

**YOUNG LIVES**

**vs CANCER**

**CLIC SARGENT**

**ANNUAL  
REPORT AND  
ACCOUNTS**

**2018/19**

<b>WHY WE EXIST AND OUR VISION</b>	<b>3</b>
<b>CHAIR'S INTRODUCTION</b>	<b>4</b>
<b>TRUSTEES' REPORT*</b>	
Our approach to safeguarding	5
Our approach to fundraising	5
Our achievements and performance	6
Our future plans	13
Risks and uncertainties	13
Financial review and results for the year	14
Structure, governance and management	16
Employees and volunteers	17
Statement of Trustees' responsibilities	19
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>20</b>
<b>FINANCIAL STATEMENTS</b>	
Consolidated statement of financial activities	23
Balance sheets	25
Consolidated cash flow statement	26
Notes to the accounts	27
Reference and administrative details	47

\*The Trustees' Report incorporates the Strategic Report (see pages 5–15).



# WHY WE EXIST

## OUR PROMISE

Cancer is shocking, overwhelming, isolating ... and completely unfair. Especially when you're young. It takes over your life. Treatment is gruelling and your ambitions and dreams – education, relationships, career, travel – suddenly seem very far away.

We get that. That's why CLIC Sargent fights tirelessly to stop cancer destroying young lives. We provide grants and free accommodation close to hospital to help with spiralling costs. Our social workers are on hand to help families with everything from getting benefits to enabling treatment closer to home. And we lobby the government to make sure they get the support they're entitled to and make change to the system happen. We're here to make sure young cancer patients can focus on getting their lives back on track.

We currently help over 6,700 people going through cancer. But every day 12 more children and young people will hear the devastating news they have cancer. As it stands, we don't support them all. That's not good enough, and we're on a mission to change that.

## OUR VISION

Our vision is a world where everyone under 25 with cancer, and their families, will get the support and help they need during their cancer treatment and beyond, including bereaved families living with emotional pain.

# CHAIR'S INTRODUCTION



Welcome to our 2018/19 Annual Report and Accounts. It's been another terrific year for CLIC Sargent. Thanks to our supporters we helped over 6,700 children and young people, and their families, through the devastation of a cancer diagnosis.

Over the last three years we've rebuilt our finances to make us stronger. With all the external financial uncertainty, we continue to work hard to balance making savings with investing in our vital services for children and young people with cancer, and their families.

Generating the income needed to run our services is always a challenge, so I'm delighted that last year we raised £29.5 million to limit the damage a cancer diagnosis causes to young lives. I'm also delighted that we were able to increase our spending on charitable activities by £1m. We recognise that our costs of fundraising increased – this is mainly due to an increased investment in individual giving, generating a sustainable income stream that will support future charitable activities spending.

Our activities ranged from launching a new grant with our partner Societe Generale, helping young people with cancer achieve their education and job goals, to relocating two Homes from Home to increase capacity while remaining close to specialist treatment centres. We celebrated 10 years of putting the voices of young cancer patients at the heart of everything we do with Participation Week. A member of our Young Person's Reference Group (YPRG) designed portraits of children, young people, parents and staff illustrating the impact of participation, working closely with our Brand and Participation teams. The portraits were unveiled during a week of celebrations.

We also campaigned for a Young Cancer Patient Travel Fund to help parents with the costs of travel during treatment, and finished rolling out our nurse educator programme to spread best practice in nursing for childhood cancers.

Last but not least, we've started looking at how we can reach what we call 'the missing third'. CLIC Sargent supports 69% of children and young people diagnosed with cancer. We believe that's the largest specialist reach of any organisation for this age group, and we're proud of this. But it also means there are about 1,000 children and young people struggling with the devastating impact of cancer, who are not getting the age-appropriate support they need. That's not good enough, and last year we made a commitment to sort it out. We started by asking some tough questions, and re-examining our data. We now know the missing third is largely made up of 19 to 24-year-olds who have one of only eight disease types, and that in order to reach them we need to adjust the way we work. We are determined to solve this in the coming years.

These are just a few of the highlights, and you can read many more on pages 5-15. We couldn't have achieved any of this without the support of the thousands of people across the UK who make up Team Young Lives, so thank you from all of us at CLIC Sargent.

A handwritten signature in black ink, appearing to read 'Peter Hollins'. The signature is fluid and cursive, with a large initial 'P'.

**Peter Hollins**  
Chair

# TRUSTEES REPORT

## OUR APPROACH TO SAFEGUARDING

In 2018 the Charity Commission underlined that charities must be trusted places where people can feel safe. At CLIC Sargent we rewrote our Safeguarding Policy so everyone knows why safeguarding is important and how we will behave and make safe decisions about everything we do. Safeguarding is everyone's responsibility; we are working to create a culture of openness and learning which will help us to manage risks and to create a safe place for everyone.

### In 2018/19 we:

- Reviewed and completely updated our Safeguarding Policy
- Implemented actions from a Safeguarding Peer Review by a charity partner
- Implemented actions from a Volunteering Audit to give assurance about safe volunteering
- Implemented actions about safeguarding for all of our digital services
- Established a new database with improved recording and reporting about safeguarding
- Continued oversight and review of all safeguarding concerns by our Safeguarding Lead reporting to the Safeguarding Committee and Board.

## OUR APPROACH TO FUNDRAISING

CLIC Sargent is a member of the Fundraising Regulator.



In 2016, we developed a new income generating strategy 'One Team, One Target' which aimed to shift our fundraising philosophy from a transactional to relational approach, focusing on a quality and tailored supporter journey. We also implemented a balanced approach to our portfolio to mitigate risk in the fluctuation of

income and an uncertain external environment. This new strategic approach enabled growth in sustainable income through those supporters closest to us and expanded our network of volunteer fundraisers and voluntary groups.

Last year we carried out audience insight research to gain more understanding about who our supporters are, what motivates them to give and to continue to support us. In 2018/19, we took that research a step further to look at which new supporters we could be talking to and aren't, and who are motivated to donate to similar causes. This information has enabled us to be more effective in acquiring new long-term supporters, securing sustainable income to help realise our ambitions. We continue to engage external professional organisations to support us with this approach.

We work closely with Door to Door and Venue fundraising agencies, ensuring a focus on high standards of professionalism and compliance. Our investment in individual giving has resulted in positive results for Direct Debit supporters, with income from these committed givers growing in this financial year.

CLIC Sargent ensures all fundraising activities delivered by our contracted fundraising agencies are monitored through regular meetings, measurement and review of service level agreements, mystery shopping by staff and trustees and a thorough complaint handling analysis.

Agencies are contractually required to ensure all fundraising activity is in accordance with all applicable legal requirements, CLIC Sargent's Ethical Fundraising Policy and the relevant binding codes of practice issued by the Fundraising Regulator. Professional fundraising agencies must have clear, transparent and up-to-date policies in place to protect vulnerable people and other members of the public from unreasonable behaviour.

In 2018/19 CLIC Sargent received 73\* (2017/18: 59) complaints about its fundraising, all of which are now closed. Of that number, we received 65 complaints about face-to-face fundraising, accounting for 0.46% of sign-ups achieved through the activity. In line with regulation requirements the number of complaints and type of fundraising generating the complaints was submitted to the Fundraising Regulator in May 2019.

\*Correct at time of publication.

## OUR ACHIEVEMENTS AND PERFORMANCE

We help stop cancer destroying young lives. A child or young person's cancer diagnosis is devastating for the whole family. We're there to help them face it together. And we do this in six ways:

- When the doctor says cancer
- Cancer costs
- There's no place like home
- Helping young lives thrive, not just survive
- When a child dies
- Making change happen.

We'll be reporting our achievements for 2018/2019 against these six ways in which we help.

### Public benefit

In reviewing our aims and objectives and planning our future activities, we have referred to and complied with the duty in section 17 of the Charities Act 2011. This relates to having due regard to the Charity Commission's published general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

## WHEN THE DOCTOR SAYS CANCER

"It's like you're in a bubble and you're screaming but no one hears." Those first days, weeks and months after a cancer diagnosis are overwhelming, when young cancer patients are confused, scared and anxious. From the moment of diagnosis, we're there and ready to help families cope, keeping them strong when cancer threatens to ruin everything. Our care teams provide day-to-day support for each child, young person and family, from information and guidance to clinical care and specialist play during treatment.

### Our aim for 2018/2019:

To reach and support children and young people with cancer, and their families, by delivering easily accessible information and the creation of peer-to-peer support communities.

### What we achieved in 2018/2019

This year we supported 2,818 newly diagnosed young cancer patients. This figure is lower than last year (2017/18: 2,982), as we saw a drop in the number of new children's cases (0 to 15-year-olds). It will be some time before national data showing how many children in this age group were diagnosed with cancer for this year is available, so that we can understand if there have been changes in the number of children diagnosed. We are exploring whether there have been changes to hospital referral processes (linked to the introduction of new data protection regulations) that might have made it less likely for children to be referred to us, so that we can make changes.

We know that when the doctor says cancer it can feel like the world is falling apart, so we reach out with our support offer as quickly as possible: we reached 86% of children and 79% of young people within two weeks of referral to us.

Our care teams gave individual, tailored support to 6,733 children and young people, and their families, to help them cope with their cancer diagnosis and get their lives back on track. This drop in overall numbers is related to the drop in newly diagnosed cancer patients mentioned above.

To help parents and young people identify the support they need and understand how CLIC Sargent can help them, our care teams started using Support Star assessments. These are filled out with every family and young person in order to understand their support needs, and are revisited regularly to make sure any changing support needs are addressed. They also help us understand where we're making the greatest difference. We started using the assessment with every parent whose child has been diagnosed with cancer from January 2018 and our priority was embedding this change in practice. Attention now turns towards understanding the story behind the data.

We invested in our digital channels to support every child and young person with cancer, wherever they are in the UK. We've continued to grow our digital peer support communities, with around 1,800 parents and young people sharing advice and support with one another. Our Team Young Lives Facebook group for young people with a lived experience of cancer has seen a significant increase in engagement, with some posts receiving five or six response comments, including offers to direct message should the poster want to chat more. For nine young people who joined Team Young Lives, the group was the only support (at that point) they were receiving from CLIC Sargent. This shows how important the groups are in extending reach.

In October, we launched our new website, using our research from the Young Lives Pathway Programme where we spoke to young people and parents about the support gaps in their cancer journey. Based on this feedback we prioritised the development of new information, including tailored cancer guides giving uncomplicated, quick access to information and advice.

Another key take away from our research was that experiences and advice from peers is just as important as practical, fact-based information, so we've continued to add relevant content to our website, and increased our output on YouTube and Facebook (the preferred delivery channels for young people and parents respectively). Over the next year we'll be supporting parents and young people to co-create and generate a range of content using videos, blogs, poems and other media. We're also piloting a young-people-led podcast which we'll be evaluating later in the year.

We launched live chat on our website in November 2018, and in February 2019 expanded this to not just answering questions from supporters but also those affected by childhood cancer looking for guidance and advice. This way, young cancer patients, and their families can get our support from the comfort of their own home, no matter where they live in the UK. Live chat also lets us reach more people, because the support isn't reliant on where we have social care teams. So far, we've responded to 771 enquiries.

Parents and young people have told us we are not great at explaining what we offer and when, so we have also developed our core offer – being clearer about what we offer everyone, no matter where they live or have treatment.

### **Our aim for 2019/2020**

To continue to work towards reaching every child and young person with cancer who needs us, and their families.

### **We'll do this by:**

- Continuing to develop and grow our digital offer, working with young people and parents to create the right content and deliver it across our digital channels, so children and young people with cancer, and their families, can get the right support, no matter where and when they need it
- Embedding our digital delivery in our core service offer.

## **CANCER COSTS**

As if a cancer diagnosis isn't tough enough, the financial impact of cancer can be devastating. Our research shows parents spend an average of £600 more every month when their child has cancer: lots of travel for treatment, hotels, extra heating costs at home. Many parents are also forced to give up work to look after their child, so income goes down as costs go up. It soon adds up, causing further anxiety and worry.

