

Annual Report and Financial Statements

Starlight Children's Foundation
Year ended 31 March 2020

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Cathy Gilman CEO

Dr Krutika Pau Director of Children's Services
(Appointed June 2019)

Gary Seager Interim Director of Finance
(End of contract July 2020)

Nicky Wade Director of Finance
and Resources
(Appointed May 2020)

Sue Wildman Director of Children's Services
(left June 14th, 2019)

Sarah Woods Director of Fundraising and
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(Appointed September 2019)

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Thank you from our Chair

When a child becomes seriously ill, sadly thoughts of maintaining a sense of childhood can easily go out of the window in the urgency to treat the condition.

It is understandable of course; especially in an NHS that has been stretched to the limits this year by Covid-19. But childhood and play are of critical importance and without social interaction, physical activity and enough things to do, it's not only harder to cope with treatment but the mental health of a child and their family can be affected for years to come.

We thought that the impact of Brexit would be challenging enough this year, but Covid-19 has raised uncertainty to a new level. Despite this, it has been a good year for Starlight.



We appointed our first Director of Fundraising and Marketing, Sarah Woods, this year and are developing new services and a new strategy for the year ahead. We now have a permanent senior management team with the appointments of Dr. Krutika Pau, Children's Services Director and Nicky Wade, Director of Finance and Resources.

We feel confident that however world events might impact our income or curtail our activity, we can find new and clever ways to light up the lives of seriously ill children. Small amounts of money can go a long way at Starlight.

If we cannot hold our big family fun days, we can organise them online for just £100. If the toys in our Boost Boxes cannot be shared because of the risk of infection, we can provide bags of toys to create isolation packs which reach up to 60 children for just £128.

If we need to reduce expenditure, we work with partners like Nintendo, Ryman and pladis to deliver services in new, different and exciting ways. If wishes are suspended because of the virus, we find other ways to give children something to look forward to. Continuing to reduce our deficit while still supporting more children are not incompatible objectives and we have made very good progress this year with both.

As well as this, our recently established research team has uncovered more important insights about the needs of seriously ill children and the problems of delivering play in the NHS. Health professionals tell us that our services are often the only resources they have for play and distraction with children.

Our services really matter.

In the latter part of the year we have demonstrated resilience and flexibility in a very uncertain world. With your support we will continue to deliver the Starlight magic to children, siblings, and parents who might be isolated and anxious, throughout the UK, whatever happens in the year ahead.

We feel confident that with refined plans in place, good management controls and a sensible level of reserves we can weather the storm and there is no doubt that our services are needed now more than ever.

We simply cannot thank you enough for standing by us through these challenging times. Thanks to you we have touched the lives of 1.5 million children this year, just when they needed us the most. We have made life a whole lot better for their families too.

Thank you from everyone at Starlight.

Best wishes

Nick Mustoe
Chair of Trustees



About Starlight

Starlight aims to reduce the long-term impact of serious illness for children, young people, and their families in hospital and at home.

When a child is seriously ill the initial focus must be on treatment of the illness, often in hospital. This can mean separation from parents, painful procedures and necessary changes to sleep, diet, and the opportunity to play which can inevitably cause anxiety and distress. If the experience of hospital is not a positive one, it can make it much harder to cope with treatment and can have a lasting impact on the mental health and well-being of the whole family.

The resources available to support regular childhood activities in the NHS are very limited and provision is inconsistent around the country. Starlight has a unique role in providing toolkits,

toys, activities, and entertainment to support health professionals; from nurses to health play specialists providing opportunities for play and distraction throughout the UK. These help children to have enough things to do, get along with other children and have a sense of self and some control in at least one area of their life.

At home, families need to feel connected to life, connected with things to look forward to and the confidence to do things: take a break, have fun and make memories that matter. The reality and routine of serious illness can easily take these away. Coping with the challenges of illness, financial constraints and some of the physical barriers that families can face in UK society make the simple act of fun and time together seemingly impossible.



Our wish-granting, escapes and special treats can give families important milestones to look forward to and we can show them the way to continue to have good times together and even overcome some of the perceived and actual barriers that might be in the way.

Our services tackle the issues that we already know about, but we are also committed to deepening our understanding of the challenges and blockages there are in enabling play through serious illness. There is a paucity of research and coherent data and by talking to children, their families and health professionals as well as understanding existing evidence we are creating a unique appreciation of what is needed. This will help us to innovate, testing and trialling new services uniquely tailored to what we are learning and making the data available to other organisations to ensure we deliver services in a co-ordinated and collegiate way.

To achieve our goal of reducing the deficit by 2022, we have had to limit expenditure across the charity this year. Despite this, thanks to the creativity of the team and some generous partners donating gifts in kind we have managed to reach thousands of children and their families across the range of our services. We have also ensured that no eligible family is denied a wish by working in partnership with Make a Wish.

There is no question that uncertainty lies ahead, with the medium-term effect of Covid-19 on the economic climate and, therefore, on the ability of our supporters to give, being as yet unknown. However, we have demonstrated our ability over the first few months of the pandemic to adjust our services to meet changes in fundraising levels and are confident that we will continue to meet the needs of as many children and families as possible over the coming year.



Our achievements this year

Our services in hospitals

Distraction Boxes

Our Distraction Boxes are our most iconic service for health professionals thanks to their eye-catching design and important purpose. This portable toolkit is filled with toys, puzzles and conversation starters that help nurses to distract children during medical procedures and engage them in conversation.

The Box is used in a variety of different settings including hospices, A&E Departments and even ambulances. The Box costs £125 and is retained by the health professional, often nurses, to be used on multiple occasions. We estimate that through the 1,392 boxes we distributed this year we had touchpoints with nearly 1.5 million children.

Inevitably from time-to-time a child may want to keep one of the toys and so we are now offering a refill service. We are also looking at the design and sustainability of the Box to see if improvements can be made.

Feedback from the users of the service tell us that the most important outcomes from the use of Distraction Boxes are that they improve the experience of medical procedures for children; they reduce anxiety and distress and improve the rapport between children and their medical staff.

Distraction Boxes sent		
	19/20	18/19
England	1,259	1019
Wales	45	69
Scotland	40	41
Northern Ireland	25	23
Grand Total	1,392	1,152

“

Being able to distract and make a child's time a positive means that next time the children need to come to hospital or have any type of procedure they will remember the happy distraction and play side of hospital rather than being too traumatized to come back. In many cases when children have to come back for any type of procedures or treatments and they have already used the distraction box in previous admissions they will ask and remember, becoming distracted again to know what's inside the box.”

Chloe, Play Team Support Worker, Royal Alexandra Children's Hospital



Boost Boxes

Our Boost Boxes are usually supplied to Health Play Specialists because they contain toys, games, arts and crafts which are given out to children to give them something to do or simply for comfort and cheering up. We had already started to include Starlight bags in the Boxes, enabling children to have their own little pack. This has proven invaluable during the Covid-19 outbreak as children are unable to share toys and they can have their own 'isolation pack'.

Earlier in the year we launched two new Boxes alongside our traditional one; one for children with sensory needs and one better adapted to the needs of teenagers. We will be evaluating the success of these new services and developing them accordingly.

We sent out 1,963 Boost Boxes this year which looks like a significant reduction from last year. In fact, this is simply because the March delivery was postponed while we ensured that they could still be received by hospitals during the Covid-19 crisis. We have managed to overcome some of the potential supply chain challenges for stock replenishment by working with high street stationer Ryman and their suppliers. Together they have donated arts and crafts materials to give children a wider choice and bolster our Boost Boxes until normal services are resumed.

As well as reducing distress and anxiety, Boost Boxes play an important role in alleviating boredom and offering an alternative to screen time.

“

I am the only children's nurse in the treatment centre and we get little or no funding for children's toys and activities. What you provide us gives the children little bravery awards and at Christmas we can give each child a small gift on Christmas day. As a smaller unit we get overlooked by supporting charities and you guys are fantastic. I tell all the children and parents how amazing the work you do is and the light it brings into a child's life when they are in 'crisis'. Thank you so much for what you all do.”

Nurse, St Mary's Treatment Centre

Storytelling and Pantomime

It can be challenging providing opportunities for children to get together and have physical activity and fun in the ward setting, but that is the aim of our storytelling and pantomime.

We try to reach hospitals throughout the UK with a touring group of trained actors who are expert at operating in tiny spaces and finding different ways to engage even the quietest child. Everyone can take part in their own way, by singing, dancing or simply being absorbed in possibly the first-ever experience of live performance. It is also an important opportunity for parents to have some fun with their children in hospital. We are told by families that the performances make hospital a more fun and less scary place to be.

This year we managed a small increase in both the number of shows 168 (FY19 166) and the number of children reached 1,505 (FY19 1,500) although sadly the Spring storytelling tour for 2020 has been suspended because of Covid-19.

