

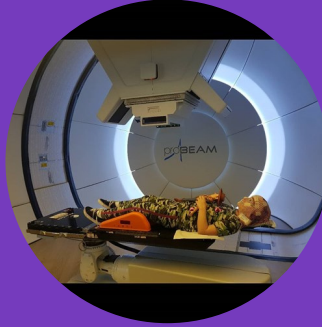


Welsh Children's Cancer Charity
Elusen Canser Plant Cymru

LATCH

ANNUAL REPORT 2019

ADRODDIAD BLYNYDDOL 2019



REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER 2019

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ARCHWILIEDIG AR GYFER Y BLWYDDYN GORFFENNODD 31AIN RHAGFYR 2019.

REGISTERED COMPANY NUMBER: 04735773 (England and Wales)
REGISTERED CHARITY NUMBER: 1100949

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2019
FOR
LATCH WELSH CHILDREN'S CANCER CHARITY**

Graham Paul Limited
(Statutory Auditor)
Court House
Court Road
Bridgend
CF31 1BE

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LATCH WELSH CHILDREN'S CANCER CHARITY

FORWARD BY THE EXECUTIVE CHAIR FOR THE YEAR ENDED 31 DECEMBER 2019

On behalf of the Trustees I would like to thank all supporters, branches, our LATCH ambassadors and volunteers and our administrative team and our network of stakeholders for their enduring commitment to our charity during 2019.

During 2019, LATCH has been able to provide further enhancements and facilities to comfort and support our patients during their treatment. This key feature of the work of LATCH was acknowledged in a presentation given by Ms Vicki Siberry, a member of the nursing team at our Annual General meeting in September 2019. This sentiment was echoed by Dr Cathy Morley-Jacob, the senior oncologist consultant, who expressed her gratitude to LATCH for the unique contribution it makes to the lives and experience of our patients and parents at a time of need, and in her own words 'long may this support continue'. So it shall!

In our new roles, both Jade and I have been touched by the warm welcome we have received since our appointments to the charity from July 2019.

The charity's vision, values and ethos make LATCH unique. Our core purpose of supporting children and their families when they need it most is our key priority and the Board and the administrative team will continue to explore all opportunities to strengthen LATCH further, so it continues to deliver on our aims and objectives.

There is no doubt that all sectors, public, private and voluntary, are facing economic and fiscal threats, to which no organisation is immune. This has been compounded by COVID 19, which will be a serious challenge to all charities including LATCH. As life styles, interests and activities change due to the new pressures on world economies, on commerce and industry, and on families and individuals, we need to develop further strategies to extend our network of supporters, to ensure sustainability in fund-raising and to build strong relationships, which will compliment the excellent contribution from our current stakeholders.

With our prudent fiscal management, coupled with the development of our subsequent five year corporate strategy, and with the continued passion and commitment of our supporters, branches, ambassadors and volunteers, LATCH is well placed to navigate a focussed course of action through this ocean of uncertainty.

As LATCH approaches its 40th anniversary in 2022, with a track record of success and with renewed optimism, I am confident that we have the skills and resilience to improve further the experience of our patients and our parents and families in Wales at a critical time when they need the care and support that LATCH provides so successfully.

Susan A E Gwyer-Roberts, DL
Executive Chair

LATCH WELSH CHILDREN'S CANCER CHARITY

GENERAL MANAGER'S WELCOME FOR THE YEAR ENDED 31 DECEMBER 2019

I would like to take this opportunity to thank everyone for the warm welcome I have received since my appointment as general manager of LATCH. It is a privilege to be part of something so special. Having worked with a number of different charities, it is inspiring to be part of an organisation where staff care so deeply about the people we support.

This is, without doubt, only possible thanks to the dedication and support of our branches, our amazing ambassadors, donors and dedicated staff.

Since my appointment in July 2019, I have discovered that LATCH is a very warm and open place and it has been a pleasure getting to know our families, our patients and our colleagues from across the Health Board.

