon Cottage £	@The Square £	Pavilion £	Brandon Cottage £	£	Total £
Cost						
As at 1 March 2018	318,523	225,303	326,539	-	30,594	900,959
Additions	307,249	-	-	114,890	11,603	433,742
Disposals	-	-	-	-	-	-
As at 28 February 2019	625,772	225,303	326,539	114,890	42,197	1,334,701
Accumulated depreciation						
As at 1 March 2018	-	90,138	264,489	-	4,971	359,598
Charge for the year	3,129	22,536	62,050	4,486	346	92,547
Eliminated on disposal	-	-	-	-	-	-
As at 28 February 2019	3,129	112,674	326,539	4,486	5,317	452,145
Net book value						
At 28 February 2019	£622,643	£112,629	£ -	£110,404	£36,880	£882,556
<i>At 28 February 2018</i>	<i>£318,522</i>	<i>£135,165</i>	<i>£62,050</i>	<i>£ -</i>	<i>£25,624</i>	<i>£541,361</i>

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

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

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (*continued*)

8 Fixed Asset Investments

	Group £	Charity £
Quoted investments		
Market value at 1 March 2018	3,730,041	3,730,041
Additions	282,007	282,007
Disposals	(297,587)	(297,587)
Net unrealised losses	(64,376)	(64,376)
	<u>3,650,085</u>	<u>3,650,085</u>
Cash at bank awaiting re-investment	34,026	34,026
Subsidiary undertaking: cost	-	26,807
	<u>£3,684,111</u>	<u>£3,710,918</u>
Market value at 28 February 2019		
	<u>£3,684,111</u>	<u>£3,710,918</u>
Historical cost as at 28 February 2018	<u>£3,120,701</u>	<u>£3,120,711</u>

At 28 February 2019 and 28 February 2018 no individual investment represented more than 5% of the total investment portfolio valuation although as a category UK Government Stock represents 7.9% (2018: 7.7%).

Quoted investment analysis

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
UK Government Stock	162,291	124,816	287,107	286,147
UK Equities	726,280	733,194	1,459,474	1,500,398
UK Unit Trusts	415,260	505,497	920,757	946,113
Foreign Unit Trusts	315,402	248,268	563,670	539,655
UK Permanent Interest Bearing Shares	307,190	-	307,190	310,710
Foreign Permanent Interest Bearing Shares	-	40,837	40,837	42,424
UK Investment Funds	39,200	31,850	71,050	104,594
	<u>£1,965,623</u>	<u>£1,684,462</u>	<u>£3,650,085</u>	<u>£3,730,041</u>
Total				

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (continued)

8 Fixed Asset Investments (continued)

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

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

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

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

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

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

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

Subsidiary undertaking

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

9 Debtors

	Group 2019 £	2018 £	Charity 2019 £	2018 £
Amounts falling due within one year:				
Debtors in the ordinary course of activities	7,498	1,534	7,498	1,534
Accrued legacy income	300,121	75,121	300,121	75,121
Prepayments and other accrued income	57,335	89,166	57,335	89,166
	<u>£364,954</u>	<u>£165,821</u>	<u>£364,954</u>	<u>£165,821</u>

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 *(continued)*

10 Liabilities: Amounts Falling Due Within One Year

	Group 2019 £	2018 £	Charity 2019 £	2018 £
Creditors in the ordinary course of activities	620	1,755	620	1,755
Amount owed to subsidiary	-	-	26,807	26,807
Accruals	24,603	15,170	24,603	15,170
Social security	-	11,302	-	11,302
	<u>25,223</u>	<u>28,227</u>	<u>52,030</u>	<u>55,034</u>
Grant awards	1,309,923	681,388	1,309,923	681,388
	<u>£1,335,146</u>	<u>£709,615</u>	<u>£1,361,953</u>	<u>£736,422</u>

11 Liabilities: Amounts Falling Due After More Than One Year

	Group 2019 £	2018 £	Charity 2019 £	2018 £
Grant awards	<u>£690,707</u>	<u>£333,992</u>	<u>£690,707</u>	<u>£333,992</u>

12 Reconciliation of Grants Awarded

Group and Charity

	2019 £	2018 £
Opening liability obligation	1,015,380	1,341,322
Grants awarded in the year (note 18)	1,732,584	696,386
Provisions no longer required	(1,698)	(109,634)
Paid during the year	<u>(745,636)</u>	<u>(912,694)</u>
Closing liability obligation	<u>£2,000,630</u>	<u>£1,015,380</u>

THE CANDLELIGHTERS TRUST**Notes to the financial statements for the year ended 28 February 2019 (continued)****13 Analysis of Group Assets between Funds**