Thankfully, several celebrity friends have stepped in to read stories on social media and we are exploring other voice tech options that might enable us to deliver some aspects of our storytelling in a different way. We have also tested a telepresence robot, AV1, which allows children who are in isolation or unable to get to the performance the opportunity to take part from their bed.

“

The Pantos really give the patients a chance to smile, laugh and be children again. Even one hour of distraction is enough for them to feel normal again. Parents are so grateful as many in my area are unable to afford to take their children to see shows in theatres.”

Simran, King's College Hospital



The Power of Play

It is evident from the feedback that we are receiving that it is a very challenging time in the NHS. Paul Harries, a Health Play Specialist in Aberystwyth, told us how life has been turned upside-down in recent months but that the power of play has helped them all to cope.

"With the current Coronavirus crisis all our lives have changed and, as Health Play Staff, many of us have been at the forefront of this change. Playrooms have closed, PPE has had to be worn, and the way we carry out our usual roles and support patients has altered. As Health Play staff it can be difficult to see where we fit in to what is becoming the new 'normal', especially in a service that is not always seen as essential or a priority during such a stressful time for the NHS.

"However, it could be said that one of the recurring themes of lockdown life has been the power of play. Over the past few months people on lockdown have repeatedly demonstrated the human ability and need to create, to redefine, to express themselves creatively; essentially to cope with the current crisis through play. All sorts of playful, creative activities have led the way in helping our physical and mental wellbeing at a time of heightened stress and uncertainty. Play-based activities such as music, dance, poetry and even baking have all been shared through social media, enriching our sense of community at a time when we cannot physically be together.

Play has created moments of lightness and happiness when everything else looks and feels so bleak. It has been at the forefront of benefitting us all, adults, children and young people, in helping us find our way through this global crisis.

"We're also experiencing an unprecedented level of anxiety about our health at the moment, something that has surely not been experienced before on such a global level. Anxiety, worry and concern about Coronavirus has slowly spread worldwide, and in many ways has been as contagious as the virus itself. This is especially true for our children and young people, who possibly need our support as Health Play staff more than ever before.

"The importance of play in helping us deal with such out of the ordinary experiences, and the prevalence of health anxiety regarding Coronavirus, show that the profession of Health Play Specialist is even more vital than ever. Health Play Specialists can play (no pun intended!) an important part in the way all of us: adults, children and young people, move forward both during and after the Covid-19 crisis. Anxiety about our health is something that we can't vaccinate ourselves against or socially-distance from, but play is already proving to be a fantastic way to counteract the fears and anxieties of lockdown life. As Health Play Specialists, we can and should be at the forefront of promoting the power of play to the benefit of all."



National Play in Hospital Week and Starlight Health Play Specialist of the Year

Each year we support National Play in Hospital Week which is organised by the National Association of Health Play Specialists (NAHPS). We think this is one way in which we can help raise the profile of the value and importance of play for children's health and well-being, which is not always recognised, and of the Health Play profession.

We also recognise Health Play Specialists each year with a special award for some truly outstanding work with children and their families. There was a significant increase in the number of nominations for the award this year which was generously supported by Ryman. As a result, the winner and runners-up were given prizes for themselves as well as some wonderful materials to support their play activities.

This year's winner was Janie Saunders. She was nominated by colleagues for the impact she has on the children she works with and the wider medical team; in Janie's case, when they arrive at A&E.

We look forward to once again demonstrating our support for this extraordinary group of NHS workers who are so often under the radar but play a vital role for seriously ill children and their families.

“

It is clear to see the value of health play specialists in making the whole experience of serious illness and treatment much better for children and their families. They really are unsung heroes and that's why I'm delighted that Ryman is supporting and recognising the Starlight Health Play Specialist of the Year Award.”

Theo Paphitis, Ryman Chairman





“

This means so much to me – to be nominated by senior members of the A&E team, who I have huge respect for, is truly overwhelming. A huge thank you to Starlight. To be judged on my work and what I do on the ‘shop floor’ means an immeasurable amount and I am truly humbled. This secures the thought that the team I work with recognise play and my role as an important part of a child’s journey in A&E.”

Janie Saunders, Starlight Health Play Specialist of the Year 2019

Our services from home

Starlight Wishes

Our Founders Emma Samms and her cousin Peter Samuelson granted the first Starlight wish nearly 40 years ago. Thanks to the strength of relationships that our wish-granters build with children and their families, we now have a unique insight in to the importance of a wish. Just having the opportunity to have some fun, family time might be justification enough for families coping with serious illness. But in fact, they can deliver so much more.

We often see the impact of wishes in front of our eyes and in feedback from families. Children come out of their shells, talking for the first time in a while and gaining the confidence to take part in talent shows and all kinds of other activities especially on our group wish trips. We have all had a flavour of shielding, distancing and isolation over the last few months and have a better understanding of how it must be to permanently live like this and the impact that it might have.

Families consistently report that children have a magical wish experience which helps build confidence and improve wellbeing. But depending upon the kind of wish, they bring important benefits for the whole family too.

Wishes provide the opportunity to leave behind some aspects of the reality and routine of illness, giving the family time to relax and reconnect. This can help them to feel special and have the confidence to do things that they probably otherwise would not be able to do.

Our group trips give children the chance to make new friends and for parents to share their experiences in a safe space. The very special memories remain to sustain families through difficult times.

Following the pilot of a group wish trip to 'Give Kids the World' in Florida last year, we added three trips this year to our regular programme of wish trips to Lapland and the Monaco Grand Prix. These very special experiences offer families an important break from treatment and a reward their bravery. We aim to make them accessible to families where these trips would not otherwise be possible either for financial or logistical reasons.

There are many stories of the visible increase in confidence in children as the holidays progress from taking part in talent shows to singing or even speaking for the first time in a long time. Most of all, families tell us about magical memories that really matter.

In recent years there has been an exponential growth in demand for wishes, which may go hand-in-hand with the recently revised statistics from 'Together for Short Lives'. These now report that 98,705 children and young people in the UK are diagnosed with a life-limiting or life-threatening condition a significant uplift in the 49,000 children previously reported. The major wish charities have all seen an increase in the volume of wish requests. This coupled with an increased demand for more expensive travel wishes has meant that we have all had to take measures to manage demand and control wish budgets. At Starlight, we have also formed a more formal partnership with Make-A-Wish UK to try to ensure that no eligible families are denied wishes if we do not have the budget available.

The majority of wishes involve some kind of social connection and travel. Sadly, as a consequence of Covid-19, we have had to suspend a significant part of our wish-granting programme and given the uncertainty about short and medium-term travel, we are actively working with families to identify alternatives to their original wish choices.

Despite these challenges, our wish-granting team have continued to give children and their families the best possible experiences.

We are taking the time now to understand how we can best use our wealth of knowledge, experience and the wonderful connections and relationships that we have made over the years to continue to provide a more sustainable model of offering unique experiences to seriously ill children and their families.

This year we granted 442 wishes (FY19: 641) with some of this reduction being a consequence of the suspension of wishes in the last two months of the year.

These stories show the power of a wish and demonstrate the kindness and generosity of the wonderful people who help to make these unique experiences possible.

Finley's Policeman Wish

Finley has Duchenne muscular dystrophy, one of the more severe muscle-wasting conditions. Finley wants to be a policeman when he grows up and so Starlight set about making him the force's latest recruit. He certainly demonstrated a clear understanding of the role by being very specific about his wish. Finley wanted "to arrest 'bad guys', go in a police car and press the buttons for the sirens, and also sit in the back of a police van where bad guys are put".

Before a tour of the station, Finley was presented with a custom-made uniform including an official officer's hat and instantly transformed into PC Finley!

He was then given essential 'policeman training' before being tasked with 'catching a bad guy', sending the dogs to chase someone acting as a 'robber' and then 'arresting them and putting them in the back of a van'. A day he and his family, and probably the 'bad guy' will never forget.



Jacob's Ian McQue wish

Jacob's wish is a special example of just how creative young people can be when thinking about their wishes and the willingness of some wonderful people to make things happen.

Jacob is recovering from myelodysplasia, a blood disorder that causes a drop in the number of healthy blood cells. He is creative with a huge imagination and spends most of his time writing and drawing.

The illustrator Ian McQue is well known for his illustrations in the 'Mortal Engines' book series. Jacob's Starlight Wish was for Ian to redraw his own illustration based on the picture that he provided.

Ian did a beautiful job for Jacob and even asked 'Mortal Engines' author Philip Reeve to write a quote for the back of the book. The full cover has been produced and is ready for the publication of Jacob's masterpiece.





Starlight Escapes

Taking time to reconnect as a family can make the world feel like a safer place, but it is not easily achieved if you are dealing with serious illness every day. That is why, with the help of some generous supporters and a host of volunteers, we offer fun days, activities and treats throughout the year.