My focus during the first six months at LATCH has been to understand the service and the motivations behind everything that we do. Over the years LATCH has developed meaningful relationships with not only the people we support, but also with the Cardiff and Vale Health Board, with the consultants, nurses and other health professionals who work so closely with LATCH families. One of my priorities will be to reinforce these relationships, because our services feed into one another. Without the Health Board, LATCH wouldn't exist in the way it does today, and without LATCH, patients and their families wouldn't receive such comprehensive services and support.

In September 2019 we welcomed new staff to the LATCH team, with the appointment of two support workers and an administrative officer to support the social workers.

The impact of the Corona Virus pandemic has certainly affected not only LATCH as an organisation but also the families we support. We have been fortunate to be in a position to maintain our grants programme that provides financial assistance to our families, and, in many cases, have been able to provide additional grants in direct response to the effects of the pandemic.

It is important for us now, to look to the future and work towards ensuring the sustainability of LATCH and its core services, and to focus on the development of new or evolved services that work to support directly children receiving treatment for cancer and leukaemia and their families. We are looking forward to welcoming new staff as we expand our reach through a corporate strategy for the next 5 years that will enable us to continue working as a responsive and innovative organisation.

Jade Morgan
General Manager

LATCH WELSH CHILDREN'S CANCER CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of 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).

Statement by the Executive Chair

It is pleasing to report that 2019 was a successful year for LATCH in a range of matters. From our Treasurer's report, it is encouraging to see that the voluntary income of the charity has increased by £91,790, which the Board recognises is due to the continued zeal of our branches, our fundraisers and supporters and our ambassadors and volunteers in their commitment to the vision and values of our charity. Our fiscal policy for 2019 provided to our parents and children 686 grants, based on the number of applications for assistance.

The Trustees are committed to funding several posts within the Paediatric Oncology Unit. These include 2 clinical psychologists and a psychology secretary, an administrative officer to support the work of our 3 social workers, and two support workers. The post of solid tumour nurse ceased in September 2019 as this was the end of the agreed period of LATCH funding. We are pleased to report that the post is funded now by the health board. We continue to fund a portion of the salary of a speech and language therapist. The cost of this varies depending on the number of LATCH children that are referred to them.

The trustees are delighted to report that our major capital project, the upgrade of Rainbow Ward, is agreed and set to go. We are indebted to Judge Philip Price, QC, our Honorary President, who is leading on this with our general manager. A range of improvements will take place, including the provision of 13 private rooms for patients, improvements in the waiting areas for day bed patients and a play area.

At the end of July 2019, Mr Ian Rogers retired from his role as trustee and Chair of the board, a role for which he gained significant respect from the trustees and those involved with LATCH for his significant contribution to the charity and the families we support. The Board is also grateful for the long service and dedication of Mrs. Denise Henderson, general manager for many years, who retired during 2019. We wish them good health and happiness for retirement. Within the administrative team, the trustees welcomed Mrs. Jade Morgan our new general manager. The Board would like to thank Mrs. Sarah Smith, our office support worker, for her commitment to LATCH during 2019, and Mrs. Janet Thomas, who manages our accounting system, providing timely fiscal reports to the Board with information on income, expenditure and performance against budget,

The trustees would like to acknowledge the commitment and dedication of our 3 social workers, Mrs Helen Clark, Mrs Rachel Shorto and Mrs Katie Thomas, for their significant care and service to our parents, families and patients during the treatment cycle.

The Board would like to pay special tribute to Mr Stephen Price, not only for his notable achievements as communications and events manager, but also his willingness to undertake the interim general manager post prior to the appointment of Jade in July 2019. During 2019, a wide range of initiatives were consolidated by him including the highly successful social media strategy, a 50% increase in LATCH ambassadors, increased presence at key events, and new corporate engagement networks.