### **Our aim for 2018/2019**

To increase the financial support we offer young cancer patients and their families, making it easier to access, and test delivering our welfare advice support through new channels.

## What we achieved in 2018/2019

We know that cancer costs, which is why this year we gave 5,802 CLIC Sargent grants totalling £1,213,000. Our grants help families manage hospital car parking fees and travel for treatment, among other things. Our social care professionals have amazing knowledge about other sources of funding families can access and, as a result, they managed to apply for and secure an additional £461,820 in grants from other organisations.

We continued working in partnership with Smile of Arran Trust and provided grants totalling £21,600 specifically to those children and young people diagnosed with brain cancer.

We also continued to give our financial hardship grant for families who have financial needs that, if not met, will have a negative impact on them. The grant was funded by a generous £350,000 donation from Children with Cancer UK.

We know the financial costs of cancer can start stacking up very quickly. So in July 2018 we launched a new online grant service, enabling both parents and young people to access our Registration Grant no matter where they live in the UK. Families and young people can now also have money paid directly into their bank account, rather than trying to find the time to cash a CLIC Sargent grant cheque. To date, we've made 2,373 payments directly into the bank accounts of parents and young people. We know we haven't got this 100% right yet, as we're also still issuing a lot of cheques. We'll be looking at improving this going forward, if it's what children, young people and their families want. We've also been contacted by other charities that are developing their grants to share our learnings.

This year we launched two new grants. The Thrive Not Just Survive grant, in partnership with our corporate partner Societe Generale, was the first grant solely focused on supporting children and young people to achieve their education and career goals. It was incredibly popular: we received 183 applications. Based on the £72,000 provided by Societe Generale, we supported 43 children and young people in accessing courses, equipment, medical insurance, textbooks and software.

The other new grant was for those young people who are diagnosed with cancer for a second time, and their families. Our report, Cancer Costs Again, showed the impact this could have. To keep things simple, we decided to widen our eligibility criteria for our Registration Grant. Thanks to our corporate partner, Morrisons, those whose cancer comes back can receive our Registration Grant a second time, to help cover the immediate costs of a cancer diagnosis.

This year we gave advice on 1,787 enquiries across a range of issues such as benefits, debt advice, immigration and housing. We estimate this service secured £2,341,715 in potential financial benefits for families and young people. Moreover, 533 made use of our new online benefit calculator and 464 used our grant search to find additional money to cope.

We decided not to test delivering face-to-face appointments in our London Home from Home. We realised we wouldn't be able to do this without taking away resource from our UK-wide telephone and email service, making services more unequal. However, we've completed a scoping exercise of who else is providing welfare advice, such as Maggie's centres, to make sure we aren't duplicating resource provided by others.

## Our aim for 2019/2020

To continue to improve our grants programme so young people and families can get financial support quickly and efficiently.

### We'll do this by:

- Reviewing our grants programme to make sure it has the biggest impact for those with the greatest need
- Improving how quickly we pay CLIC Sargent grants directly into the bank accounts of those we support.



## THERE'S NO PLACE LIKE HOME

School runs, bedtime stories and hogging the sofa. It's not just special occasions that cancer disrupts. But it doesn't have to be like this. Our nurses will make home visits to take blood tests and administer chemo, so families can stay together. And our 10 free Homes from Home are close to Principal Treatment Centres, so as many families as possible can stay together during treatment when it matters most.

### Our aim for 2018/2019

To continue to make sure children and young people with cancer can get expert care close to home, and that our CLIC Sargent Homes from Home provide a safe, comfortable environment that is fit for purpose for young cancer patients and their families.

### What we achieved in 2018/2019

By delivering care closer to home, we reduce the disruption cancer treatment can have on children's and young people's lives, so they don't miss out on school and family time, and can keep in touch with friends. This year, our nurses supported 1,132 young cancer patients, making 5,339 home visits and arranging 7,498 visits by other professionals like community nurses, GPs and palliative care teams.

To make sure as many children and young people with cancer as possible can get specialist care at home, we recruited two more nurse educators to cover south-east, central and east England. Our nurse educators spread best nursing practice for childhood cancers among local services supporting children with cancer. The team delivered 421 specialist education sessions across three regions, with just over 3,000 attendances by professionals and families. This year we'll be running an external evaluation of the nurse educator service, alongside assessing its financial sustainability, to see if we can expand the cover to Scotland in the next strategy period.

When young cancer patients have to receive hospital treatment, this is often a long way from home. Our Homes from Home are free places to stay close to treatment centres. As well as reducing travel and accommodation costs, our homes let families spend quality time together away from the wards. They also bring families together with others going through similar experiences, providing informal peer support. In 2018/2019, we welcomed 1,220 families to our 10 Homes from Home around the country.

We continued to test opening our homes to families staying on hospital wards so they can get basic home comforts like access to washing machines, a kitchen to cook and a quiet area to sit and have a cup of coffee – our Home Comforts offer. So far families have taken up our 'coffee & wifi' offer at least 366 times. The demand for this service varies in each location. However this year we've improved the offer by updating some communal areas and providing further flexible space for social care professionals to run groups and meet with families outside of the hospital.

Getting planning and building consent to undertake essential works on Paul's House in London took longer than anticipated, and we are currently planning for works to start in autumn 2019.

We completed the building works of our relocated Home from Home in Edinburgh. In the period since opening in December through March, Ciaran's House has supported 27 families from six counties in Scotland. The previous Home was successfully sold, with proceeds going towards the build of Ciaran's House and our services in Scotland.

We also opened Jean's House in Southampton in October, replacing an existing Home from Home. The new home has a dedicated space for children and young people, and providing fit-for-purpose accommodation for families. It also has parking to help families avoid the debilitating travel and accommodation costs during treatment. Since opening, it has supported 59 families from eight different counties, including those from the Channel Islands and the Isle of White.

### **Our aims for 2019/2020**

To expand our Homes from Home network so more families can stay together while their child is receiving treatment, and to assess if we can offer nurse educator support to more health professionals.

#### **We'll do this by:**

- Evaluating our nurse educator service with a view to rolling it out further
- Expanding our Homes from Home network by purchasing two new properties in Manchester and Newcastle
- Undertaking the renovation on CLIC Sargent's Paul's House in London.

## **HELPING YOUNG LIVES THRIVE, NOT JUST SURVIVE**

Cancer shatters young cancer patients' education, social lives and future prospects. They need support not just to survive cancer but to finish treatment with their future in their grasp. We help them get their lives back on track, both during and after treatment.

### **Our aim for 2018/2019**

To continue to involve children, young people and parents in the delivery and implementation of our Young Lives Pathway research and participation service.

### **What we achieved in 2017/2018**

Cancer shouldn't be a full stop to a child or young person's future goals. This is why our nurses made 1,336 visits to schools to deliver care to students on site, limiting the number of classes they missed. They also developed 373 individual school healthcare plans, detailing the health needs of the child in question. These were shared with the child's school to promote better awareness of their needs and to make sure they get the most out of educational opportunities.

We understand it's incredibly rare to have a child or young person with cancer in the classroom, so it's important that when this happens education professionals have the skills to support them

back in education. This year, we issued 1,235 school packs providing expert guidance, and our social care teams arranged two teacher days for 137 education professionals to give them the skills they need to help young patients back into the classroom. Our social care professionals also supported 100 children by liaising with their schools during treatment, and 723 young people with employment and education support to help them get their lives back on track.

It's not always possible for our social care teams to provide ongoing support after cancer treatment finishes. This is where our Music Programme fits in. The service aims to improve the self-esteem and confidence of those involved by helping them develop their knowledge and skills as well explore their creativity and feel more resilient. Young people have also told us it gives them an opportunity to socialise in a safe and supportive environment and meet their peers with similar experiences for mutual support. This year 55 young people were involved in the programme and 20 came to our summer workshop.

In 2017, we launched our Young Lives Pathway project to explore gaps in the support for children and young people with cancer, and their families. Emotional support was consistently reported as important by parents and young people. We heard from parents how hard it was to recognise when they needed help and then to accept it when it was offered. Young people flagged how good emotional support should cover normal issues faced by young people, not just cancer-specific ones. This means that CLIC Sargent needs to work differently in order to support those with the greatest emotional needs. So this year we launched a pilot to test a new way of working with the aim of releasing some of our social workers' time, so they can increase the emotional support they can provide to parents and young people.

The pathway also highlighted a gap in support for children returning to full time education. As a result we've developed a partnership with Contact to improve access to specialist support, which launched in April 2019.

The voices of children, young people and their families are at the heart of everything we do. This year, we engaged 209 children and young

people, and 183 parents and carers. Together, they had 1,109 opportunities to participate over the year, influencing significant projects across the charity like developing our digital services.

In November, we celebrated 10 years of participation in CLIC Sargent with our participation week. Portraits of children, young people, parents and staff illustrating the impact of participation were designed by a member of the Young Person's Reference Group (YPRG) in close collaboration with the Participation and Brand teams, and were unveiled during a week of celebrations.

A series of workshops were also held across the charity, giving staff knowledge and confidence to include participation meaningfully in their work. As a result we've seen new innovative projects being co-created between staff, young people and parents.

### **Our aim for 2019/2020**

To develop our participation service strategically, together with the children, young people and parents, to make sure their voices continue to be heard.

### **We'll do this by:**

- Involving children, young people, families and staff in co-creation projects across CLIC Sargent
- Launching a new partnership with Contact to improve support for families and young people with cancer around education concerns
- Reviewing our social workers' new way of working to understand the impact on social-work time and parents and young people.

## **WHEN A CHILD DIES**

Hearing your child isn't going to get better is every parent's worst nightmare. But 10 children and young people die from cancer every week in the UK. We help young cancer patients and families prepare for death if the unthinkable happens. We encourage them to think about how the child can be remembered and help them find a way to cope with the emotional pain.

### **Our aims for 2018/2019**

To provide vital peer-to-peer support for families living with the emotional pain of losing a child to cancer while continuing to work with Child Bereavement Support UK to enhance the support we offer.

### **What we achieved in 2018/2019**

To help families cope when their child dies, we gave compassionate grants to 446 families, totalling £133,000. Our social care teams continue their support when a child dies, helping with information and practical support and visiting at home. This year our teams visited bereaved families at home 363 times.

Our teams also arranged 56 bereavement groups and memory days for 999 people. These groups and special days bring together people to share their experiences and support each other through their loss.

This year we commissioned and tested a regional bereavement service in the north-west of England. We discovered it wasn't convenient or what parents most wanted, so we concentrated on a new, flexible bereavement support service provided by Child Bereavement UK (CBUK). This is for parents or carers who are geographically isolated or unable to access any other bereavement support service. Appointments are by phone or on video apps like Facetime or Skype. In year one the new service supported 15 parents, and we've extended it to offer support to grandparents who had been closely involved in the care of a grandchild.

We launched a place for parents and carers to connect with and support each other after the death of their child. The Parents' and Carers' Bereavement Facebook Group currently has 197 members and is open to all parents and carers, no matter how old their child was or when they died.

### **Our aim for 2019/2020**

To continue to support families living with the emotional pain of losing a child to cancer.

#### **We'll do this by:**

- Growing bereavement peer-to-peer support and evaluating the service provided by CBUK with parents who use it
- Using all we have learned from parents and young people who have been bereaved to plan our bereavement support for 2020–25.

## **MAKING CHANGE HAPPEN**

Too often, young cancer patients and their families don't get the support they need. We listen to families, basing our research and campaigning on what they tell us to make sure we fight for what they need most. We work with and challenge the NHS and the government to ensure young cancer patients get the best service and benefits they're entitled to.

### **Our aims for 2018/2019**

To achieve lasting change around all areas of travel costs for young cancer patients and to continue to support the All Party Parliamentary group on Children, Teenagers and Young Adults with Cancer.