Our events are inclusive and accessible for families and we provide them with an experience they may not be able to have otherwise. By removing financial and logistical barriers, families who may normally find a day-out challenging are able to attend and really enjoy their time together.

These can be huge events like our summer party at Belmont Farm, where families can enjoy pony rides, bouncy castles and even clay pigeon shooting, and our Starlight Escape at Popham airfield which includes all kinds of transport experiences like helicopter flights. Or they can be smaller bespoke events such as film screenings, this year it was a preview of *Frozen 2*.

The BBC offered a special opportunity to test some of their digital games in Manchester in the autumn and Hampton Court Palace provided a magical backdrop for our Christmas Party. Families could experience the inside of a human-sized snow globe, practise magic tricks and have a dance with Dick and Dom.

What all our Starlight Escapes have in common is showing families there are still activities they can do, giving them a sense of achievement and some element of control back in their lives. We actively encourage families to try new things and take a few more risks than they might otherwise, providing a safe environment for everyone. We also give important opportunities for families to meet others, to share experience and build friendships, sometimes with families that they have only previously met on a hospital ward.

We were able to offer 13 events this year (FY19 8 events) and despite the fact that the two largest once again coincided with the hottest days of the summer, we still entertained over 1,600 people and hope to find more partners to help us to expand our offer throughout the UK in the future.

We have had to cancel the major summer escapes for the year ahead because of Covid-19. But we have managed to adapt some bespoke online events for different ages including parties with *Captain Fantastic* and *Murder Mystery* events for older children. Although these events cannot offer the physical connection that is of such value from our regular programme; they still offer families the opportunity to take a break and have some fun.

Research and Development

While we tailor and develop our existing services, we have now established an Insight and Impact team tasked with deepening our understanding of the needs of families and health professionals and what barriers there might be to the provision of play for seriously ill children.

We have established a network of health professionals who are already helping with our research and plan to work directly with families in the coming year to make sure that seriously ill children are even more at the heart of our service development.

As well as being innovative in our response to Covid-19, we also started some planned innovation projects and began to test a new telepresence robot called AV1.

AV1 is a robot that acts as the eyes, ears and voice of a seriously ill child. Developed by 'No Isolation', AV1 makes it possible for children and young adults with long term illness to take part in school, daily activities or to be anywhere with family and friends that they would normally struggle to get to.

We have been undertaking a pilot using the AV1 to assess whether it can alleviate seriously ill children's social isolation. We hope to enable more children to enjoy Starlight services, such as pantomime, storytelling and wish granting. As part of the pilot, we have been asking children about how they feel (their wellbeing) before and after its use.

Having the AV1 at our pantomime made it more accessible to seriously ill children who otherwise would not have been able to attend. Most children who participated found the AV1 easy to use, either simply watching the Pantomime or even using it more interactively. Using the AV1 was also an opportunity for families to do something together.

There were some challenges around hospital Wi-Fi and with the onset of Covid-19, there was insufficient resource available in the NHS to continue the pilot. Despite this, the pilot has already expanded our thinking about how new technology can be most effectively used and in the coming year we have plans for new Starlight Bundles of gaming technology in partnership with Nintendo and we are also exploring different ways that we might reach more children with story-telling.



How we raise money

Relationships are at the heart of Starlight and the gifts in kind that we can secure as well as the income that we raise, enabled us to reach more children last year than ever before.

Our fundraising team are always looking for ways to support the delivery of our services and strategic partnerships can play a key role in both fundraising and gifts in kind. During the Covid-19 crisis, being able to suggest donations of items where financial support isn't possible has broadened the conversations that we are able to have and still deliver to the same objective of helping to reduce the long-term impact of serious illness.

We have a lot to offer from a fundraising perspective, with very tangible services that are really good value, the opportunity to volunteer at our events and a brand that has universal relevance and works well and is inspiring, nostalgic and hopeful.

As we expected, there was a reduction in donations this year, largely due to the Blenheim event which took place in FY19 and is next scheduled for early 2021.

Although at a gross level income was down, we made good progress on improving return on investment especially in Individual Giving. Public Fundraising was helped also by Starlight being one of five charities chosen as a partner charity for Carfest.

Starlight is registered with the Fundraising Regulator and we are committed to meeting the Fundraising Code of Practice. Our fundraising activities are legal, honest, transparent and respectful. We also ensure that nobody who appears to be vulnerable is asked to commit to giving. During the year we mailed 190,000 items from which we received 11 complaints; all of these were satisfactorily resolved without the need for escalation and we have not received a complaint since December 2019. We have developed a new online donation platform this year and started work on audience insight which will support our activity in the year ahead.

We have now appointed to the senior fundraising positions that were vacant and with a dynamic new Director of Fundraising, we are developing a new strategy and exciting plans despite Covid-19.

These are some highlights of our year:





CarFest

CarFest is a family festival created by radio presenter Chris Evans and takes place in two locations across two weekends in July and August. It has been described by the thousands of fans as 'the biggest ever village fete' with a mission to bring the true spirit of family to life. A perfect alignment for Starlight.

The weekend is packed to the brim with activities for every member of the family, underpinned by great music, celebrity chefs and as you would expect plenty of cars!

As a festival with family at its heart, CarFest, raises funds for five children's charities including Starlight.

Starlight's face of the festival was nine-year-old Oscar. Oscar was born with Scoliosis and has undergone multiple operations as a result. Oscar's case was severe, and despite being told his care would be palliative at just one year of age, Oscar's surgeons have worked to improve his spine and respiratory function.

Last year Starlight granted F1-mad Oscar's wish to attend the Grand Prix and meet his hero, Lewis Hamilton.

Oscar joined the Starlight team, other charities, and celebrity guests at the cheque presentation at Virgin Radio Studios, where he was interviewed live by Chris Evans and accepted a cheque for £244,000.



“

I'm really proud that Starlight have chosen me to be their face for CarFest. Starlight made my wish to meet my idol, Lewis Hamilton, come true, and it was amazing! Since then I also got to go to their Christmas party at Downing Street which was so fun. I love fast cars and F1, so I can't wait to go to CarFest and check out all the cars that will be there... it's like I've been granted another wish!"

Oscar, 9

Corporate Partnerships

This was our second year of partnership with pladis, one of the world's leading snacking companies with brands like McVitie's and Godiva.

At the heart of the partnership is a focus on the company's 'Make Happy be Happy' day in November where the whole organisation honours the belief of their founder.

To celebrate the event all the pladis sites got involved in a cake design competition, biscuit Olympics and other fundraising to provide Distraction Boxes to hospitals local to their businesses.

The partnership is multi-layered and pladis were able to support our Escapes with a team of enthusiastic volunteers as well as provide snacks and treats at several events throughout the year. Two of our Directors even went to visit the McVitie's factory in Harlesden and see miles of Digestives and Hob Nobs being freshly baked. In the coming year we hope to work with pladis on creating sustainable products from their recycling.

Although Covid-19 put a halt to the launch of a fundraising partnership with Ryman as all their high street shops closed, this did not stop the donation of arts and crafts supplies to bolster our Boost Boxes. As many play services have been closed in the NHS this brought much needed support to Health Play Specialists.

“

No matter where in the world you live, you have the right to a happy childhood. Happiness is something that is dear to us still. It is core to our values and our business, which is why we promise happiness to the world with every bite”

Sabri Ulker, pladis founder



Special Events

This year we focused on our very successful Highclere clay pigeon shoot which was once again kindly hosted by Lord and Lady Carnarvon and our Newbury Race Day hosted by Nicky Henderson. In the Autumn we introduced a thank-you event in partnership with a private gallery viewing hosted by Jeremy Houghton. It was a good opportunity to say a very personal thank you and to have the time to get to know some of our supporters better. Plans for a ladies' lunch and a cricket match were put on hold because of Covid-19 but we hope that by March 2021 we will be able to hold another Blenheim Ball.



People

Everything we do at Starlight depends upon very many people having regular touchpoints with us throughout the year and supporting us in their own way bringing their talent and personality to supporting Starlight.

Hugh Wooldridge once again devised and directed 'Christmas by Starlight', a wonderful local celebration of Christmas and our year just down the road from our office.

The Hammersmith Community also got behind 'One Great Day' with Christmas present wrapping. Hammersmith tube station lent their support to our bucket collection where we also took the opportunity to talk about the work of Starlight with our local community.

The Starlight team themselves have been busy taking part in Virgin London Marathon; an incredible 100-mile walk and in April the 2.6 Challenge which helped to replace some of the money lost from the cancellation of the 2020 London Marathon.

We are especially grateful to people who remember us in their wills. Legacy income grew by 70% this year and it remains vital to our work. We also receive many in-memory donations and we very much appreciate this kindness at the most difficult time for families.



Starlight Strategy

Starlight's purpose is to lessen the long-term impact of serious illness for children, young people, and their families.