The finance report, that follows this statement, has been prepared by Miss Emma Wilkins, our Treasurer, providing a clear financial review for 2019. The trustees would like to thank her for her valuable contribution to LATCH.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019**

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aims and objectives of LATCH ('the Charity') are to collect sums of money for the purpose of providing financial grants and to assist financially or otherwise, children suffering from cancer and leukemia and their immediate families and siblings who are referred to the regional Pediatric Oncology Unit in Wales ('the Unit'). The Charity supports and maintains the development of specialist medical care afforded, or referred to, by the Unit through financial aid or otherwise for the benefit of those children so referred. Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit.

The trustees believe that they have furthered these objects through practical and financial help as shown in the accompanying audited accounts. The Charity spent £718,179 on charitable activities in 2019 (2018: £847,869). In particular, the Charity continues to provide grant and comfort payments to support families. The Grants Policy has been reviewed during 2019 to ensure that it continues to meet the needs of families. In addition, the trustees believe that families derive great benefit from a dedicated team of social workers who provide support throughout their treatment and beyond together with the clinical psychologists who provide valuable input at such a difficult time.

The trustees are of the opinion that the work of the Charity continues to meet these objectives and aims.

Voluntary income of the charity has increased by £91,790. The trustees remain indebted to the relentless fundraising efforts of our branches and fundraisers who work tirelessly to support the Charity. However, the trustees are aware that the difficult economic climate will continue to challenge the Charity's ability to maintain its current level of financial support. Every effort must be made therefore to not only maintain current levels of income but to look to secure new income streams into the future.

Significant activities

The trustees are entirely dependent on the generosity of the public throughout Wales for the Charity's income. No funds are received from central government, health boards or national lotteries. There are a number of branches throughout South Wales that regularly undertake fund-raising activities of a wide ranging nature. Branch income raised in this way amounted to £65,626 (2018: £65,811) which is consistent with the prior year. The trustees acknowledge the hard work and commitment of branch members in achieving this level of income. General donation income received directly to the central office was £525,505 (2018: £371,650), representing a significant increase from 2018 levels.

To try to target the important source of income from bequests, the trustees have authorised annual advertising in a number of charitable registers that are regularly referred to by solicitors in the preparation of wills and estate planning.

In this way, LATCH hopes to benefit from possible legacies. The trustees are grateful for the bequest income of £54,833 (2018: £119,908) received during the year. The nature of this income source is that it is variable.

The trustees monitor income and expenditure at regular meetings throughout the year and through direct contact with the Treasurer whenever appropriate. Trustees also set an annual budget and Treasurer reports monitor the Charity's performance against this budget.

LATCH funds ward based support workers who work closely with the children and their families, providing practical help and support. Families have highlighted that this is a valuable source of support to them during a difficult time

LATCH WELSH CHILDREN'S CANCER CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

OBJECTIVES AND ACTIVITIES

Progress report on the LATCH 5 YEAR PLAN 2015 - 2020

	ACTIVITY	COMPLETION DATE	LEAD	STATUS 31/12/2019
1	Review range and current financial limits of grants	August each year	Board of Trustees	Completed
2	Produce manual of approved grants and allowances	2016	General Manager	Reviewed and updated November 2019 - completed
3	Create database of donors	Ongoing	General Manager	A new database has been developed which enables us to capture more data. This priority is ongoing.
4	Enhanced social media presence	Ongoing	Communications and event marketing manager	Significant progress has been made the last few years. This remains an evolving priority
5	LATCH publicity disseminated within legal profession	Ongoing	Board of trustees	Ongoing
6	Review investment management arrangements	2016	Board of trustees	Due to the current issues re Covid-19, a review of this tender will be carried over into 2021 priorities
7	Review banking arrangements	2017	Board of trustees	Due to the current issues re Covid-19, a review of this tender will be carried over into 2021 priorities
8	Review audit arrangements	2017	Board of trustees	Due to the current issues re Covid-19, a review of this tender will be carried over into 2021 priorities
9	Develop criteria to evaluate research funding bids	2016	Board of trustees	Completed 2018
10	Develop criteria to evaluate non research funding bids	2016	Board of trustees	Completed 2018
11	Implement Sage form 2016	2016	Treasurer	Completed
12	Refurbish parent accommodation	Ongoing	General manager	Completed
13	Occupancy statistics for bedrooms	Ongoing	General manager	Ongoing
14	Review insurance arrangements to cover events	2016	Board of trustees	Completed
15	Review indemnity insurance for trustees	2016	Board of trustees	Outstanding
16	Review financial controls	2016	Treasurer	Completed
17	Set up of manual of financial control procedures	2017	Treasurer	Due to Covid-19 this issue will be carried over to 2021
18	Set up manual of operating procedures	2016	General Manager	This will be a priority in the Corporate Strategy for 2021-26