### **What we achieved in 2018/2019**

This has been an incredible year for achieving change and amplifying the voices of children and young people with cancer, and their families. Together we secured two policy commitments – the Parental Bereavement Leave Act and the commitment in the NHS Long Term Plan to ask children with cancer about their experiences.

We engaged 400 children, young people and families in our work – at parliamentary events, in surveys and in developing our campaigns. Supporters have also taken 34,000 campaign actions and our campaigns are being mentioned in Parliament more, too. This shows that children and young people with cancer are now firmly on the national agenda. During Childhood Cancer Awareness Month in September, we launched our campaign for a Young Cancer Patient Travel Fund, which achieved cross-party support in Parliament. We mapped the cost of 7,000 journeys to treatment and published our research report *Are We Nearly There Yet?* to highlight the need for a Young Cancer Patient Travel Fund. Our campaign continues unabated.

We worked with Thangam Debbonaire MP and Teenage Cancer Trust to publish the first ever report of the All Party Parliamentary Group on Children, Teenagers and Young Adults with Cancer into the patient experience. We were also part of the launch, and continue to support the first ever Children and Young People Cancer Coalition, which brings together a range of organisations all dedicated to improving the lives of children and young people with cancer, and their families.

### **Our aims for 2019/2020**

To put our all into securing a Young Cancer Patient Travel Fund and making sure children and young people with cancer stay on the national agenda.

#### **We'll do this by:**

- Campaigning to achieve policy change to alleviate the travel costs of young people and families through the creation of a Young Cancer Patient Travel Fund
- Supporting children and young people and their families to get their voices and experiences heard in debates about the future structures of cancer services
- Publishing research into the impact of a cancer diagnosis on the employment of young people and parents, developed by CLIC Sargent Young Researchers who've also been supported to develop their research skills and confidence.

## OUR FUTURE PLANS

In 2015 we published our five-year strategy *Aiming High: Our ambitions for children and young people with cancer*. We've made great progress against this strategy to date, and in 2019/20 we'll continue working towards these aims.

We've also started putting together our next strategy: we've spent the last year talking to parents, young people, supporters, staff, volunteers, partners and key stakeholders about their experiences of CLIC Sargent. In early 2020 we'll be publishing our new strategy based on their input, responding to children, young people and families' experience of cancer and continuing to build stronger relationships with service users as well as with supporters to create a stronger foundation for future support and income, and to strengthen our organisation.

### In 2019/20, we're continuing our work to:

1. Reach everyone who needs us, and increase the impact of our service. Currently, only around two out of three children and young people diagnosed with cancer get the support they need from us. Most of those we don't reach are aged 19 to 24. This isn't good enough. We want to make sure everyone who needs and wants our support can get it. To do that, we need to understand why this isn't currently happening and work with other organisations to make sure we reach our target audiences. We need to make it clearer what we offer to everyone, no matter where they live and receive treatment – and we need to be creative in how we deliver it, using a mix of methods like digital and face-to-face support.
2. Make change happen. We'll continue to shout about the issues affecting the children, young people and families we support, and fight for policy change to make sure the health, education and welfare system best supports them, including our campaign to reduce the costs of cancer.
3. Expand the reach of our Homes from Home by developing new homes, and making sure our existing properties are safe and homely.
4. Employ nurse educators in different parts of the UK to do even more work to influence and improve local specialist knowledge and practice on how to support children with cancer. We'll be evaluating this programme in 2019/20.

### 5. Balancing our budget:

- Making sure we deliver our projected income through a relationship approach to fundraising: engaging, cultivating and retaining long-term supporters, improving the experience of all supporters and innovating in our approach to fundraising
- Raising our public profile and awareness by strengthening our brand
- Reducing our operating costs to ensure our costs don't exceed income.

To do all this we have to live our values and support and develop our staff, continuing to create a true One Team culture, so we can attract and retain the best staff.

## RISKS AND UNCERTAINTIES

Delivering on our promise to young lives, increasing our reach and optimising our impact means balancing risks and opportunities.

Our Board of Trustees and Executive Team together identify and review how we are managing risk as we pursue our strategic objectives, looking at our impact, our financial sustainability and our governance and compliance and determine our appetite for risk. The Board regularly reviews a register of strategic risk and the management of our risks is underpinned by a Controls and Assurance Framework.

### The biggest risks we are managing in 2019/2020 are:

- **Income forecasts not being achieved and not building sustainable income for the future**

We have a strategy for income generation that's all about creating a relationship fundraising approach, engaging, cultivating and retaining long-term supporters so we can continue on a more sustainable footing, especially in the current tough external environment.

At the same time, we have to be 'income led' in the way we spend money. This means only making new, ongoing expenditure commitments when we've got new, sustainable sources of income, keeping our free reserves at the right level so we can withstand short-term income fluctuations and respond to opportunities.

▪ **Not being able to increase our reach to everyone who needs us, and not being able to increase our impact on young lives**

It's not right that there are young people with cancer who aren't getting our support. We're determined to reach everyone who wants and needs us, so we're setting some exciting plans to increase our reach and the impact we have. We'll be working more closely with those we're here to support to understand their needs, using a mix of digital and face-to-face methods to offer the right support. Part of this work includes being clearer about what we offer to everyone no matter where they live or receive their treatment.

▪ **Not being able to safeguard children and young people**

We take safeguarding very seriously. A safeguarding subcommittee of the Board reports directly to the Board of Trustees on our safeguarding arrangements. In 2017/2018 we carried out a peer review with another charity, critically assessing each other's safeguarding arrangements, culminating in a workshop on safeguarding with the full Board of Trustees and agreeing a programme of work to further strengthen our already robust approach to safeguarding. We commissioned a comprehensive review of digital safeguarding and we are implementing recommendations from the review. In 2019 we also reviewed the Safeguarding Policy.

## FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities (SOFA) shows the financial results for CLIC Sargent and its active trading subsidiaries, CLIC Sargent Promotions Limited, CLIC Sargent Developments Limited and CLIC Sargent Lottery Limited.

This year was another record year for income generation, with total income of £29.5m (2018: £28.9m). This increase from the prior year was largely due to a substantial legacy of £1.85m received during 2018/19.

We were delighted that our partnership with Morrisons continues to exceed expectations, resulting in income of £3.9m (2018: £3.7 million).

We were also pleased to receive a further donation from Children with Cancer UK, totalling £1.1m, toward the construction of our new Home from Home in Newcastle and to fully fund our compassionate grants, given to help families cope when their child dies. Our successful partnership with People's Postcode Lottery (PPL) continued this year, contributing income of £1.9m (2018: £2.3m).

Excluding lottery income, our income from other trading activities this year increased to £4.4m (2018: £4.1m). This was mainly due to increased cause-related marketing activities within the Morrisons partnership of £600,000, but this was partly offset by a decline in income from major fundraising events, as well as a decrease in income from challenge events.

Total expenditure increased by £2m from £25.6m in 2017/18 to £27.6m this financial year. Fundraising expenditure increased by £1.1m mainly due to increased investment in direct marketing to grow future sustainable income. Charitable expenditure also increased by £1m, due to investment in new types of grants, digital services (better online content for beneficiaries), social care, Homes from Home and the nurse educator programme.

The construction of our Homes from Home in Edinburgh and Southampton were completed during the year, leading to an increase in fixed assets of £1.6m. A further £2.1m had been recognised in relation to these homes in 2017/18. The sale of CLIC Villa was also completed in 2018/19, for £0.95m, the proceeds of which were reinvested in the development of Ciaran's House in Edinburgh and our No Place Like Home service across Scotland.

The charity's cash position has decreased by £0.9m to £4.8m at the end of the year, due to the timing of cash flows. Total funds have increased from £20.4m to £22.4m. Of this increase, £1m is due to the receipt of Morrisons' income that was not spent in the year and has been designated to future service delivery. The remainder is made up of an increase in the fixed asset reserve, offset by a decrease in restricted funds and our free reserves.

CLIC Sargent Promotions Limited performs trading activity and receives cause-related marketing income on behalf of the charity.

£1,638,000 (2018: £839,000) and net profit of £1,145,000 (2018: £532,000), all of which will be donated to the charity.

CLIC Sargent Developments Limited manages the design and build of new Homes from Home and during 2018/2019 completed the construction of our new Homes from Home in Edinburgh and Southampton. The company had a turnover of £1,494,000 (2018: £665,000) and a net profit of £18,000 (2018: £425).

CLIC Sargent Lottery Limited holds lotteries and raffles on behalf of the charity. The company had a turnover of £217,000 (2018: £3,000) and net profit of £194,000 (2018: £3,000), all of which will be donated to the charity.

### Reserves

Free reserves comprise the total reserves available to the charity, less those reserves whose uses are restricted or else designated for specific purposes. Each year the Trustees review the policy for maintaining free reserves, taking into consideration the major risks faced by the charity, their likely impact on income and planned expenditure, and an assessment of the ways to mitigate such risks. A detailed review was performed during 2017/18 to ensure the reserves policy is fit for the future given the charity's current and forecast level of activity. As a result of this review the Trustees agreed a policy that would ensure the safeguarding of charitable commitments and the funding of operational expenditure, during a period of significant downturn. The reserves would also provide working capital and build a strategic fund for developments. The Trustees felt that in order to meet the objectives of this policy the charity should aim to build free reserves to between £3.8m and £6.0m, but with a temporary reduction in free reserves to £2.5m if agreed by the Board.

Total funds at 31 March 2019 amounted to £22.4m (2018: £20.4m), of which £1.9m (2018: £3.9m) was restricted to specific purposes and £17.3m (2018: £12.8m) was designated, with £3.2m (2018: £2.4m) set aside for specific future projects, mostly funded by our partnership with Morrisons, and the remainder representing fixed assets.

Free reserves at 31 March 2019 amounted to £3.2m (2018: £3.8m) which is £0.6m below our target level for free reserves. This level is expected to increase to be within the target

range during early 2019/2020 following the sale of a property in Prestwick (formerly Malcolm Sargent House) which completed in June 2019. The property was previously used as part of a holiday service for young cancer patients and their families. The decision to close the home was made in 2016 against the backdrop of a challenging fundraising environment, in order to ensure CLIC Sargent's financial health for the future, and to safeguard essential frontline services.

The Trustees continue to consider the balance of risk between financial resilience and investment in the development of activities and consider the temporary dip below our current level of free reserves appropriate for the current needs of the charity, as we have a robust financial plan for 2019/20 to bring reserves levels back within the policy range.

### Going concern

The charity's financial position and performance has been outlined in the financial review above. The Trustees have assessed projected future income, expenditure, and cash flows over the period to July 2020 and analysed the charity's reserves position and liquid assets and its ability to withstand a material decline in income. Consideration has been given to the stability, predictability and diversity of various income streams in making this assessment.

The Trustees have concluded that CLIC Sargent and its active trading subsidiaries, CLIC Sargent Promotions Limited, CLIC Sargent Developments Limited and CLIC Sargent Lottery Limited, have adequate resources to continue activities for the foreseeable future.

### Financial investments

The Finance Committee is responsible for overseeing the overall investment strategy and for the oversight of its implementation.

The Trustees have continued to adopt a conservative investment policy that seeks first to protect the reserves of the charity and, second, to achieve an appropriate return. During 2018/2019 the charity continued to hold liquid assets due to the prevailing market conditions. This approach is expected to be maintained during 2019/2020.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

CLIC Sargent Cancer Care for Children ("CLIC Sargent") is a registered charity in England and Wales (No. 1107328) and in Scotland (SC039857) and a company (No. 05273638) limited by member guarantee and is governed by revised Articles of Association adopted in June 2012.

Our Trustees, honorary presidents, vice presidents, ambassadors and senior executives of CLIC Sargent are listed within the Reference and Administrative section of the accounts.

As disclosed in note 9 to the Financial Statements, CLIC Sargent owns 100% of the issued share capital of CLIC Sargent Promotions Limited and CLIC Sargent Developments Limited. CLIC Sargent also has control over CLIC Sargent Lottery Limited. Information presented on the organisational structure below is based on the group and includes CLIC Sargent Promotions Limited, CLIC Sargent Developments Limited and CLIC Sargent Lottery Limited.