Due to resource constraints in the NHS, we know that physical health is often prioritised over mental health and wellbeing. This can seriously impact development of key behaviours and skills if children are kept in isolation from family and friends and do not have access to enough things to do. The negative experience of treatment coupled with the stress of serious illness contribute to a risk of developing mental health issues.

We offer families the opportunity to escape from the reality and routine of treatment and we make the experience of hospitalisation a more positive one.

We want to protect childhood too, so we provide important milestones and things to look forward to by giving families opportunities for respite, fun and enjoyment. We also involve them in achieving things they thought they couldn't do which help to build confidence and wellbeing. Making memories that really matter is very important.

There are four key strands to our current strategy:

1. We give children and their families access to activities and entertainment that alleviate anxiety and isolation and makes fun possible in the most unlikely circumstances.
2. We create opportunities for meaningful social connection.
3. We support health play specialists by recognising the importance of their role and providing vital resources.
4. We create an evidence base to better understand the needs of seriously ill children, understand the impact of our services and tailor and develop child-centric new services.

Our aim is to continue to optimise the impact of our services, while carefully managing expenditure and growing income. Our plan is to achieve a balanced budget by 2022. Fortunately, we can work with many partners who, by providing gifts in kind, enable us to develop relevant services like our Starlight Switch Bundles in partnership with Nintendo. This enables us to grow our services and reach more children, without putting pressure on deficit reduction.





Optimising impact

Last year we said that we would:

1. Conduct a literature review and consider existing internal and external data to understand the current state of play and distraction services in the UK.

In the last year we have reviewed public data, 240 articles and surveyed up to 500 health professionals. One of the immediate findings is that there is not enough research in this area: a view which was endorsed when we met Professor Ramchandani, the Lego Professor of Play at Cambridge University who confirmed similar results about the importance of play for children who are not seriously ill.

There is also a lack of professional and educational standards for health play specialists and there is inconsistent provision of resources.

Our research confirmed what we had anecdotally heard from children, parents and health professionals that play and distraction can:

- Reduce anxiety and distress
- Relax children in stressful medical environments
- Help children to feel less pain and the need for medication during medical procedures
- Offer children a more positive experience of hospital which can help future engagement with treatment and better health and wellbeing outcomes
- Be a significant predictor of whether a child has a positive hospital experience
- Improve parental experience of hospitals

We also discovered that in satisfaction surveys conducted by Care Quality Commission; the independent regulator of health and social care in England, children and parents attending hospitals reached by Starlight were more likely to have an overall positive experience than those that were not.

We have uncovered several barriers to play that we can now begin to focus on removing in collaboration with others.

2. Set up an expert Advisory Committee to help Starlight take insight into action.

The first meeting of the Committee was held in early 2020, chaired by Trustee Dr. Chris Evans with an initial membership of Kath Evans - Director of Nursing (Children's) at Bart's Health; Professor Lucy Bray - Professor of Child Health Literacy, Edge Hill University and Dr Luca May Brady - Independent Consultant/Senior Research Fellow, UCL Institute of Ophthalmology.

3. Produce our first ever research report on play and distraction.

Our research has already provided a unique insight into the needs of seriously ill children, their families and health professionals. This has provided Starlight with an important opportunity for discussion and collaboration with the other experts in the field and added more gravitas in funding applications. Limited resources prevented the production of a research report, but we have found many other ways to disseminate and share our research findings.

4. Continue to develop and deliver our existing services, developing a better understanding of how digital technology can be effectively integrated into our service offer

We listened to feedback on our Boost Boxes and as a result adapted them to be more suitable for three different audiences. We started to test a telepresence robot to help children in isolation have access to friends and family as well as regular activities like school or other Starlight services. We have also started to explore how voice technology might have a role in service delivery e.g. storytelling. Covid-19 required a very swift adaptation of services; we turned our Boost Boxes into isolation packs and began delivering our escapes virtually and we have launched the Starlight Gaming Bundle in partnership with Nintendo.

5. Move to a more responsive expenditure model which will enable us to dial-up and dial-down expenditure according to financial performance.

The rapid growth in demand in travel wishes has taken the larger wish charities by surprise in recent years and was not matched by an equivalent rise in income. We have taken steps to manage the flow of wishes, the kind of wishes that we grant, and the budget attached to each wish to enable a more sustainable model. We also took steps to reduce the risk of disappointing families by working in partnership with Make-A-Wish UK and referring families if our budget could not accommodate their wish. The percentage of our expenditure on hospital services has increased this year as we can reach more children and their families with lower expenditure and we offer a unique service in this space. We are also actively seeking partners who can provide gifts in kind that fulfil our service needs. Because of Covid-19 some of our services that require social interaction and travel have been suspended, but our wishes are commitments that we will need to fulfil as restrictions are lifted.

Plans for the year ahead

At the time of writing there is uncertainty about the year ahead but we have confidence in our more flexible model. Although our plans and priorities may need to change, we hope to:

1. Continue to respond to the specific needs of children in hospital who are more isolated and receiving fewer visitors because of Covid-19.
2. Gain a better understanding of the specific needs of children and young people living with poverty and deprivation.
3. Extend our consultation groups to include children and young people and actively involve these groups in the development and testing and trialling of our services.
4. Ensure that we have a mix of digital and physical escapes that are more accessible to a wider audience.
5. Review how we can use our wealth of knowledge and experience of creating unique moments for children and their families in a changing world.
6. Continue to refine our strategy as we understand even more about the needs of seriously ill children and our unique role in meeting them.



Sustainable Income Growth

Last year we said that we would:

1. **Appoint an experienced Director of Fundraising and Head of Philanthropy and Events and a further Trustee with experience in leveraging income**

Amelisa Wright was contracted as Head of Philanthropy and Events in June. Sarah Woods was appointed as Director of Fundraising in September and brings a wealth of fundraising and marketing experience. Ian Harding was appointed as Trustee.

2. **Use the research insight to develop a strong case for support that clearly identifies the opportunity to lessen the long-term impact of serious illness**

Research insight has been at the core of fundraising conversations and presentations. This has helped to secure the support of Ryman with the National Health Play Specialist of the Year Award and contents for Boost Boxes and has formed the basis of larger applications to Trusts and Foundations towards the end of the year. The insight has also provided the opportunity for collaborative conversations with universities, hospitals, and other organisations.

3. **Create opportunities through our networks and peer to peer connections**

The Trustees and other senior volunteers have been very active this year with introductions to individuals, companies and Trusts and Foundations. Special thanks to Angus Kerr who introduced us to the Theo Paphitis Group, 3i Group, St James's Place, and the Peter Virdee Foundation amongst many others.

4. **Increase our volume of high value trust and foundation applications**

There is a shortage of experienced, high-value Trust Fundraising Managers in the sector and it took until March 2020 to make a successful appointment. Interim fundraisers maintained regular applications until then, but we can now see a significant uplift in the value, volume, and success of our applications.

5. **Prioritise warm corporate approaches with clear strategic alignment to Starlight**

The application process of many Charity of the Year partnerships with companies is often not compatible with the resources of smaller charities. We have made applications where it has been possible, but our focus has been to identify evident strategic alignment, often with privately owned companies. Health Play Specialists need arts and crafts supplies and so there was evident alignment with the stationer Ryman. We are also about to launch a partnership with Luella Fashion, a brand known for their 'star' cashmere jumpers and t-shirts. A bespoke Starlight t-shirt will be sold on their website and in their Sassy & Boo shops.

6. **Establish a Development Committee and develop a new event for Starlight**

Following the extraordinary success of the Blenheim Ball in 2019 we are delighted that the team have continued to be members of our Development Committee and are planning for another Blenheim Ball in 2021.

7. **Appoint a Head of Public Fundraising and improve the profitability of public fundraising**

Sam Butler was appointed as Head of Public Fundraising in September which enabled us to bring together the higher volume fundraising; Individual Giving and Community and Challenge Events. We suspended traditional acquisition methods in Individual Giving, which significantly helped to improve the return on investment by reducing expenditure. We have started to test digital acquisition of donors which to date has proven to be at significantly lower cost. These changes, together with the success of the CarFest event, meant that the return on investment improved from 2.2 in the previous year to 5.8 in the current year.

8. **Optimise the opportunity as one of the CarFest charity partners**

DJ Chris Evans and his team presented Starlight with an unprecedented opportunity to raise funds and awareness on the radio, online and in front of the huge audience at the two events in 2019. Special thanks to the Lynch family and especially to Oscar who was the face of Starlight at CarFest. We were very sad for the event, for Chris's team and Starlight that the events are cancelled for 2020 because of Covid-19; this has impacted our income and hence our Children's Services spend by nearly £250k.