	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	882,556	882,556
Fixed asset investments	1,703,534	1,980,577	3,684,111
Other current assets	105,847	1,060,608	1,166,455
Liabilities	(1,374,876)	(650,977)	(2,025,853)
	<hr/>	<hr/>	<hr/>
Net assets at 28 February 2019	£434,505	£3,272,764	£3,707,269
	<hr/>	<hr/>	<hr/>

14 Taxation

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

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

15 Trustees Interests and Related Party Disclosures

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

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

16 Capital

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

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (continued)

17 Movements in Funds

	At 1 March 2018	Incoming Resources	Resources Expended	Restriction Full filled	Other Transfers	Other Gains & Losses	At 28 February 2019
Unrestricted funds							
Free Charitable Reserve	158,908	1,840,058	(1,567,149)	321,272	1,524,825	(33,013)	2,244,901
Fixed assets reserve	541,361	-	(92,547)	422,139	11,603	-	882,556
Designated Funds- Fellowship	1,337,433	-	-	-	(1,337,433)	-	-
Designated Funds- Multiyear grants	474,340	-	-	-	(474,340)	-	-
Designated Funds- Brain tumour	145,307	-	-	-	-	-	145,307
Restricted Funds							
Research Fund	1,507,944	180,294	(1,529,424)	-	275,345	(24,715)	409,444
Pure Data Group Ltd	-	15,000	(15,000)	-	-	-	-
The Candlelighters Cottage	126,009	653,822	(15,539)	(743,411)	-	-	20,881
Global Make Some Noise	8,271	27,252	(35,523)	-	-	-	-
Children in Need- Twin Vision	-	10,000	(10,000)	-	-	-	-
Ward L31	-	1,386	(1,386)	-	-	-	-
Family support- Macmillan	-	4,180	-	-	-	-	4,180
Other	-	4,820	(4,820)	-	-	-	-
Total	£4,299,573	£2,736,812	£(3,271,388)	£ -	£ -	£(57,728)	£3,707,269

Restricted Funds

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

Donations from Pure Data Group Ltd are restricted solely for the purpose of funding the Dinner lady grant.

The Candlelighters Cottage fund is monies raised restricted for Brandon Cottage.

Donations from Global Make Some Noise and Children in Need are restricted solely for the purpose of an animation project supported by Twin Vision and a project support worker.

Donations from Macmillan are restricted solely for the use towards an online support forum.

General Funds

The general Free Charitable Reserve can also fund research.

The fixed assets reserve represents funds tied up in tangible fixed assets and so are funds which are excluded from "free" general reserves.

Designated Funds

An amount of £145,307 is designated for Brain tumour research at the year end. Subsequently, after the year end, this amount has been de-designated because the intended purpose for the original designation is no longer in progress.

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 (*continued*)

18	Grants Awarded	2019 £	2018 £
	<u>Research grants</u>		
	Neurosurgical Academic post <i>Part funding of neurosurgical post with dedicated research time</i>	50,000	-
	Candlelighters Fellowship <i>Funding of Fellowship programme which supports the research training of academic paediatric oncologists and haematologists</i>	1,337,433	-
	Yorkshire Tumour Registry – Three years support <i>Yorkshire Specialist Register of Cancer in Children and Young People: Epidemiological and Applied Health Research</i>	-	199,004
	Leeds Institute of Cancer and Pathology <i>Improve Outcomes of Children's Neuroblastoma</i>	81,907	62,239
	Nausea and Vomiting Survey	-	4,150
		<u>1,469,340</u>	<u>266,393</u>
	<u>General grants</u>		
	Eckersley House – Three year period	-	72,000
	Family help staff - Three year period	-	114,217
	Healthcare play specialism degree	-	2,150
	Dinner lady	41,240	-
	Outreach play specialist	33,523	1,000
	Joint funded social worker	-	11,667
	Advanced nurse practitioner	45,261	-
	Ward playteam and clinic play workers – Two year period	-	137,617
	Social workers – One year period	80,000	80,000
	Paediatric Radiographer	44,476	-
	Ward L31 – TV replacements and TV arms	-	3,118
	Small miscellaneous grants - one year period	18,744	4,724

THE CANDLELIGHTERS TRUST

Notes to the financial statements for the year ended 28 February 2019 *(continued)*

18 Grants Awarded *(continued)*

Aromatherapy	-	1,000
Brain tissue bank	-	2,500
	<u>263,244</u>	<u>429,993</u>
Total	£1,732,584	£696,386

19 Controlling Party

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

20 Operating Lease Commitments

At 28 February 2019, the Charity had the following total minimum commitments (effectively the period until break clauses) under non-cancellable operating leases as set out below.

	2019 Total £	2018 Total £
Operating leases which expire in:		
Less than 1 years	10,764	2,227
1 to 5 years	56,155	110,692
More than 5 years	-	-
	<u>66,919</u>	<u>112,919</u>