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019**

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

All fund-raising is done by volunteers, with no paid fundraisers. The value of their contribution cannot be quantified, but the trustees are ever grateful to them. Their contribution is invaluable. Our volunteers arrange a variety of fund-raising projects from runs and bike rides to sky dives and balls. No fundraiser or trustee receives any remuneration or expenses, despite being so entitled. The trustees also remain indebted to the public at large for their kindness and generosity in making donations. There will always be children and families who need LATCH and the assistance we can offer them.

The cost of fund-raising during the year was £43,654 (2018: £39,924), which represents a modest increase over the previous year. LATCH is proud that we are able to keep our fund raising costs to moderate level, ensuring that our focus is highly on supporting children and their families.

Our primary objective has always been the comfort and well being of children undergoing treatment at the Unit. We have in this period given financial aid to the extent of more than £259,708 (2018: £385,184) to these children and their families.

The trustees believe that the resources expended reflect the Charity's primary objects during the year under review.

FINANCIAL REVIEW

Investment policy and objectives

The trustees have maintained the appointment of Lloyds Private Banking to manage and maintain the investment portfolio and associated bank account for retention of cash reserves. Lloyds Private Banking have been asked to maintain a level of income appropriate and commensurate with the agreed portfolio investment profile and risk structure looking to deliver total returns over the short to medium term at least in line with inflation.

The current asset allocation policy adopted by the trustees and agreed with Lloyds Private Banking allows a level of flexibility within the fund to respond to market conditions. The trustees are satisfied that the investment profile and risk structure remains appropriate. The Trustees have also instructed there be no direct investment in companies where more than 5% of their profits emanate from tobacco or arms sales.

The portfolio structure, performance and asset allocation is regularly reviewed at trustees meetings with an overview provided personally at such meetings by the Senior Private Banking manager from Lloyds Private Banking who has day to day responsibility for managing the Charity's investment portfolio.

The trustees note that Investment income and interest for the year amounted to £84,947 (2018: £79,415). This is an increase of £5,532 over the previous year. During the year there were realised gains on sale of investments of £37,246. This compares to a realised gain in 2018 of £126,296. At 31 December 2019, the total value of the investment portfolio is £3,864,242 (2018: £3,411,066). The trustees will be looking to our investment advisors to maximize our investment income at all times. We remain grateful to our Portfolio Investment Managers for their continued expertise and active management of our portfolio.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019**

FINANCIAL REVIEW

Reserves policy

During the year, trustees reviewed and updated the reserves policy. The trustees have designated £700,000 in respect of upgrades to Rainbow Ward. This work was due to be undertaken in 2019 but has been deferred, for operational reasons, until 2020. The trustees have designated a further £300,000 to support future (as yet undefined) medium term capital project developments.

The current unrestricted free reserves amount to £3,975,644. The trustees have taken account the following reasons, which explain the requirement for current and future reserve levels:-

- The reserves that the trustees have set aside provide financial stability and the means to meet core objectives, namely the well being and maintenance of the children attending the regional Paediatric Oncology Unit in Wales for the medium term future. The trustees have defined the medium term as between 3 and 5 years.
- The income to the Charity is highly volatile in nature and the Charity has a high expenditure commitment.
- Expenditure is generally predictable and covers both long-term commitments and annual comfort grants to patients. The exception is the variable expenditure on capital projects, which has been designated as a separate reserve.
- The Charity operates a strategy, which aims to balance fairly expenditure on current and future beneficiaries.
- The Charity has made an allowance for the risk of economic uncertainty and the impact of the investment portfolio.