9. Test and trial integrating digital into our Individual Giving programme

We prioritised improving the donation platform on our website to get as close as we could to click to donate before launching digital marketing. With these improvements in place, in April 2020 we were able to launch our first integrated campaign with a digital element for our Covid-19 urgent appeal. This appeal achieved our planned digital fundraising budget for the year.

10. Develop products and activities to give easy access to Starlight fundraising

With a better donation platform in place, the team have begun to look at a refreshed fundraising strategy and have started by looking at our core audiences and their touchpoints with Starlight. This will influence the development of fundraising products and activities. We have also explored 'Streaming for Starlight' in conjunction with the Starlight international charities to introduce a safe gaming/streaming element to our fundraising in 2020/1.



11. Establish an expert marketing and communications team whose primary objective is to increase reach and engagement and drive a consistent brand experience through every touchpoint with Starlight

The team is now in place and with the capacity and capability we can now focus on increasing reach and engagement organically and with paid for campaigns. We have seen exponential growth in social media engagement during Covid-19 and achieved BBC news coverage and regional press for the National Health Play Specialist of the Year Award.

The supporting objectives of brand, website and testing are in progress and we expect to launch a refreshed brand and website in September 2020 with an integrated and targeted big fundraising moment aligned to our core audiences pre-Christmas 2020.

We have carefully reviewed data security and management at Starlight this year and have appointed an expert, external Data Protection Officer (DPO), who has undertaken a review of how we hold and use data as part of our ongoing commitment to ensuring we protect the data of all our stakeholders. As part of continual improvement in data security, as well as for improved and more flexible ways of working we moved to Microsoft Office365 during the year. This has been a fundamental part of the success of our homeworking during Covid-19, with access to cloud servers and the ability to hold virtual meetings.

Plans for the year ahead

Covid-19 inevitably means that fundraising that involves social connection: special events, challenge events, CarFest, is very uncertain in the coming year. Together these represent a very significant part of our income. It is also difficult to assess the economic impact of the virus that may affect other fundraising activity.

This means that we will initially focus on fundraising that we can proactively deliver while maintaining the flexibility to respond to other challenges and opportunities. We will continue to invest in capacity, capability, and infrastructure where we can given the even tighter budget constraints this year. With reduced capacity because of furlough, short time working and redundancy we have an integrated plan to ensure that we are using this resource effectively and efficiently.

We currently aim to:

- Deliver a new website, responsive fundraising-led brand, and integrated campaign- a big fundraising moment- in Autumn/Winter 2020
- Drive reach and engagement to grow our audiences
- Develop new offers that drive repeat giving with our core, growth and stretch audiences
- Increase digital fundraising activity including a test of 'Streaming for Starlight' and a digital element to the autumn campaign
- Launch a campaign with Luella Fashion and continue to seek strategic corporate alignment partnerships
- Develop strategic, multi-year partnerships with funders.

Financial review

We are pleased to report that we ended the year with an overall deficit that was, at £1.1m, £0.9m better than the previous year and £0.3m ahead of budget. In order to achieve this, we have continued to build a more controllable charitable expenditure model which allows delivery of services to be dialled up and down according to the availability of funding and ensures that we can continue to meet our charitable objectives even in the current highly uncertain external economic environment.

Donations for the year (excluding gifts in kind) totalled £2.5m (FY19: £3.6m) with the reduction being largely due to the Blenheim by Starlight fundraising event which took place in FY19 and is next planned for 2021. We achieved our objective to improve return on investment from public fundraising. This was achieved thanks to the very significant donation from CarFest. We also reviewed acquisition in Individual Giving with plans to increase digital activity which we expect to be more cost effective than traditional techniques. Plans are underway to produce a more stable income stream from the previously ad-hoc trust and corporate sources which accounted for the remainder of the FY20 fall. Some progress was made in the development of a philanthropic income stream. It has been a strong legacy year, with a total of £0.9m generated (FY 19: £0.5m) and the legacy pipeline for FY21 remains healthy.

Gift in kind donations, which are largely related to and integral to the delivery of our wish-granting, were valued at £1.4m (FY19: £2.2m), the fall being in line with the number of wishes granted in the year (442 compared to 641 in FY19). This managed reduction was possible without disappointing families thanks to a partnership with Make-A-Wish UK. Overall, therefore, income for the year was £4.8m, just over 20% below that for FY19.

Our move towards an expenditure model which can be flexed in line with available funds is reflected in a reduction of £2.4m in costs, with total expenditure (including gifts in kind) of £6.0m (FY19: £8.4m). Direct expenditure on wish granting fell by 41% (against a reduction in the number of wishes granted of 31%), whilst hospital services expenditure remained steady. This reflects a shift in the balance of service provision (28% of all direct expenditure in the year was on hospital services, compared to 21% in FY19). During the year we continued both to recruit to key positions that will increase our capacity and capability across the organisation and to develop our systems to allow for efficient operation.

On the fundraising front, the cost:income ratio has remained steady at 37%. This is in line with expectations until FY21, when returns on the investments we have made in expanding the team and developing a critical new CRM system are expected to be fully achieved. The ratio is comparable to similar charities of our scope and size.



Reserves and Investment Policy

Reserves

All charities are required to consider how much they need to hold in reserves, in light of the scale and nature of the charity's activities.

The charity's Reserves Policy, as adopted by the Board, continues to be to maintain a reserves level (excluding those reserves tied up in fixed assets held for use by the charity) of six months' expenditure.

As at 31st March 2020, our total reserves, excluding fixed assets, amounted to £3.3m (FY19: £4.4m), which is the equivalent of 6.6 months' expenditure. The Board are therefore satisfied that the charity is operating within the policy.

The Board has designated £1.9m of this balance for specific operational activities and holds a small amount of funding (£0.05m) which has been restricted by donors. There is also a historical endowment fund of £0.2m. The remaining balance of £1.15m is held as general funds, available for use for ongoing operations. More detail of these funds and their purpose is given in the notes to the financial statements.

Going Concern

The Trustees have reviewed the accounts as well as the charity's budgets and plans for 2021, reserves position up to the date of signing off these accounts and the group risk register. Given the uncertainty surrounding Covid-19 at the year-end, the Trustees dedicated additional time to consider the year-end results, the reserves, the principal risks, and the plans for the year ahead. The flexibility of the charity's cost model allows it to adjust services to meet changes in fundraising levels and the Trustees are confident that the charity can continue to meet the needs of a significant number of families and children. The Trustees are, therefore, confident that the charity should be considered as a going concern.

Investment Returns and Policy

At 31st March 2020, the Charity held £0.2m in managed long-term investments, the balance of the previously held Odey Investment Funds (£1.0m) having been redeemed in the year. £3.2m of reserves were held as cash and short-term money market deposits. To mitigate the risk of these holdings, funds are split between two leading UK banks.

The charity takes a low risk profile attitude to investment of its surplus funds (those funds not required for immediate financial needs), recognising the need to diversify risk across institutions and asset classes. High risk investments such as traded options, futures, derivatives, and hedge funds are prohibited. Bank accounts and deposit amounts may only be held with major UK banks, which have specifically been approved by the Board and not more than £1.5m (or 50% of the total unrestricted reserves, whichever is the lesser) is held in any one financial institution.

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



Employees and volunteers

As a relatively small charity the ambition to reduce the long-term impact of serious illness for children and their families requires an integrated and co-ordinated use of our talented but limited human resources. With a dedicated employee team of just 32 (FY19: 32) we depend upon significant volunteer support throughout the year, especially in delivering our programme of escapes. We work with several corporate partners who provide the teams of volunteers that we need to deliver events for up to 800 guests.

All volunteers are required to sign up to the Starlight safeguarding policy and code of conduct and are briefed on the importance of the work of Starlight for the families that they will meet. The Trustees of Starlight are very aware of the risks facing the people in their care and fully understand their responsibilities in terms of keeping them safe.

We continue to strive to make Starlight a safe and inclusive environment for everyone, this includes working with recruitment agencies that can deliver diversity of candidates and adjusting to the needs of our team with flexible working practices wherever we can. We know that there is always more that we can do and will be working with the Starlight team in 2020 to review diversity and inclusivity in policy and in practice.

In March of this year, in line with government guidance, we safeguarded the health of our staff by temporarily closing our office and providing the means for all staff to work from home. At the time of writing, these home-working arrangements continue and will do so until we feel that it is safe for our people to return to the office, taking into account not only the prevailing guidance but the risks associated with public transport. During this period, we have worked to minimise the effect of isolation and other 'lockdown' challenges on staff and have made use of technology to maintain collaborative working methods.

During this period, we have taken the difficult decision to furlough some of our workforce under the Coronavirus Job Retention Scheme. Contact has been maintained with these staff, both individually and by means of a weekly Zoom 'All Staff Huddle', and development opportunities have also been offered.