### The Board

The Board of Trustees for the charity and the Boards of Directors for CLIC Sargent and the subsidiaries ('the Board') are responsible for the overall governance of CLIC Sargent and meet at least four times each year. The number of Trustees cannot be fewer than six or more than 14. The governance of the charity is aligned with good governance practice as set out in the Charity Governance Code.

The Governance Committee is responsible for the selection and recruitment of new Trustees, using a transparent recruitment process with input from young people who have, or have had, cancer. All appointments are approved by the full Board. A skills audit is used to identify the skills, experience, characteristics and backgrounds that are needed to provide high-quality effective governance, and diversity is taken into account.

New Trustees are provided with a comprehensive induction pack with information about the charity and their role as a Trustee. New Trustees must also complete an induction programme which includes meetings with staff within different areas of the charity, site visits and safeguarding training. Any development needs that they may have during their time as a Trustee are discussed as

part of their appraisal with the Chair. Trustees also attend conferences such as the Trustee Exchange and a Trustee workshop is held each year, part of which is focused on Trustee development and Board effectiveness. Trustees are also provided with regular briefings and information about relevant events.

Trustees are initially appointed to a term of office of three years' duration and may be reappointed by the Board for a further term of office. A Trustee who has served for two consecutive terms shall remain out of office for at least one year unless the Board resolves by a two-thirds majority vote. A Chair of the Board shall be eligible to be reappointed for a third term as a Trustee. The Trustees may also determine that the term of office of the presiding Chair of the Board be extended for up to two years, save that if the term is so extended and they then cease to be the Chair, they would automatically cease to be a Trustee.

### Strategic management

The Board is responsible for setting an appropriate strategy for the charity. It also ensures that relevant performance measures are in place. The Trustee Board has delegated consideration of specific issues to four subcommittees, who then make recommendations to the Board. The Board receives regular reports on all aspects of the charity's work. The terms of reference for these committees are summarised below.

### Safeguarding Committee

The Safeguarding Committee is a subcommittee of the Board with responsibility for:

- Recommending safeguarding policy and procedures for approval by the Trustee Board to safeguard children, young people and vulnerable adults and to ensure that CLIC Sargent is compliant with the law, guidance and good practice
- Regularly reviewing and critically scrutinising management information, data and analysis about safeguarding and safeguarding concerns
- Ensuring that policies and procedures are fit for purpose and are implemented effectively to safeguard children, young people and vulnerable adults
- Conducting operational or themed reviews about any aspect of safeguarding policy or practice;



- Reviewing operational safeguarding risks and making recommendations to the Trustee Board for action and for consideration in its own review of strategic risks
- Ensuring that appropriate quality assurance processes for safeguarding are in place;
- Ensuring that a Safeguarding Annual Report is produced that provides the Trustee Board with relevant data and commentary about safeguarding across the charity.

### **Finance Committee**

The Finance Committee is a subcommittee of the Board, with responsibility for assisting the Board to discharge its duties in the following areas:

- Financial and operational performance and procedures
- Annual plans and budgets
- Longer-term financial modelling
- Investments
- Reserves.

Power to act for the charity on financial matters has been delegated to this committee by the Board.

### **Audit Committee**

The Audit Committee is a subcommittee of the Board with responsibility for monitoring and reviewing:

- The policies and processes for the identification, assessment and management of risks including financial control
- The charity's accounts to assess the integrity of financial reporting
- The scope, results and effectiveness of external and internal audit
- The independence of the external auditors, their range of non-audit services and fees
- That appropriate insurance policies are in place for the charity.

### **Governance Committee**

The Governance Committee is a sub-committee of the Board with responsibility for:

- Ensuring that the Board governance structure of CLIC Sargent is fit for purpose
- Monitoring and reviewing the composition of the Board of Trustees to ensure that the Board has the appropriate blend of skills and experience

- Leading the process of identifying and recruiting new Trustees
- Taking responsibility for Trustee induction, support and development, including ensuring that an effective performance appraisal programme is in place
- Reviewing staff and volunteer governance issues and, where necessary, making appropriate recommendations to the Board.

### **Chief Executive**

Authority to conduct CLIC Sargent's day-to-day activities is delegated to the Chief Executive, who is responsible for ensuring that the agreed strategy and policies are carried out. An Executive Team reports to the Chief Executive and meets fortnightly.

### **Remuneration policy for key management personnel**

The Executive Team are considered to be the key management personnel for the charity. Remuneration of our Executive Team is benchmarked against the external market every two years, using two or more salary surveys representing the third sector. The review involves consideration of salary survey data at the median along with economic indicators, affordability, competitiveness and retention of those in key roles. Options for Executive Team pay are then considered by our Governance Committee and agreed by the Board of Trustees.

## **EMPLOYEES AND VOLUNTEERS**

### **Employees**

In 2018/19 we invested in developing our management and leadership skills across the charity. We ran several development programmes across different levels, from middle management up to Associate Directors. These ranged from bespoke internal programmes to external accreditation, so that we can ensure our managers and leaders have the skills to confidently manage their teams and drive forward our vision for children and young people with cancer, and their families.

We focused on making things easier for our staff digitally, both in terms of improving the systems they use, and developing their skills and confidence to use them effectively. We held a Digital Summit which 85% of staff accessed either in person or digitally, where we talked about upcoming digital developments both for CLIC Sargent and the sector. We also provided training support for our new digital products, and moved some of our day-to-day processes to be managed through online self-service, so that our digital systems become an everyday part of what we do.

In order to be the best we can be for young cancer patients and their families, our people need to look after themselves too. Their wellbeing is integral to us maintaining a strong organisation. This year we set up a wellbeing working group, and conducted a survey to ask our staff about the areas of wellbeing most important to them, and where they would like more information and support. We're using this feedback to improve how we communicate about wellbeing and the resources we offer.

Diversity and inclusion remains a key commitment for us in everything we do, and we're at the start of a longer journey to improve the diversity of our workforce. This year, we updated our Equality, Diversity and Inclusion policy, and held open conversations between staff and our Executive Team about different areas of diversity, so that we can better understand what and how we could improve. We always work to ensure that no member of staff or job applicant receives less favourable treatment on the grounds of sex, sexual orientation, race, colour, nationality, ethnic or national origin, religion or philosophical belief, disability, gender identity/reassignment, marital status, family circumstance or age, or is disadvantaged by conditions or requirements that cannot be shown to be justifiable.

### **Our gender pay gap**

Our mean gender pay gap reduced from 11.1% to 8.7% in 2018, and our median pay gap reduced from 7.2% to 6.5%. The key factor affecting our gender pay gap remains the higher representation of women in our lower salaried roles, for example in social care and retail. We're pleased the gap is reducing, but we'll continue to focus on how we can do more. You can read the full report for 2018 at [www.clicsargent.org.uk/corporate/annual-accounts](http://www.clicsargent.org.uk/corporate/annual-accounts).

### **Volunteers**

Throughout 2018 and 2019 we've focused on developing the quality of the experience our volunteers have, the impact their roles have and the support they receive throughout their time with CLIC Sargent.

Over the year 1,500 individual volunteers have cheered, collected, shared their story on our behalf, given their professional services and kept our shops open. Some highlights include:

- The 500 volunteers who gave over 58,000 hours to keep our charity shops open and helped raise over £2.5 million for young lives against cancer
- The 460 volunteers who helped make this year's World Cancer Day the most successful one yet
- The small groups of volunteers who made sure our Homes from Home were decorated for Christmas
- Those who have volunteered their professional services, their skilled time, to help us access professional services through pro bono work and skilled volunteering.

Each of our volunteers contributes something special to CLIC Sargent and remains a very important part of our workforce.

### **Pensions**

CLIC Sargent operates a qualifying auto-enrolment, defined contribution pension scheme for our employees.

### **Disclosure of information to auditors**

With regard to the preparation of this Annual Report and Accounts:

- As far as each Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware
- Each Trustee has taken all of the steps that a Trustee might reasonably be expected to have taken to be aware of relevant audit information and to establish that the charity's auditors are aware of that information.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the accounts in accordance with applicable law and regulations. Company and charity law requires the Trustees to prepare accounts for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102) and applicable law.

Company law requires the Trustees to prepare financial statements for each financial year. Under company and charity law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group, and of the group's net incoming/outgoing resources for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles of the Charities SORP 2015
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the transactions of the charity and the group, and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the accounts comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have overall responsibility for ensuring that the charity has appropriate systems and controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Proper records are maintained and the financial information used within the charity, or for publication, is reliable
- The charity complies with relevant laws and regulations.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Executive Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

These include:

- A strategic plan and annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- Delegation of day-to-day management authority and segregation of duties
- Identification and management of risks.

This Annual Report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, has been approved by the Trustees including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on their behalf by:



**Peter Hollins**  
Chair

Date: 25 July 2019

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF CLIC SARGENT

## Opinion

We have audited the financial statements of CLIC Sargent for the year ended 31 March 2019 which comprises the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees 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, the charitable company's members as a body and the charitable company's Trustees 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 group's and the charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources 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 Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (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 in the financial statements section of our report. We are independent of the group 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
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 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 annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether

the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- The information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' 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 require us to report to you if, in our opinion:

- Adequate and proper accounting records have not been kept
- 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
- We have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on pages 27 and 28, 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 group's or 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 the Acts and relevant regulations made or having effect thereunder.

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

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](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.



**Guy Biggin**  
**Senior Statutory Auditor**

For and on behalf of  
**Crowe U.K. LLP**  
Carrick House, Lypiatt Road, Cheltenham,  
Gloucestershire GL50 2QJ

Date: 5 September 2019

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

For the year ending 31 March 2019

	Notes	Unrestricted funds	Restricted funds	2019	2018
		£'000	£'000	£'000	£'000
<b>Income from:</b>					
<b>Donations and legacies</b>					
Donations and other voluntary income	2	15,610	3,157	18,767	18,774
Legacies	2	3,970	30	4,000	3,356
<b>Other trading activities</b>					
Retail trading	2	2,670	-	2,670	2,611
Fundraising trading	2	1,526	204	1,730	1,471
Lottery income	3	2,313	-	2,313	2,550
<b>Investments</b>		9	-	9	5
<b>Other</b>	4	60	-	60	117
<b>Total income</b>		26,158	3,391	29,549	28,884
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Donations and legacies	2	9,637	-	9,637	8,691
Retail trading	2	2,719	-	2,719	2,543
Fundraising trading	2	613	-	613	667
		12,969	-	12,969	11,901
<b>Net income available for charitable activities</b>		13,189	3,391	16,580	16,983
<b>Charitable activities:</b>					
When the doctor says cancer		2,267	201	2,468	2,410
There's no place like home		4,365	739	5,104	4,773
Helping young lives thrive, not just survive		1,262	486	1,748	1,635
Cancer costs		3,253	596	3,849	3,558
When a child dies		647	76	723	653
Making change happen		729	34	763	627
<b>Total direct charitable expenditure</b>	6	12,523	2,132	14,655	13,656
<b>Total expenditure</b>	6	25,492	2,132	27,624	25,557
<b>Net income/(expenditure)</b>	5	666	1,259	1,925	3,327
Transfers between funds	17,19	3,275	(3,275)	-	-
<b>Net movement between funds</b>		3,941	(2,016)	1,925	3,327
Total funds brought forward	17,19	16,579	3,863	20,442	17,115
<b>Total funds carried forward</b>		20,520	1,847	22,367	20,442

All amounts shown above relate to continuing operations.

Fund comparatives are provided in last year's Consolidated Statement of Financial Activities on the next page.