On the financial front, the Trustees approve the overall salary budget and specifically the remuneration of the Senior Management Team. Details of employees who fall in salary bands above £60k can be found on page 49. Auto-enrolment for pensions into a stakeholder scheme with Smart Pension is promoted to all employees.

Principal Risks and Uncertainties

The Audit and Risk Committee is responsible for reviewing the risks faced by the charity and for agreeing the necessary controls to mitigate those risks. The committee meets at regular intervals and reports to the Board of Trustees.

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of our effective governance. In managing risk, the Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that we can make the most of opportunities and develop them with the confidence that any risks have been identified and appropriately managed.

The most significant risk to Starlight continues to be a lack of available funding to allow the charity to meet its objectives, although this has been mitigated by changes to the expenditure model which allow for service delivery to be more easily adjusted in response to decreases in fundraising income. The effectiveness of this mitigation has been demonstrated by the ability of the charity to respond to a potential dearth of fundraising arising from the Covid-19 pandemic. Ongoing economic uncertainty due to the pandemic and the impact of Brexit continue to be a significant risk to the public's appetite for giving. The Board continue to monitor the financial position of the charity in this regard.

In addition, the Trustees remain focused on the management and mitigation of regulatory compliance risks especially in relation to safeguarding and GDPR. The charity continues to review and improve systems, policies and procedures and processes.

“

I can see how much it's appreciated by the parents and children, to be part of something that is so rewarding is an honour. The Starlight team are great and brilliant to work alongside, coordinating a massive event like this”

John, BNP Paribas

Governance



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

Legal Structure and purpose

The charity's purpose is set out in its Memorandum and Articles of Association which were adopted on 2nd December 1986.

The objective of Starlight is to relieve sick and disabled children and young people.

Public benefit

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives, and planning.

Starlight Children's Services are designed to support the 98,705 children and young people in the UK diagnosed with a life-limiting or life-threatening condition and their families. This prevalence represents a significant uplift in the 49,000 children previously reported by 'Together for Short Lives' and is a result of a new study published in April 2020.

We continue to seek feedback from health professionals and families about the benefits that they experience from our services and how they might be improved. With the recent introduction of our own insight team we are increasing our understanding of the wide-ranging public benefit that our services deliver. Children, their families, and health professionals tell us that our services help to:

- Reduce anxiety and distress and help children relax in stressful medical environments
- Improve the hospital environment and as a result, children have a more positive experience of hospital which can help with future compliance with treatment
- Reduce pain and the need for medication during medical procedures
- Give families opportunities for respite, fun and enjoyment and achieve things that they thought they could not do which also helps to build confidence and improves wellbeing
- Provide opportunities for otherwise isolated children and families to build friendships, networks, and relationships with their peers
- Bring families together for quality time and create special memories.

We have also learned that most hospitals do not have a budget for play and distraction and as a result Starlight services are often the only available resources.

Board of Trustees

The Board of Trustees is legally responsible for directing the affairs of the charity. The Trustees are also the Directors of the company.

Further to the skills audit and the appointment of four Trustees conducted in 2018, the Trustees progressed their recruitment and succession plan with the appointment of a new Trustee in 2019, Ian Harding. Ian is Co-Managing Partner of Arcus Infrastructure Partners which is a Partner owned, infrastructure fund manager. Ian brings extensive Board experience to Starlight as well as the governance, fundraising and financial skills which were identified as a priority in the audit. His company Arcus has been actively involved in volunteering and fundraising for Starlight as well as granting wishes.

The Chairman and Trustees have also been involved in the appointment of three permanent Executive Directors. A training session on the duties of Trustees is planned for the forthcoming year.

There has been a focus on embedding the recently established Safeguarding, Audit and Risk and Development Committees and setting up a new Advisory Committee during the year.

The Safeguarding Committee is chaired by Dr. Chris Hanvey, former CEO of the Royal College of Paediatrics and Child Health. During the year, the Committee has undertaken a thorough review of safeguarding policies and practice. This has been made accessible to all with a clear, easy to understand and implement, safeguarding code of conduct. Everyone involved with Starlight activities must sign up to the policy and code of conduct and they form part of volunteer training at every event.

The Audit and Risk Committee, chaired by James Innes, works with the Executive team to oversee, manage and mitigate risks across the organisation and is responsible for oversight of the risk register. The major risks are regularly reviewed by the Board of Trustees and an exceptional risk review was conducted by Trustees in early April 2020 in response to Covid-19. The Committee also manages the audit process including the audit clearance meeting, the auditors also attend the board meeting where accounts are signed off.

The Fundraising Committee from the 2019 Blenheim Ball chaired by Alasdair Hadden-Paton has now become the Starlight Development Committee with plans developing to emulate the success of the Ball in March 2020.

The role of the new Advisory Committee, chaired by Dr. Chris Evans, is to bring valuable professional expertise and contemporary thinking to our programme of research and to help Starlight develop a child-centric, outcomes-focused strategy and the services that will deliver maximum impact. We are very grateful to Kath Evans - Director of Nursing (Children's) at Bart's Health; Professor Lucy Bray - Professor of Child Health Literacy at Edge Hill University and Dr Luca May Brady - Independent Consultant/Senior Research Fellow at UCL Institute of Ophthalmology for being the inaugural members of the Committee and willingly sharing their wealth of experience and expertise.

The Board comprised nine trustees as at March 31st 2020, as follows:

Nick Mustoe was appointed Chair of Starlight in 2016 and has overseen a thorough review of governance and the appointment of new Trustees as well as the appointment of a permanent senior management team. He is actively involved in the development of the user-centric, impact-led strategy as Starlight researches and better understands the needs of seriously ill children. He is Chairman of a creative communications agency and holds several non-executive board positions.

Alasdair Hadden-Paton is Vice Chair of Starlight and chairs the Development Committee. He is a Chartered Accountant with over 30 years' financial experience in the luxury goods, hotel, property investment and venture capital sectors.

James Innes is Chair of the Audit and Risk Committee and qualified as a chartered accountant. He has over 22 years' experience working as a corporate finance advisor and private equity investor, he co-founded Chrystal Capital in 2009.

Dr Chris Hanvey is Chair of the Safeguarding Committee and was the former CEO of the Royal College of Paediatrics and Child Health. He has a passionate interest in child health and brings extensive experience of working with children's services providers as well as charity governance and management.

Mark Tasker is Head of M&A and Corporate Finance Team at law firm Bates Wells. He has more than 25 years' experience of advising clients on corporate transactional work and provides valuable advice on legal matters to Starlight.

Dr Chris Evans is Chair of the Advisory Committee and is an NHS Paediatric Anaesthetist who has an in-depth understanding of the UK health care system and the psychological burden of hospital visits. Combined with his experience of innovation and digital technologies, Chris is helping Starlight develop new services in response to the insights from our research.

Alain Wolffe sits on the Audit and Risk Committee and is a former Executive Director of Strategy and Governance at Canada Life. Alain has an empathy and interest in Starlight as the father of a 13-year-old with cerebral palsy.

Hina Patel also sits on the Audit and Risk Committee and is a senior strategic project manager at BlackRock. She has also experienced the power of a Starlight wish in her own family.

Ian Harding is a Managing Partner at Arcus Infrastructure and joined the Board this year. He brings fundraising, financial and governance expertise.

The Board usually meets four times each year to regularly review Starlight's budget and performance and guide strategic direction. During the Covid-19 pandemic this has been increased to a fortnightly meeting to closely monitor performance and risk, whilst maintaining more strategic quarterly meetings.

Trustees' declaration of responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the Charity and of the incoming resources and application of resources, including its income and expenditure, of the Charity for the year. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Statement of disclosure to our Auditors

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

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

Approved by the Board and signed on its behalf:

Nick Mustoe

Chair of Trustees

Date:

30.07.2020



Independent Auditor's report to the Trustees of Starlight Children's Foundation

Opinion

We have audited the financial statements of Starlight Children's Foundation (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and 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).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the trustees' annual report, than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 the audit:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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



As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to
 - events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman

(Senior statutory auditor)

Date: 13 August 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

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



Financial Statements

For the year ended 31 March 2020

Statement of financial activities

(incorporating an income and expenditure account)
For the year ended 31 March 2020

		2020			2019		
		Unrestricted	Restricted and endowment funds	Total	Unrestricted	Restricted and endowment funds	Total
	Note	£	£	£	£	£	£
Income from:							
Donations	2	2,348,600	186,796	2,535,396	3,473,963	127,610	3,601,573
Value of goods and services donated	2	8,309	1,375,880	1,384,189	-	2,169,311	2,169,311
Legacies	2	925,709	-	925,709	543,047	-	543,047
Investment income		17,616	-	17,616	9,250	-	9,250
Total income		3,300,234	1,562,676	4,862,910	4,026,260	2,296,921	6,323,181
Expenditure on:							
Raising funds	4	1,829,419	-	1,829,419	2,320,210	-	2,320,210
Charitable activities							
Wish granting and children’s services	4	2,600,239	1,570,226	4,170,465	3,753,456	2,294,737	6,048,193
Total expenditure		4,429,658	1,570,226	5,999,884	6,073,666	2,294,737	8,368,403
Net (expenditure) before net gains / (losses) on investments		(1,129,424)	(7,550)	(1,136,974)	(2,047,406)	2,184	(2,045,222)
Net gains / (losses) on investments		(31,003)	-	(31,003)	5,561	-	5,561
Net expenditure for the year and movement in funds		(1,160,427)	(7,550)	(1,167,977)	(2,041,845)	2,184	(2,039,661)
Reconciliation of funds:							
Total funds brought forward		4,365,863	256,277	4,622,140	6,407,708	254,093	6,661,801
Total funds carried forward		3,205,436	248,727	3,454,163	4,365,863	256,277	4,622,140

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Balance sheets

Company no: 02038895

As at 31 March 2020

		2020		2019	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	10		193,169		216,763
Investments	11		178,178		1,209,181
			371,347		1,425,944
Current assets:					
Debtors	12	490,557		1,496,613	
Short term deposits		970,951		1,066,903	
Cash at bank and in hand		2,183,582		1,266,783	
		3,645,090		3,830,299	
Liabilities:					
Creditors: amounts falling due within one year	13	(562,274)		(634,103)	
Net current assets			3,082,816		3,196,196
Total net assets			3,454,163		4,622,140
The funds of the charity:	14a				
Endowment funds:					
The Barry & Shaun Springer Memorial Fund		100,000		100,000	
Kathy's Courageous Kids Fund		100,000		100,000	
Total endowment funds			200,000		200,000
Restricted income funds			48,727		56,277
Unrestricted income funds:					
Designated funds		1,903,323		3,841,689	
General funds		1,302,113		524,174	
Total unrestricted funds			3,205,436		4,365,863
Total charity funds			3,454,163		4,622,140

Approved by the trustees on 30th July 2020 and signed on their behalf by Nick Mustoe, Chair of Trustees.

Cash flows

For the year ended 31 March 2020

	2020		2019	
	£	£	£	£
Cash flows from operating activities				
Net (expenditure) for the reporting period (as per the statement of financial activities)	(1,167,977)		(2,039,661)	
Depreciation charges	44,396		29,371	
(Gains)/losses on investments	31,003		(5,561)	
Dividends and interest from investments	(17,616)		(9,250)	
(Profit)/loss on the disposal of fixed assets	2,544		6,647	
(Increase)/decrease in debtors	1,006,056		(773,445)	
Increase/(decrease) in creditors	(71,829)		109,272	
Net cash provided by / (used in) operating activities		(173,423)		(2,682,627)
Cash flows from investing activities:				
Dividends, interest and rents from investments	17,616		9,250	
Purchase of fixed assets	(23,346)		(7,640)	
Proceeds from sale of property, plant and equipment	-		19,175	
Proceeds from sale of investments	1,000,000		1,000,000	
Net cash provided by / (used in) investing activities		994,270		1,020,785
Change in cash and cash equivalents in the year		820,847		(1,661,842)
Cash and cash equivalents at the beginning of the year		2,333,686		3,995,528
Cash and cash equivalents at the end of the year		3,154,533		2,333,686
Analysis of cash and cash equivalents and of net debt				
	At 1 April 2019	Cash flows	At 31 March 2020	
	£	£	£	
Cash at bank and in hand	1,266,783	916,799	2,183,582	
Money market deposits	1,066,903	(95,952)	970,951	
Total cash and cash equivalents	2,333,686	820,847	3,154,533	

Accounting policies and notes to the accounts

For the year ended 31 March 2020



1 Accounting policies

a) Statutory information

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

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

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

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

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

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

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

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

f) Donations of gifts, services and facilities

Goods, facilities, and services donated in the financial statements comprise the provision of services and other gifts to grant wishes, run events, and make other provision for seriously and terminally ill children. These are included in the Statement of Financial Activities at the value of the gift to the charity and its beneficiaries; a corresponding amount is then recognised in expenditure in the period of receipt. In accordance with the Charities SORP (FRS 102), volunteer time, including that of the trustees, is not recognised.

g) Interest receivable

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

h) Fund accounting

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

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

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

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

i) Expenditure

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

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Salaries and associated staff costs are allocated on the basis of time spent on charitable activities, generating funds and governance.

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

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

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

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

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

l) Tangible fixed assets

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

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

- | | |
|-----------------------|----------|
| • Office improvements | 15 years |
| • Furniture | 10 years |
| • Office equipment | 5 years |
| • Computers | 3 years |

m) Listed investments

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

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

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

Where such shares are donated and can be valued they are included in the financial statements as fixed asset investments from such time as they can be sold. Shares held by the Charity which cannot be valued owing to the absence of an active market in which to sell them are disclosed in note 11 to the financial statements.

n) Debtors

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

o) Short term deposits

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

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

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

s) Pensions

The Charity contributed an agreed percentage of the salary to the personal pension plans of permanent employees. The pension providers are selected by the individual employees and thus the pension schemes are independently administered by, and the funds are held by, recognised pension companies. The pension cost charge represents contributions payable by the Charity to the pension funds.

2. Income from donations and legacies

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations	2,055,792	165,160	2,220,952	2,247,413	125,860	2,373,273
Fundraising events	292,808	21,636	314,444	1,226,550	1,750	1,228,300
Value of other goods and services donated (note 3)	8,309	1,375,880	1,384,189	-	2,169,311	2,169,311
Legacies	925,709	-	925,709	543,047	-	543,047
	3,282,618	1,562,676	4,845,294	4,017,010	2,296,921	6,313,931

3. Value of other goods and services donated

	2020	2019
	Total	Total
	£	£
Goods and services to fulfil wishes	1,192,421	1,800,582
Gifts in kind for parties and escapes	183,459	359,930
Other activities for children	8,309	8,799
	1,384,189	2,169,311

4a. Analysis of expenditure (current year)

	Charitable activities				
	Raising funds	Wish granting	Children's services	Governance costs	2020 Total
	£	£	£	£	£
Staff costs (Note 6)	937,553	545,211	400,579	12,302	1,895,645
Direct costs	542,821	1,087,086	420,576	-	2,050,483
Donated goods and services	8,309	1,192,421	183,459	-	1,384,189
Support costs:					
Rent & services	135,728	94,104	52,934	-	282,766
Professional services	1,475	1,023	575	13,440	16,513
Other staff related costs	6,223	4,145	2,332	-	12,700
Depreciation	21,310	14,775	8,311	-	44,396
Disposals	-	-	-	-	-
Other office costs	161,235	92,728	52,159	7,070	313,192
	1,814,654	3,031,493	1,120,925	32,812	5,999,884
Governance costs	14,765	8,203	9,844	(32,812)	-
Total expenditure 2020	1,829,419	3,039,696	1,130,769	-	5,999,884

4b. Analysis of expenditure (prior year)

	Charitable activities				
	Raising funds	Wish granting	Children's services	Governance costs	2019 Total
	£	£	£	£	£
Staff costs (Note 6)	748,998	462,279	401,219	9,533	1,622,029
Direct costs	1,246,110	2,124,799	523,140	-	3,894,049
Donated goods and services	8,799	1,800,582	359,930	-	2,169,311
Support costs:					
Rent & services	111,375	80,920	70,232	-	262,527
Professional services	-	-	-	10,919	10,919
Other staff related costs	5,832	3,850	3,342	-	13,024
Depreciation	11,087	9,647	8,373	-	29,107
Disposals	3,345	1,791	8,213	-	13,349
Other office costs	168,098	84,690	73,514	27,786	354,088
	2,303,644	4,568,558	1,447,963	48,238	8,368,403
Governance costs	25,365	12,066	10,807	(48,238)	-
Total expenditure 2019	2,329,009	4,580,624	1,458,770	-	8,368,403

5. Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2020	2019
	£	£
Depreciation	44,396	29,371
Loss on disposal of tangible fixed assets	2,544	6,647
Operating lease rentals payable:		
Property	204,407	204,407
Other	2,248	3,552
Auditor's remuneration:		
Audit (excluding VAT, which is irrecoverable)	11,200	11,000

6. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2020	2019
	£	£
Salaries and wages	1,298,936	1,242,705
Social security costs	137,684	127,445
Employer's contribution to defined contribution pension schemes	96,745	81,261
Termination payments	30,000	21,365
	1,563,365	1,472,776
Agency and temporary staff costs	332,280	149,253
Total	1,895,645	1,622,029

The redundancy and termination costs were settled and paid at the balance sheet date.