Notes 1 to 26 on the following pages form part of these financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

For the year ending 31 March 2019

	Notes	Unrestricted funds	Restricted funds	2018
		£'000	£'000	£'000
<b>Income from:</b>				
<b>Donations and legacies</b>				
Donations and other voluntary income	2	15,969	2,805	18,774
Legacies	2	2,911	445	3,356
<b>Other trading activities</b>				
Retail trading		2,611	-	2,611
Fundraising trading	2	1,469	2	1,471
Lottery income	3	2,550	-	2,550
<b>Investments</b>		5	-	5
<b>Other</b>	4	117	-	117
<b>Total income</b>		<b>25,632</b>	<b>3,252</b>	<b>28,884</b>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Donations and legacies	2	8,691	-	8,691
Retail trading		2,543	-	2,543
Fundraising trading	2	667	-	667
		11,901	-	11,901
<b>Net income available for charitable activities</b>		<b>13,731</b>	<b>3,252</b>	<b>16,983</b>
<b>Charitable activities:</b>				
When the doctor says cancer		2,140	270	2,410
There's no place like home		4,167	606	4,773
Helping young lives thrive, not just survive		1,382	253	1,635
Cancer costs		2,781	777	3,558
When a child dies		536	117	653
Making change happen		571	56	627
<b>Total direct charitable expenditure</b>		<b>11,577</b>	<b>2,079</b>	<b>13,656</b>
<b>Total expenditure</b>	6	<b>23,478</b>	<b>2,079</b>	<b>25,557</b>
<b>Net income/(expenditure)</b>	5	<b>2,154</b>	<b>1,173</b>	<b>3,327</b>
Transfers between funds		-	-	-
<b>Net movement between funds</b>		<b>2,154</b>	<b>1,173</b>	<b>3,327</b>
Total funds brought forward		14,425	2,690	17,115
<b>Total funds carried forward</b>		<b>16,579</b>	<b>3,863</b>	<b>20,442</b>

All amounts shown above relate to continuing operations.  
Notes 1 to 26 on the following pages form part of these financial statements.



## BALANCE SHEETS

As at 31 March 2019

Company number: 05273638

	Notes	Group		Charity	
		2019	2018	2019	2018
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible fixed assets	10	13,984	13,209	13,937	13,159
Investments	11a	-	-	147	150
		<b>13,984</b>	<b>13,209</b>	<b>14,084</b>	<b>13,309</b>
<b>Current assets</b>					
Investment assets	11b	14	14	14	14
Stock	12	64	75	-	-
Debtors	13	6,354	4,542	6,485	4,760
Cash at bank and in hand		4,803	5,664	4,466	5,340
		<b>11,235</b>	<b>10,295</b>	<b>10,965</b>	<b>10,114</b>
<b>Creditors</b>					
Amounts falling due within one year	14	(2,789)	(2,980)	(2,619)	(2,899)
Net current assets		<b>8,446</b>	<b>7,315</b>	<b>8,346</b>	<b>7,215</b>
<b>Creditors</b>					
Amounts falling due after one year	15	(63)	(82)	(63)	(82)
<b>Net assets</b>	<b>16</b>	<b>22,367</b>	<b>20,442</b>	<b>22,367</b>	<b>20,442</b>
<b>The funds of the charity</b>					
<b>Restricted income funds</b>	17	<b>1,847</b>	<b>3,863</b>	<b>1,847</b>	<b>3,863</b>
<b>Unrestricted funds</b>					
Free reserves	19	3,249	3,801	3,249	3,801
Designated funds	19	17,271	12,778	17,271	12,778
<b>Total charity funds</b>		<b>22,367</b>	<b>20,442</b>	<b>22,367</b>	<b>20,442</b>

The parent charity's income was £29.4 million (2018: £28.7 million) and expenditure was £27.5 million (2018: £25.4 million) resulting in a surplus of £1.9 million (2018: £3.3 million).

These financial statements were approved by the Board of Trustees and authorised for issue on 25 July 2019.



**Peter Hollins**  
Chair



**Graham Clarke MBA, FCMA, CGMA**  
Treasurer

Notes 1 to 26 on the following pages form part of these financial statements.

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ending 31 March 2019

	Notes	2019		2018	
		£'000	£'000	£'000	£'000
<b>Net cash provided by/(used in) operating activities</b>	22		320		2,233
<b>Cash flows from investing activities</b>					
Interest received		9		5	
Net sales proceeds from the sale of fixed assets		951		21	
Purchase of property, plant and equipment	10	(2,141)		(1,522)	
<b>Net cash provided by/(used in) investing activities</b>			<b>(1,181)</b>		<b>(1,496)</b>
<b>Change in cash and cash equivalents for the year</b>	23		<b>(861)</b>		<b>737</b>
<b>Cash and cash equivalents at the beginning of the year</b>	23		<b>5,664</b>		<b>4,927</b>
<b>Cash and cash equivalents at the end of the year</b>	23		<b>4,803</b>		<b>5,664</b>

Notes 1 to 26 on the following pages form part of these financial statements.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019

### 1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### (a) Basis of accounting and going concern

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) and the Companies Act 2006.

CLIC Sargent Cancer Care for Children (“the charity” or “the parent”) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

After making enquiries, the Trustees are satisfied that there are no material uncertainties about the charity’s ability to continue as a going concern for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts as outlined in the Trustees’ Report.

#### (b) Group financial statements

The group financial statements consolidate the results of the parent and its non-dormant subsidiaries, CLIC Sargent Promotions Limited, CLIC Sargent Developments Limited and CLIC Sargent Lottery Limited (see Note 9), on a line by line basis. All intra-group transactions are fully eliminated on consolidation in the group results.

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity’s activities. No separate SOFA has been presented for the charity alone as permitted by Section 480 of the Companies Act 2006. The net result of the parent (the charity) is shown on the Balance Sheet.

The charity is a qualifying entity as defined in FRS 102 and therefore has taken advantage of the exemptions in FRS 102 from the requirement to present a charity-only cashflow statement.

#### (c) Legal status

CLIC Sargent Cancer Care for Children was incorporated in the United Kingdom as a company limited by guarantee (company no. 05273638). The entity is also a registered charity in England and Wales (charity no. 1107328) and Scotland (charity no. SC039857). The principle and registered office is shown on page 63.

The members of the company are the Trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### (d) Estimates and judgements

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Valuation of legacy income where cash is not yet received: see accounting policy (g) below for details of the judgement applied
- Valuation of provision for unfunded pension costs: see accounting policy (s) below for the judgement and estimates of future costs applied
- Allocation of support costs to Cost of Raising Funds and Charitable Activities: see accounting policy (k) below for details of the estimated consumption of support costs applied
- Valuation of tangible fixed assets: see accounting policy (l) below for details of the estimate of useful economic lives applied
- Valuation of debtors and creditors: see accounting policy (p) below for details of the judgement applied.

#### (e) Taxation

The company, which is a registered charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes. There are no taxation losses for the subsidiary companies as all of the taxable profits are gifted to the parent charity.

#### (f) Funds

**Restricted funds** are funds on which donors have imposed specific restrictions or which have been raised for particular purposes. The aim and use of each restricted fund is set out in Note 17.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 1. Accounting policies (continued)

**Designated funds** represent unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in Note 19.

**Free reserves** are available for use at the discretion of the Trustees in pursuit of the general objectives of the charity.

#### (g) Income and deferred income

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

**Legacy income** is recognised when there is a grant of probate, the executors have established there are sufficient funds to distribute income from the estate, the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the charity.

**Income from grants**, whether capital or revenue in nature, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Grant income will be deferred if received in advance of meeting performance conditions or if the donor specifically states that the income must be spent in a future accounting period.

**Contractual income** is recognised when the goods or services as specified by the contract are delivered by the charity. This income is treated as unrestricted in the accounts.

**Income relating** to events is recognised in the period in which the event occurs.

**Donations** comprise gifts that will not provide any return to the donor other than the knowledge that someone will benefit from the donation. Income from donations includes gifts that must be spent on some particular area of work (ie restricted income funds). Donations include gifts in kind and donated services (see accounting policy (h) below).

**Income from other trading activities** includes income earned from both trading activities to raise funds for the charity and income from fundraising events. To fall within this analysis heading, the income must be received in exchange for supplying goods and services in order to raise funds for the charity.

**Lottery income** includes amounts raised from raffles and lotteries, including proceeds for lotteries held by People's Postcode Lottery (PPL). Fees and expenses for PPL lotteries are determined by PPL and CLIC Sargent receive proceeds net of costs, hence income is recognised on a net basis.

**Other income** includes profit from the sale of fixed assets and contractual income earned from our services that is immaterial and therefore classified as other income.

**Deferred income** consists of cash received by the charity, where the income recognition criteria has not been met because entitlement to the income does not exist at the balance sheet date. Deferred income is not recognised in the SOFA until the charity is entitled to the income. Instead, deferred income is disclosed as a liability in the balance sheet.

#### (h) Donated services and facilities

The charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. These are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report.

In addition many individuals, companies and organisations provide facilities, equipment and services such as advertising free of charge. The charity recognises, where possible, the value of the gift, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. A corresponding amount is then recognised in expenditure in the period of receipt.

Items donated for resale are included in shop income when sold and no value is placed on stock at the year end. These items are not recognised in the accounts on receipt as it is impractical to do so given the high volume of low-value items received by the charity and the absence of a sophisticated stock control system to assist with documenting and valuing donated stock held. The Trustees consider that the cost of implementing such a system would outweigh the benefits. High - value items of donated stock (with an individual value of £1,000 or more) are recognised on receipt if the income recognition criteria is met.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 1. Accounting policies (continued)

#### (i) Expenditure recognition and irrecoverable VAT

Liabilities are recognised when the charity has a legal or constructive obligation to make 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:

**Expenditure on raising funds** includes all expenditure (salaries, direct costs and overheads) incurred by the charity and its subsidiaries to raise funds for its charitable purposes. It includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

**Costs allocated to fundraising trading** are those relating to our major events, challenge events and other non-charitable trading activities such as cause-related marketing undertaken with our corporate partners.

**Expenditure allocated to retail trading** relates to the costs of running the charity's shops, recycling and product marketing activities.

**All other expenditure on raising funds** relates to the cost of bringing in donations and legacies.

**Expenditure on charitable activities** includes all costs incurred by the charity in undertaking activities that further its charitable aims.

**Governance costs** include expenditure incurred for and by the Board necessary for the strategic oversight of the charity.

**Irrecoverable VAT and termination payments** are accounted for in the period an obligation is made or liability incurred and are charged against the relevant activity.

#### (j) Grants payable

CLIC Sargent care grants are available to children, young people and their families who meet the eligibility criteria for registration with the charity. The need for financial support must be related to the child's illness and to support additional expenses incurred. CLIC Sargent does not pay costs of treatment, medical equipment, therapies or school fees.

Grants to children, young people and their families are charged in the year when the offer is conveyed to the recipient. These grants are not subject to conditions being fulfilled once the eligibility criteria has been satisfied.

Occasionally, grants are awarded to other third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

#### (k) Expenditure allocation including support costs

All expenditure is accounted for on an accruals basis and has been classified to expenditure categories on a direct basis where appropriate or allocated in line with managerial and budgetary responsibilities using several criteria, which include headcount and activity

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include IT support, finance, personnel, payroll and governance costs which support the Charity's services and fundraising activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Costs have been allocated across each cost category on the basis of head count and activity.

#### (l) Tangible and intangible assets

Individual items costing £2,000 or more are capitalised at cost. Where an item is below £2,000, but is combined with other items as part of a project or to create an asset, these items will be capitalised if the collective value is greater than £2,000. Property which is gifted to the charity is held at valuation and reviewed for impairment.

Depreciation is provided on all tangible fixed assets using a straight line basis over their expected useful economic lives as follows:

<b>Land</b>	<b>nil</b>
<b>Freehold property</b>	<b>50 years</b>
<b>Furniture and fittings</b>	<b>3 to 5 years</b>
<b>Motor vehicles</b>	<b>4 years</b>

Assets under construction represent those assets that are undergoing improvements prior to being made operational. During this phase no depreciation is charged.