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

	2020	2019
	No.	No.
£60,000 – £69,999	-	1
£70,000 – £79,999	1	-
£100,000 – £109,999	1	2

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £562,882 (2019: £488,059) of which £150,330 (2019: £61,927) were paid as agency and temporary staff costs.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £715 (2019: £1,281) incurred by 1 (2019: 1) member relating to attendance at meetings of the trustees. Trustees' indemnity insurance was purchased during the year for £750 (2019: £813).

7. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 33 (2019: 34). Staff are split across the activities of the charity as follows (full time equivalent basis):

	2020	2019
	No.	No.
Children's services	16.3	18.4
Raising funds	15.4	13.6
	31.7	32.0

8. Related party transactions

N Mustoe is a director of Kindred Ltd which provides services to Starlight without charge.

M Tasker is a senior partner at Bates Wells which provides services to Starlight without charge.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9. Taxation

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

10. Tangible fixed assets

All of the above assets are used for charitable purposes.

	Fixtures and fittings	Office furniture and equipment	Total
	£	£	£
Cost			
At the start of the year	223,143	88,590	311,733
Additions in year	-	23,346	23,346
Disposals in year	-	(6,722)	(6,722)
At the end of the year	223,143	105,214	328,357
Depreciation			
At the start of the year	59,505	35,465	94,970
Charge for the year	14,876	29,520	44,396
Eliminated on disposal	-	(4,178)	(4,178)
At the end of the year	74,381	60,807	135,188
Net book value			
At the end of the year	148,762	44,407	193,169
At the start of the year	163,638	53,125	216,763

11. Listed investments

	2020	2019
	£	£
Fair value at the start of the year	1,209,179	2,203,618
Disposal: 24.12.18 866.44 units Odey European Inc Euro Shares	-	(500,000)
Disposal: 24.12.18 2,029.89 units Odey European Inc Class A GBP Shares	-	(500,000)
Disposal: 16.09.19 866.44 units Odey European Inc Euro Shares	(500,000)	-
Disposal: 16.09.19 2,029.89 units Odey European Inc Class A GBP Shares	(500,000)	-
Net gain / (loss) on change in fair value	(31,003)	5,561
	178,176	1,209,179
Investment in trading subsidiary	2	2
Fair value at the end of the year	178,178	1,209,181

Investments comprise:

	2020	2019
	£	£
32,497.165 units - Charishare Common Investment Fund	173,600	204,537
866.44 units - Odey European Inc Euro Shares (disposed 16.09.19)	-	500,000
2,029.89 units - Odey European Inc Class A Sterling GBP Shares (disposed 16.09.19)	-	500,000
2,000 ordinary shares - Tesco	4,576	4,642
	178,176	1,209,179

12. Debtors

	2020	2019
	£	£
Trade debtors	13,650	595,471
Amounts due from associated undertakings	790	790
Prepayments and accrued income	377,371	747,352
Gift Aid debtor	98,746	153,000
	490,557	1,496,613

13. Creditors: amounts falling due within one year

	2020	2019
	£	£
Taxation and social security	44,818	36,735
Creditors and accruals	411,656	570,618
Deferred income	105,800	26,750
	562,274	634,103

Deferred income relates to income received for future fundraising events

14a. Movements in funds (current year)

The narrative to explain the purpose of each fund is given at the foot of the note 14b.

	At 1 April 2019	Income & gains	Expenditure & losses	Transfers	Investment gains/ (losses)	At 31 March 2020
	£	£	£	£	£	£
Endowment funds						
The Barry & Shaun Springer Memorial Fund	100,000	-	-	-	-	100,000
Kate Sweeney Fund	100,000	-	-	-	-	100,000
Total endowment funds	200,000	-	-	-	-	200,000
Restricted funds:						
Boost boxes	-	2,293	(2,293)	-	-	-
Hospital programme	24,593	-	-	-	-	24,593
Wish fund	9,499	1,275,910	(1,269,784)	-	-	15,625
Distraction boxes	-	41,282	(39,746)	-	-	1,536
Fun centres	2,000	-	-	-	-	2,000
Parties, escapes and events	-	183,709	(183,709)	-	-	-
Pantomimes and story tellers	20,185	58,482	(73,694)	-	-	4,973
AV1 Programme	-	1,000	(1,000)	-	-	-
Total restricted funds	56,277	1,562,676	(1,570,226)	-	-	48,727
Unrestricted funds:						
Designated funds:						
Boost boxes	263,345	-	(152,072)	(11,273)	-	100,000
Wish fund	2,078,828	-	(1,267,576)	(269,392)	-	541,860
Fun centres	16,000	-	(10,057)	(5,943)	-	-
Distraction boxes	83,015	-	(48,765)	14,213	-	48,463
Impact	30,000	-	(30,000)	40,000	-	40,000
Operational costs	1,370,501	-	(1,370,501)	1,173,000	-	1,173,000
Total designated funds	3,841,689	-	(2,878,971)	940,605	-	1,903,323
General funds	524,174	3,300,234	(1,550,687)	(940,605)	(31,003)	1,302,113
Total unrestricted funds	4,365,863	3,300,234	(4,429,658)	-	(31,003)	3,205,436
Total funds	4,622,140	4,862,910	(5,999,884)	-	(31,003)	3,454,163

14b. Movements in funds (prior year)

	At 1 April 2018	Income & gains	Expenditure & losses	Transfers	Investment gains/ (losses)	At 1 April 2019
	£	£	£	£	£	£
Endowment funds						
The Barry & Shaun Springer Memorial Fund	100,000	-	-	-	-	100,000
Kate Sweeney Fund	100,000	-	-	-	-	100,000
Total endowment funds	200,000	-	-	-	-	200,000
Restricted funds:						
Boost boxes	-	3,000	(3,000)	-	-	-
Hospital programme	24,593	-	-	-	-	24,593
Wish fund	-	1,869,182	(1,859,683)	-	-	9,499
Distraction boxes	-	6,599	(6,599)	-	-	-
Fun centres	2,000	10,000	(10,000)	-	-	2,000
Parties, escapes and events	-	350,300	(350,300)	-	-	-
Pantomimes and story tellers	27,500	57,590	(64,905)	-	-	20,185
Regional Restriction	-	250	(250)	-	-	-
Total restricted funds	54,093	2,296,921	(2,294,737)	-	-	56,277
Unrestricted funds:						
Designated funds:						
Boost boxes	236,300	-	(236,300)	263,345	-	263,345
Wish fund	2,651,912	-	(2,767,988)	2,194,904	-	2,078,828
Fun centres	39,800	-	(23,405)	(395)	-	16,000
Distraction boxes	72,180	-	(68,777)	79,612	-	83,015
Captain Starlight	204,000	-	(43,725)	(160,275)	-	-
Impact	-	-	-	30,000	-	30,000
Operational costs	1,140,693	-	(1,140,693)	1,370,501	-	1,370,501
Total designated funds	4,344,885	-	(4,280,888)	3,777,692	-	3,841,689
General funds	2,062,823	4,026,260	(1,792,778)	(3,777,692)	5,561	524,174
Total unrestricted funds	6,407,708	4,026,260	(6,073,666)	-	5,561	4,365,863
Total funds	6,661,801	6,323,181	(8,368,403)	-	5,561	4,622,140

Purposes of restricted and endowment funds

Endowment funds

Endowment funds are funds of which only the income generated from the invested capital is available to the organisation for operations.

Hospital Programme

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

Wish Fund

Pledged funds restricted to wish trip to Monaco.

Distraction Boxes

Donated funds restricted to the provision of Distraction Boxes in Glasgow and the west coast of Scotland.

Fun Centres

Funds restricted specifically to the provision of Fun Centres at Kingsmill Hospital.

Pantomimes & Story Tellers

Includes funds of £1,973 restricted to the provision of Pantomimes and Story Telling in general, and £3,000 restricted to the provision of Pantomimes and Story Tellers specifically in hospitals in the West Midlands.

Purposes of designated funds

Boost Boxes

Transfers made from general reserves to ensure fund balances are equivalent to twelve months budgeted direct expenditure for 2020/21.

Wish Fund

Transfer from reserves to ensure fund balance is equivalent to direct costs for both confirmed and anticipated wishes.

Distraction Boxes

Transfers made from general reserves to ensure fund balances are, in combination with restricted fund balance for Distraction Boxes, equivalent to twelve months budgeted direct expenditure for 2020/21.

Impact

Equivalent to total budgeted direct costs for 2020/21.

Operational costs

Transfer made from general funds to ensure fund balance is equivalent to six months total budgeted salaries and overheads costs for 2020/21.

15. Operating lease commitments

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

	Property		Other	
	2020	2019	2020	2019
	£	£	£	£
Less than one year	212,576	204,407	4,995	2,158
One to five years	865,224	817,628	4,590	1,217
Over five years	1,172,348	1,311,618	-	-
	2,250,148	2,333,653	9,585	3,375

16. Legal status of the charity

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



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