Fixed assets are subject to periodic review for impairment where there is an indication of a reduction in their carrying value. Any significant impairment is recognised in the consolidated SOFA in the year in which it occurs.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 1. Accounting policies (continued)

Intangible assets are stated at cost less accumulated amortisation. Amortisation is provided on all intangible assets using a straight-line basis over their expected useful economic life of 3-5 years.

#### (m) Investments

All the charity's investments are made in accordance with the powers contained within the Memorandum and Articles of Association.

**Commercial investments** are initially stated at purchase value and then are restated at market value at the end of each financial year. Where it is the intention to realise an investment asset without reinvestment of the sale proceeds, the investment asset is classified as a current asset investment. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA. The historical cost of commercial investments is shown in the notes to the accounts.

**Cash held on long-term deposit** is cash on deposit and cash equivalents with a maturity of three months or more held for investment purposes rather than to meet short-term cash commitments as they fall due.

**Investment properties** relate to shops owned by the charity that are used in part by CLIC Sargent Promotions Limited to undertake trading activities via the sale of new merchandise. A percentage of trading income relative to total income is calculated for each shop and applied to the book value to calculate the value of investment properties for the charity balance sheet. The cost of obtaining professional valuations to support the value of investment properties far outweighs the benefit, and hence no revaluation is performed.

#### (n) Stock

Stock consists of purchased goods for resale and is valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the accounts until they are distributed or sold (see accounting policy (h) for further information).

#### (o) Cash at bank and in hand

Cash at bank and cash in hand includes petty cash, and cash in bank accounts and short-term deposit accounts with a maturity of three months or less from the date of opening the account.

#### (p) Debtors, creditors and provisions

Debtors with the exception of prepayments are those amounts that satisfy the income recognition policy at (g) above, recognised at the settlement amount due, where funds have not been received at the year end.

Prepayments are expenditure paid in the current financial year relating to costs to be incurred in a future accounting period. These are valued at the amount prepaid net of any trade discounts due.

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.

Debtors and creditors are reviewed at the year-end for evidence of required impairment to their settlement value.

#### (q) Dilapidations policy

An annual dilapidations liability assessment is undertaken and a provision is included in the financial statements for those properties where we expect to terminate the lease within 12 months of the year end.

#### (r) Financial instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity also has a small holding of commercial investments measured at market value. Further information is provided in Note 25.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 1. Accounting policies (continued)

#### (s) Pension costs and discounting to present value

The charity contributes to defined contribution personal pension schemes on behalf of its employees. The amount charged in the SOFA represents the contributions payable to the schemes in respect of the current accounting period. Costs are allocated to activities in line with wages costs.

The charity also has an obligation to provide one unfunded pension. This has been included under creditors falling due after one year. Full disclosure has not been reflected in the accounts as the Trustees consider this to be immaterial against the costs of undertaking a full actuarial valuation. Instead, the Trustees regularly seek a market quotation of the cost to provide these pensions. The value obtained is then discounted so that the accounts represent what the liability is actually worth to the charity in today's money (present value). The amount is discounted using the best interest rate earned on the charity's funds and assumed mortality rates used for the quotation.

#### (t) Finance and operating leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Rentals applicable to operating leases are charged to the accounts on a straight line basis over the lease term. Where an operating lease becomes an onerous contract, for example when the charity leases a property which it subsequently leaves unused and the property cannot be sub-let to recover its costs, the charity will recognise all irrecoverable costs immediately.

Assets purchased under finance leases are capitalised as fixed assets. Obligations relating to these agreements are included under creditors in the balance sheet. The difference between the capitalised costs and the total obligation under the leases represents the finance charges. Finance charges are recognised in the accounts at a constant rate over the lease term.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 2. Net fundraising income

During the year, donations and legacies increased by £0.6 million (2018: increase of £1.3 million), mainly due to an increase in legacies received of £600k.

Net fundraising income, including trading income, for the group is as follows:

	Unrestricted	Restricted	2019	2018
	£'000	£'000	£'000	£'000
<b>Donations and legacies</b>				
Donations	15,222	2,208	<b>17,430</b>	17,335
Grants	163	949	<b>1,112</b>	1,242
Gifts in Kind	225	-	<b>225</b>	196
Legacies	3,970	30	<b>4,000</b>	3,356
<b>Total donations and legacies</b>	<b>19,580</b>	<b>3,187</b>	<b>22,767</b>	22,129
<b>Retail trading income</b>	<b>2,670</b>	-	<b>2,670</b>	2,611
<b>Lottery income</b>	<b>2,313</b>	-	<b>2,313</b>	2,550
<b>Fundraising trading income</b>				
Major fundraising events	314	194	<b>508</b>	718
Challenge events	317	10	<b>327</b>	406
Other fundraising trading income	895	-	<b>895</b>	347
<b>Total fundraising trading income</b>	<b>1,526</b>	<b>204</b>	<b>1,730</b>	1,471
<b>Total fundraising income</b>	<b>26,089</b>	<b>3,391</b>	<b>29,480</b>	28,761
<b>Less: donations and legacies' costs</b>	(9,637)	-	<b>(9,637)</b>	(8,691)
<b>Less: retail trading costs</b>	(2,719)	-	<b>(2,719)</b>	(2,543)
<b>Less: fundraising trading costs</b>				
Major fundraising events	(330)	-	<b>(330)</b>	(318)
Challenge events	(233)	-	<b>(233)</b>	(327)
Other fundraising trading expenditure	(50)	-	<b>(50)</b>	(22)
	(613)	-	<b>(613)</b>	(667)
<b>Total fundraising expenditure</b>	<b>(12,969)</b>	-	<b>(12,969)</b>	(11,901)
<b>Net fundraising income</b>	<b>13,120</b>	<b>3,391</b>	<b>16,511</b>	16,860



## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 3. Lottery

Supported by players of



Lottery income is all unrestricted. Amounts received for lotteries were as follows:

	People's Postcode Lottery	Other	2019	2018
	£'000	£'000	£'000	£'000
Gross proceeds	6,083	1,830	7,913	9,004
Expenses	(1,709)	(890)	(2,599)	(2,867)
Prize fund	(2,427)	(574)	(3,001)	(3,587)
Net proceeds received by the charity	1,947	366	2,313	2,550

See Note 1 (g) for further information on lottery income. Expenses are incurred by People's Postcode Lottery and other external lottery providers on behalf of the charity.

### 4. Other income

	Unrestricted	Restricted	2019	2018
	£'000	£'000	£'000	£'000
Profit on the sale of fixed assets	1	-	1	-
Other income	59	-	59	117
	60	-	60	117

### 5. Net income/(expenditure)

	2019	2018
	£'000	£'000
<b>This is stated after charging/(crediting):</b>		
Depreciation	408	387
Loss on the disposal of fixed assets	7	-
<b>Payments under operating leases:</b>		
Land and buildings	522	787
Other	24	14
<b>Auditor's remuneration</b>	<b>25</b>	<b>21</b>

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 6. Analysis of total expenditure

	Direct and indirect staff costs (Note 8)	Direct non-staff costs	Indirect non-staff costs (Note 7)	2019	2018
	£'000	£'000	£'000	£'000	£'000
<b>Cost of generating funds:</b>					
Fundraising costs	4,282	4,827	528	9,637	8,691
Retail trading	1,385	1,038	296	2,719	2,543
Fundraising trading	361	218	34	613	667
	6,028	6,083	858	12,969	11,901
<b>Charitable expenditure:</b>					
When the doctor says cancer	2,107	170	191	2,468	2,410
There's no place like home	3,465	1,236	403	5,104	4,773
Helping young lives thrive, not just survive	1,517	96	135	1,748	1,635
Cancer costs	1,837	1,711	301	3,849	3,558
When a child dies	620	46	57	723	653
Making change happen	520	183	60	763	627
	10,066	3,442	1,147	14,655	13,656
<b>Total expenditure</b>	16,094	9,525	2,005	27,624	25,557

The direct and indirect staff costs above include the allocation of salaries for support staff.

In addition to the above, charitable expenditure of £1.6 million was incurred during the year on the development of two new Homes from Home, shown within assets under construction (see Note 10).

### 7. Analysis of support costs

Support costs	Office services	Corporate	Finance	IT	HR	Governance	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost of generating funds:</b>								
Fundraising costs	275	10	13	121	88	21	528	524
Retail trading	155	5	7	68	49	12	296	261
Fundraising trading	17	1	1	8	6	1	34	30
	447	16	21	197	143	34	858	815
<b>Charitable expenditure:</b>								
When the doctor says cancer	100	15	5	43	20	8	191	191
There's no place like home	204	33	10	95	44	17	403	385
Helping young lives thrive, not just survive	71	11	3	31	14	5	135	130
Cancer costs	159	24	7	68	31	12	301	285
When a child dies	32	4	1	12	6	2	57	52
Making change happen	33	5	1	13	6	2	60	50
	599	92	27	262	121	46	1,147	1,093
<b>Total support costs</b>	1,046	108	48	459	264	80	2,005	1,908

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 8. Employees

Group and charity	Employed**	Funded*	2019	2018
	£'000	£'000	£'000	£'000
<b>Staff costs consist of:</b>				
Wages and salaries	12,347	986	<b>13,333</b>	12,702
Social security costs	1,207	110	<b>1,317</b>	1,257
Pension costs	1,349	95	<b>1,444</b>	1,266
	<b>14,903</b>	<b>1,191</b>	<b>16,094</b>	15,225

The average number of employees on full-time equivalent basis during the year was as follows:

Group and charity	2019	2018
	No.	No.
Fundraising	112	116
Direct service provision – employed	164	163
Direct service provision – funded *	63	65
Corporate support services	88	78
Retail trading	59	54
	<b>486</b>	476

The average number of staff employed during the year was 549 (2018: 535).

\*Funded employees represent staff in CLIC Sargent care teams who are funded by CLIC Sargent but are employed by local authorities or by health trusts. The total cost of funded posts in 2018 was £1.26 million.

\*\*Employed costs include capitalised salaries.

During the year the charity made payments to employees of £40,010 (2018: £31,710) in relation to redundancy and termination payments, of which £4,101 (2018: £24,087) was unpaid at year-end.

Group and charity	2019	2018
	No.	No.
<b>Higher paid employees:</b>		
<b>Employees receiving annual gross salaries in the following range:</b>		
£60,000 to £70,000	7	3
£70,001 to £80,000	-	2
£80,001 to £90,000	1	1
£90,001 to £100,000	2	1
£100,001 to £110,000	-	-
£110,001 to £120,000	-	1
£120,001 to £130,000	1	-

The Chief Executive received a salary of £122,782, excluding employer pension and national insurance contributions.

The Charity is currently in the middle of a three year restructure of leadership and management. This has led to a slight increase in the seniority of posts, as can be seen in the higher paid disclosure above, but overall there are now fewer senior posts and less salary cost.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 8. Employees (continued)

#### Key management personnel:

We consider the directors (our Executive) to be the key management personnel for the charity.

Group and charity	2019	2018
	£'000	£'000
<b>Key management personnel costs for the charity and group consist of:</b>		
Wages and salaries	432	461
Social security costs	53	54
Pension costs	31	30
	516	545

#### Trustees' remuneration and expenses

None of the members of the Board of Trustees received any remuneration. During the year, 14 Trustees (2018: 14) received reimbursements of travel and subsistence expenditure amounting to £8,892 (2018: £6,844).

### 9. Subsidiary companies

The charity owns 100% of the issued share capital of CLIC Sargent Promotions Limited and CLIC Sargent Developments Limited. Additionally the charity controls the board of CLIC Sargent Lottery Limited, incorporated on 26 May 2018, and therefore the results are consolidated within these accounts. All of these companies are incorporated in the United Kingdom.

CLIC Sargent Promotions Limited (company number 00957520) buys new merchandise for resale and receives cause-related marketing income from corporate partners for the benefit of the charity.

CLIC Sargent Developments Limited (company number 09106476) manages the design and build of new Homes from Home on behalf of the charity.

CLIC Sargent Lottery Limited (company number 10791106) holds lotteries and raffles on behalf of the charity.

A summary of CLIC Sargent Promotions Limited's trading results for the year ended 31 March 2019 is as follows:

	2019	2018
	£'000	£'000
Turnover	1,638	839
Cost of sales	(179)	(144)
Gross profit	1,459	695
Administration expenses	(314)	(163)
Gift Aid donation to the charity	(1,145)	(532)
Operating profit/(loss) for the financial year	-	-
Other income	-	-
<b>Profit/(loss) for the year</b>	-	-
<b>Balance brought forward at beginning of year</b>	-	-
<b>Balance carried forward at end of year</b>	-	-
Total assets	1,145	352
Total liabilities	(1,045)	(252)
<b>Net assets at 31 March 2019</b>	<b>100</b>	<b>100</b>

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 9. Subsidiary companies (continued)

A summary of CLIC Sargent Developments Limited's trading results for the year ended 31 March 2019 is as follows:

	2019	2018
	£'000	£'000
Turnover	1,494	665
Cost of sales	(1,465)	(652)
Gross profit	29	13
Administration expenses	(12)	(12)
Gift Aid donation to the charity	(16)	-
Operating profit/(loss) for the financial year	1	1
Other income	-	-
<b>Profit / (loss) for the year</b>	<b>1</b>	<b>1</b>
<b>Balance brought forward at beginning of year</b>	<b>(1)</b>	<b>(2)</b>
<b>Balance carried forward at end of year</b>	<b>-</b>	<b>(1)</b>
Total assets	125	399
Total liabilities	(125)	(400)
<b>Net assets/ (liabilities) at 31 March 2019</b>	<b>-</b>	<b>(1)</b>

A summary of CLIC Sargent Lottery Limited's trading results for the year ended 31 March 2019 is as follows:

	2019	2018
	£'000	£'000
Turnover	217	3
Cost of sales	-	-
Gift Aid donation to the charity	(193)	(3)
Operating profit/(loss) for the financial year	-	-
Other income	-	-
<b>Profit/(loss) for the year</b>	<b>-</b>	<b>-</b>
<b>Balance brought forward at beginning of year</b>	<b>-</b>	<b>-</b>
<b>Balance carried forward at end of year</b>	<b>-</b>	<b>-</b>
Total assets	2	3
Total liabilities	(2)	(3)
<b>Net assets at 31 March 2019</b>	<b>-</b>	<b>-</b>

The two former charities, Sargent Cancer Care for Children (charity number: 1085616, company number: 04173873) and CLIC – Cancer and Leukaemia in Childhood (charity number: 802396, company number: 02397331), are both companies limited by guarantee. They are dormant 100% subsidiaries of CLIC Sargent.

The charity is also trustee of the following three unincorporated dormant charities:

Cancer and Leukaemia in Childhood Trust  
CLIC UK  
CLIC International

All of the subsidiary companies have the same registered office address as the parent charity, shown on the final page.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 10. Tangible fixed assets

Group	Land	Freehold property	Assets under construction	Fixtures and fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
At 31 March 2018	2,612	9,438	2,129	1,968	13	16,160
Additions	7	98	1,590	446	-	2,141
Disposals	-	(950)	-	(32)	-	(982)
Transfer between classes	1,240	2,479	(3,719)	-	-	-
<b>At 31 March 2019</b>	<b>3,859</b>	<b>11,065</b>	<b>-</b>	<b>2,382</b>	<b>13</b>	<b>17,319</b>
<b>Depreciation</b>						
At 31 March 2018	-	1,428	-	1,510	13	2,951
Charge for year	-	167	-	241	-	408
Disposals	-	-	-	(24)	-	(24)
<b>At 31 March 2019</b>	<b>-</b>	<b>1,595</b>	<b>-</b>	<b>1,727</b>	<b>13</b>	<b>3,335</b>
<b>Net book value</b>						
<b>At 31 March 2019</b>	<b>3,859</b>	<b>9,470</b>	<b>-</b>	<b>655</b>	<b>-</b>	<b>13,984</b>
<i>At 31 March 2018</i>	<i>2,612</i>	<i>8,010</i>	<i>2,129</i>	<i>458</i>	<i>-</i>	<i>13,209</i>

### Charity

The charity owns all of the assets of the group. However some of the shops owned by the charity are partially occupied by CLIC Sargent Promotions Limited for the sale of new merchandise. £46,722 (2018: £50,000) of the net book value of the shops has been reclassified as investment property on the basis of trading income as a percentage of total shops income (see Note 11a).

The net book value of the fixed assets of the charity is £46,722 (2018: £50,000) less than the group total above, giving a total of £13,937,000 (2018: £13,159,000).

The fixtures and fittings above include intangible assets such as the website, totalling £221,305 (2018: £21,605). The cost of these intangible assets totals £450,662 (2018: £209,070).

A legal charge for an overdraft facility of £1 million (2018: £nil) is secured over Paul's House, Huntley Street, London, which has a net book value of £2.44 million. The facility was unused during the year.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 11. Investments

		Group		Charity	
		2019	2018	2019	2018
(a) Fixed asset investments		£'000	£'000	£'000	£'000
Charity investment in subsidiaries		-	-	100	100
Investment properties	Note 10	-	-	47	50
		-	-	147	150

The charity has a £100,001 investment in the subsidiaries CLIC Promotions (£100,000) and CLIC Developments (£1).

### (b) Current asset investments

Group and charity	Listed investments	Total
	£'000	£'000
Market value at 1 April 2018 and at 31 March 2019	14	14
Historical cost	24	24

It is the intention to sell shares in commercial investments in the near future. Sales proceeds will not be reinvested in new investments.

### (c) Investments in subsidiaries (see Note 9)

Subsidiary name	% Share	Trading activity
a) CLIC Sargent Promotions Limited	100%	Buys new merchandise for resale and receives corporate advertising income.
b) CLIC Sargent Developments Limited	100%	Manages the design and build of new charitable services properties.
c) CLIC Sargent Lottery Limited	N/A	Set up to run lotteries and raffles on behalf of the parent charity. This is a company limited by guarantee with no share capital but is controlled by the parent charity.
c) Sargent Cancer Care for Children	100%	Dormant
d) CLIC-Cancer and Leukaemia in Childhood	100%	Dormant

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 12. Stock

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Shop inventories	64	75	-	-

### 13. Debtors

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Other debtors	744	317	248	295
Amounts owed by group undertakings	-	-	976	240
Prepayments and accrued income	5,610	4,225	5,261	4,225
	6,354	4,542	6,485	4,760

### 14. Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade creditors	778	1,084	730	725
Amounts owed to group undertakings	-	-	-	331
Taxation and social security	313	306	313	306
Accruals	1,222	996	1,100	943
Deferred income*	476	594	476	594
	2,789	2,980	2,619	2,899

\* Deferred income relates to income received in advance of events occurring in future periods. £476,000 will be treated as income in next year's accounts. The prior year balance was released to income in full during 2018/2019

### 15. Creditors: amounts falling due after one year

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Unfunded pension obligation	63	82	63	82



## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 16. Analysis of net assets between funds

Fund balances at 31 March 2019 are represented by:

Group	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000
Tangible fixed assets	13,984	-	13,984
Net current assets	6,599	1,847	8,446
Long-term liabilities	(63)	-	(63)
<b>Net assets</b>	<b>20,520</b>	<b>1,847</b>	<b>22,367</b>

Fund balances at 31 March 2018 are represented by:

Group	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000
Tangible fixed assets	10,360	2,849	13,209
Net current assets	6,301	1,014	7,315
Long-term liabilities	(82)	-	(82)
<b>Net assets</b>	<b>16,579</b>	<b>3,863</b>	<b>20,442</b>

### 17. Restricted funds

Restricted funds at 31 March 2019 are represented by:

Group and charity	Balance 01 April 2018	Income	Expenditure	Transfers between funds	Balance 31 March 2019
	£'000	£'000	£'000	£'000	£'000
London Home from Home	-	155	-	202	357
Edinburgh Home from Home	2,480	188	-	(2,668)	-
Southampton Home from Home	756	521	-	(1,277)	-
Newcastle Home From Home	-	750	-	-	750
Manchester Home from Home	-	-	-	539	539
Scotland - No Place Like Home Programme	-	42	(366)	326	2
Residential resource	264	141	(142)	(263)	-
Care teams	356	357	(489)	(134)	90
Grants	6	384	(370)	-	20
Thrive Not Just Survive	-	367	(281)	-	86
Projects	1	41	(39)	-	3
Programmes	-	275	(275)	-	-
Regional	-	170	(170)	-	-
	3,863	3,391	(2,132)	(3,275)	1,847

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 17. Restricted funds (continued)

Restricted funds at 31 March 2018 are represented by:

Group and charity	Balance 01 April 2017	Income	Expenditure	Transfers between funds	Balance 31 March 2018
	£4'000	£'000	£'000	£'000	£'000
Northern Ireland Home	-	26	(26)	-	-
Edinburgh Home from Home	1,682	798	-	-	2,480
Southampton Home from Home	690	66	-	-	756
Residential resource	-	299	(35)	-	264
Care teams	288	716	(648)	-	356
Grants	12	396	(402)	-	6
Projects	19	109	(127)	-	1
Programmes	-	358	(358)	-	-
Regional	-	483	(483)	-	-
	2,691	3,251	(2,079)	-	3,863

### 17. Restricted funds (continued)

**London Home from Home Fund** represents restricted funds for major development work on our Home from Home in London.

**Edinburgh Home from Home Fund** is for the acquisition and re-development of a new Home from Home in Edinburgh, Ciaran's House, which was completed and opened in 2018/19. Site and construction costs were transferred from assets under construction to Freehold Property and Land during the year (Note 10). As the new Home from Home was completed during the year and the restriction criteria was met, the fund balance was transferred to the designated fixed asset reserve.

**Southampton Home from Home Fund** is for the acquisition and re-development of a new Home from Home in Southampton, Jean's House, for which the site was purchased during 2017/2018 and construction completed in 2018/19. This replaced our existing Home from Home in Southampton. Site and construction costs were transferred from assets under construction to Freehold Property and Land during the year (Note 10). As the new Home from Home was completed during the year and the restriction criteria was met, the fund balance was transferred to the designated capital fund.

**Newcastle Home from Home Fund** represents restricted funds for the purchase of and development of a new Home from Home in Newcastle.

**Manchester Home from Home Fund** represents Morrisons funding over our original partnership total of £7.3m that will be put towards the purchase of and development of a new Home from Home in Manchester.

**Scotland – No Place Like Home Programme** represents restricted funding that must be spent on our No Place Like Home services in Scotland. This includes funding from the sale of CLIC Villa in excess of funds needed for the construction of a new Home from Home in Edinburgh.

**Residential resource** includes funds to be spent at specific Homes from Home.

**Care teams** represent expenditure within the terms of geographically limited grants.

**Grants** represent funds provided to families and young people in specific geographical areas.

**Thrive Not Just Survive fund** is income from our partnership with Societe Generale for a research project to better understand the impact cancer has on young people and parents' employment opportunities and for our new Thrive Not Just Survive grants so young cancer patients can get their education and work ambitions back on track. This funding also contributes toward our core Thrive Not Just Survive activities, which you can read more about in the annual report.

**Projects** represents funding secured for other specific projects.

**Programmes** is funding given to support one of the Six Ways We Help programmes, which form the basis of our charitable activity (see note 6).

**Regional** represents funding received that must be spent within a specific geographical area of operation. This funding has no further restrictions.

**Transfer between Funds:** The majority of the transfers relate to the spend of restricted funds on the purchase and construction of Homes from Home in Edinburgh, London and Southampton. The cost of development has been transferred to the designated fixed asset reserve. The same applies to restricted funds that were used to purchase and develop a new social care database.

Funding from Morrisons in excess of our original partnership target has been transferred into a restricted fund for the acquisition and development of a new Home from Home in Manchester.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 18. Restricted fund contributions

We are grateful to all our donors for their support. We acknowledge the following contributions:

#### BBC Children in Need



£41,844 Supporting children with cancer and their families in north-east England

#### Big Lottery Fund



**NATIONAL  
LOTTERY FUNDED**

Big Lottery Fund – Northern Ireland (Reaching out and empowering young people – Moving on 2gether project)

	Balance 1 April 2018	Income	Expenditure	Balance 31 March 2019
	£	£	£	£
	5,873	80,103	(85,976)	-
<b>Total</b>	<b>5,873</b>	<b>80,103</b>	<b>(85,976)</b>	<b>-</b>

### 19. Unrestricted funds

Charity	Balance 1 April 2018	Income	Expenditure	Transfers between funds	Balance 31 March 2019
	£'000	£'000	£'000	£'000	£'000
<b>Free reserves</b>	3,801	22,278	(22,699)	(131)	3,249
<b>Designated funds:</b>					
Fixed asset reserve	10,360	-	(416)	4,040	13,984
Morrisons	2,248	3,880	(2,295)	(626)	3,207
Other	170	-	(82)	(8)	80
	12,778	3,880	(2,793)	3,406	17,271
<b>Total</b>	<b>16,579</b>	<b>26,158</b>	<b>(25,492)</b>	<b>3,275</b>	<b>20,520</b>

Charity	Balance 1 April 2017	Income	Expenditure	Transfers between funds	Balance 31 March 2018
	£'000	£'000	£'000	£'000	£'000
<b>Free reserves</b>	3,757	21,919	(21,548)	(327)	3,801
<b>Designated funds:</b>					
Fixed asset reserve	10,406	-	(387)	341	10,360
Morrisons	82	3,713	(1,543)	(5)	2,247
Other	179	-	-	(9)	170
	10,667	3,713	(1,930)	327	12,777
<b>Total</b>	<b>14,424</b>	<b>25,632</b>	<b>(23,478)</b>	<b>-</b>	<b>16,578</b>

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 19. Unrestricted funds (continued)

**Fixed asset reserve** – The Trustees have set aside funds to cover the net book value of tangible fixed assets, excluding those assets included within restricted funds.

**Morrisons** – CLIC Sargent became Morrisons' charity partner during 2017/2018. Funds raised from the partnership are being set aside for specific projects, including wider family use of existing CLIC Sargent Homes from Home, a digital service provision and increased grant-making activity for beneficiaries.

**Other** – During 2016/2017, the Trustees approved a number of future initiatives, including software upgrades and purchases. These are set aside as designated funds and will be spent or released in 2019/20.

#### Transfers between funds:

£4 million transfer to the fixed asset reserve represents fixed asset additions including restricted capital costs for the new Edinburgh and Southampton Homes from Home, and other unrestricted additions. £115,000 from free reserves is the amount of these additions funded by free reserves.

### 20. Commitments

As at 31 March 2019 there were future minimum lease payments under non cancellable operating leases for each of the following periods:

Group and charity	2019		2018	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
<b>Total commitments due:</b>				
Within one year	735	14	442	24
Within two to five years	2,198	-	557	14
After five years	35	-	-	-
	<b>2,968</b>	<b>14</b>	<b>999</b>	<b>38</b>

The value of capital commitments at 31 March 2019 was £nil (2018: £1,243,596). In the prior year there were unspent amounts under construction contracts for the new Edinburgh and Southampton Homes from Home but both properties were completed during the 2018/19 financial year so there are no further financial commitments as at 31 March 2019.

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 21. Grants

Grants to individuals, including comparative information are included in the table below.

With regard to grants made to organisations, £75,500 (2018: £47,500) was paid to Children's Cancer and Leukaemia Group for an early diagnosis project and for research. Also one grant was made to Cancer Care 52 for £2,500 (2018: £2,500).

**Grants awarded to families and young people in the period were as follows:**

Group and charity	2019		2018	
	£'000	No. of grants	£'000	No. of grants
Standard	503	2,962	529	3,113
Community support and Exceptional	332	1,294	316	1,301
Compassionate crisis	133	446	140	466
Proton beam therapy	58	138	53	130
Home Essentials	89	738	8	63
Thrive Not Just Survive	77	85	-	-
Other	21	139	30	230
	1,213	5,802	1,076	5,303

Of the grants awarded £49,714 was unpaid at 31 March 2019 (2018: £nil).

### 22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

Group	2019	2018
	£'000	£'000
Net income for the year	1,925	3,327
Adjustments for:		
Depreciation charges	408	387
Interest received	(9)	(5)
Loss on the disposal of fixed assets	7	-
(Increase) / decrease in stock	11	(12)
Increase in debtors	(1,812)	(1,334)
Decrease in creditors	(210)	(130)
Net cash provided by operating activities	320	2,233

### 23. Analysis of cash and cash equivalents

Group	At 1 April 2018	Cash flows	At 31 March 2019
	£'000	£'000	£'000
Cash at bank and in hand	5,664	(861)	4,803

## NOTES TO THE ACCOUNTS

For the year ending 31 March 2019 (continued)

### 24. Related party transactions

#### Key management personnel

The charity pays the University Hospital Southampton NHS Foundation Trust ('The Trust') for the rental of a room used by CLIC Sargent Staff. The Chair of Trustees is also the Chair of the Trust. During 2018/2019 CLIC Sargent paid the Trust £2,241 (2018: £3,284).

The charity pays the Charity Finance Group for annual membership and for conference attendance. The Director of Finance and Corporate Resources is a trustee of the Charity Finance Group. During 2018/19 CLIC Sargent paid the Charity Finance Group £2,451 (2018: £1,443).

Trustees paid a total of £14,160 (2018: £5,513) of unrestricted donations to the charity in the year.

#### Subsidiaries

Transactions between the parent company CLIC Sargent Cancer Care for Children and the subsidiaries, CLIC Sargent Developments Limited, CLIC Sargent Promotions Limited and CLIC Sargent Lottery Limited, are as follows:

Management fee payable to the charity for staff and support services provided to the subsidiaries: £330,029 (2018: £175,219) from CLIC Sargent Promotions Limited, £7,260 (2018: £6,932) from CLIC Sargent Developments Limited and £19,048 from CLIC Sargent Lottery Limited (2018: £nil).

VAT paid by the charity on behalf of CLIC Sargent Promotions Limited: £228,811 (2018: £115,377).

Design and build costs incurred by CLIC Sargent Developments Limited and recharged to the charity: £1,493,696 (2018: £664,860).

Profits in the subsidiaries to be donated to the charity: £1,145,018 (2018: £532,790) from CLIC Sargent Promotions Limited, £193,625 (2018: £3,110) from CLIC Sargent Lottery Limited and £16,358 from CLIC Sargent Developments Limited (2018: £nil).

Balances repayable at the year end: £1,001,987 (2018: £241,717) to the charity from CLIC Sargent Promotions Limited; £50,330 (2018: £330,849) from the charity to CLIC Sargent Developments Limited and £13,192 (2018: £nil) from CLIC Sargent Lottery Limited to the charity .

### 25. Financial assets and liabilities

Group		2019	2018
		£'000	£'000
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments in liquid equity instruments	Note 11b	14	14
<b>Financial assets measured at amortised cost:</b>			
Accrued income and other debtors	Note 13	4,720	3,214
Cash at bank and in hand	Note 23	4,803	5,664
<b>Financial liabilities measured at amortised cost:</b>			
Trade creditors and accruals due in less than one year	Note 14	2,000	2,080
<b>Financial liabilities measured at net present value:</b>			
Unfunded pension obligation due in more than one year	Note 15	63	82

### 26. Post balance sheet events

#### Sale of property in Prestwick (formerly Malcolm Sargent House).

In June 2019 the sale of a property in Prestwick (formerly Malcolm Sargent House) was completed. The property was previously used as part of a holiday service for young cancer patients and their families. The decision to close the home was made in 2016 against the backdrop of a challenging fundraising environment, in order to ensure CLIC Sargent's financial health for the future, and to safeguard essential frontline services.

## REFERENCE AND ADMINISTRATIVE DETAILS

### Registered name of the charity

CLIC Sargent Cancer Care for Children

**Charity number** 1107328

**OSCR number** SC039857

**Company number** 05273638

The Trustees of CLIC Sargent are the charity's Trustees under charity law and the directors of the charitable company.

### Members of the Board

#### Peter Hollins (Chair)

Graham Clarke MBA, FCMA, CGMA (Treasurer)

Alison Arnfield RSCN RGN MSc

Jane Burt FCIPD

Will Carter

Julia Chisholm

Karen Eccles (Appointed 2 November 2018)

Keith Exford CBE CIHCM FRSA

Stephen George

Ian Gibson Dip Health Services Man, Cert Health Econ

Dominic Grainger (Retired 28 September 2018)

Anna Hancock

Rachel Hollis

Peter Houghton

Harry Howard

Jason Loo

### Finance Committee

#### Graham Clarke MBA, FCMA, CGMA (Chair)

Will Carter

Stephen George

Peter Hollins

Rachel Kirby-Rider

Niamh Lawlor (Independent Member)

Kate Lee

Kevin O'Brien

### Audit Committee

#### Keith Exford CBE CIHCM FRSA (Chair)

Graham Clarke MBA, FCMA, CGMA

Ian Gibson Dip Health Services Man, Cert Health Econ

Dominic Grainger (Retired 28 September 2018)

Anna Hancock

Peter Houghton

Farrah Kitabi (Independent Member)

### Governance Committee

#### Jane Burt FCIPD (Chair)

Ian Gibson Dip Health Services Man, Cert Health Econ

Peter Hollins

Alison Arnfield RSCN RGN MSc

Rachel Hollis

Kate Lee

Roger Smith (Appointed 22 May 2018)

### Safeguarding Committee

#### Peter Houghton (Chair)

Will Carter

Paul Gathercole

Helen McShane

Rachel Kirby-Rider

Roger Smith (Appointed 22 May 2018)

### Executive officers

#### Chief Executive

Kate Lee

#### Director of Finance

Kevin O'Brien

#### Director of Income and Engagement

Rachel Kirby-Rider

#### Director of Services

Helen McShane

#### Director of People and Learning

Roger Smith (Appointed 22 May 2018)

#### Company Secretary

Kevin O'Brien

### Founders

#### Sylvia Darley OBE

Sargent Cancer Care for Children

#### Bob Woodward

CLIC – Cancer and Leukaemia in Childhood

### Honorary Presidents

Gordon Morrison

Daphne Pullen

### Vice Presidents

Francesca and Andrea Brignone

Sara and Massimo Carello

Laura and Jonny Greenall

Nicola and Jonathan Plumtree

Mel and Andrew White

### Ambassadors

James Allen

Alice Beer

Angellica Bell

Nicola Benedetti

Ben Cajee

Mark Chapman

Chris Hollins

Jake Humphrey

Emma Johnson

Julian Lloyd Webber

Kai Owen

Patsy Palmer

Duncan Pow

Gaby Roslin

Michelle Ryan

Sharleen Spiteri

Tom York

Susan and Richard Young

### Principal professional advisers

#### Solicitors

IBB Solicitors

Capital Court

30 Windsor Street

Uxbridge

Middlesex UB8 1AB

Bates Wells & Braithwaite London LLP

10 Queen Street Place

London

EC4R 1BE

#### Bankers

Barclays Bank

1 Churchill Place

London E14 5HP

Royal Bank of Scotland

29 Old Brompton Road

London SW7 3JE

Lloyds TSB Bank Plc

25 Gresham Street

London EC2V 7HN

### External auditors

Crowe U.K. LLP

Statutory Auditor

Carrick House, Lypiatt Road

Cheltenham

Gloucestershire

GL50 2QJ

### Internal auditors

MHA MacIntyre Hudson

30-34 New Bridge Street

London EC4V 6BJ

### Principal and Registered office

No. 1 Farriers Yard, Assembly London,

77-85 Fulham Palace Road

London W6 8JA