The current unrestricted reserve level is sufficient to cover five years of charitable expenditure based on the current levels of direct charitable expenditure (£783,676).

The basis of determining the target reserves level is subject to periodic review and will be adjusted as the perception of risk and other factors alter.

The current economic climate remains extremely difficult for both health providers and our families. It is for this reason the trustees will continue to seek to utilize its reserves in the coming years. The Charity always seeks to maintain a balance between protecting existing commitments and enabling the Charity to be in a position to take advantage of new opportunities as they arise and to support capital developments in accordance with the Charity's aims and objectives. This will be achieved mainly through the accumulation of interest and dividends on the investment portfolio and the accumulated surplus of income over expenditure, or Accumulated Fund as quoted in the accounts annexed to this report.

LATCH WELSH CHILDREN'S CANCER CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

FUTURE PLANS

The trustees have agreed a budget for the coming year and are committed to continuing to support our children and families when they need it most. LATCH will continue to rely on the generosity of the public at large for donation income in general and will also continue to look to the small number of volunteers within local communities, many of whom have had a direct connection with the paediatric oncology unit at the hospital to organise fundraising events.

Our priorities for 2020

During 2020 onwards, LATCH will go through a process of evaluation and review which will inform our Corporate Plan for the next 5 years.

This plan will be informed by our vision, values, ethos and purpose, complimented by a review of our skills and expertise at board level, and a review of our administration and operational procedures to ensure we continue to be fit for purpose and compliant with regulations and policy for the twenty first century.

No	Focus	Priorities 2020
1	Strategic priority	Creation of LATCH Corporate Plan 2021-26
2	Capital priority	Refurbishment of Rainbow Ward
3	Service priority	Review of the Psychology service provision for LATCH patients

The Corporate Plan will identify strategic goals for the next five years, to support our core purpose, with patients and families at the heart of our charity, and to substantiate our vision and our values by

- building our fiscal resilience,
- investing in our people,
- enhancing our service delivery

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, The Memorandum and Articles, and constitutes a charitable company limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Trustees are appointed by general meeting in accordance with the provisions of the Articles of Association and are subject to retirement by rotation and re-appointment, if approved, by the Annual General meeting.

Organisational structure

The Trustees are also directors of the Company. They oversee the running of the Charity and maintain their responsibilities. However, for the purposes of the operational running of the charity they have delegated some responsibilities to the Executive Chair and the Charity's full-time General Manager. The Board of Trustees receives financial reports from the Treasurer and monitors the day-to-day activities of the Charity and which meets on a bi-monthly basis. They take decisions in accordance with the overall agreed budget for the year and the investment and other policies.

It is the adopted practice of the trustees to seek to add to their number from suitably qualified professional people or from those who have actively supported the Charity. They ensure that adequate training is given to any incoming trustee to enable them to discharge their responsibility in a proper manner. Each is given a current copy of the Charity Commission's publication CC3 and CC3a. No trustee is remunerated or reimbursed for expenses.

During the year the maintenance of the Charity's accounting records and the financial reporting framework has remained unchanged. The Treasurer continues to monitor closely the financial activities of the Charity and reports directly to the Board of Trustees. At their meeting to adopt the audited accounts of the Charity, the trustees also review the governance and structure of the Charity to ensure that its arrangements remain appropriate and effective. Trustees also consider the Charity's risk register on a periodic basis.

There are no subsidiary charities or other related activities. LATCH is a stand alone charity. All directors are trustees of LATCH, details of which appear below.

LATCH WELSH CHILDREN'S CANCER CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04735773 (England and Wales)

Registered Charity number

1100949

Registered office

Children's Hospital for Wales
Heath Park
Cardiff
CF14 4XW

Trustees

Mr Ian Rogers - resigned 18.9.19

Mrs Sian Howell

Mrs Emma Hingston

Mr Lyn David Howell

Mr Philip Reardon Smith

Mr John Milner

Mr James Rudolf

Miss Emma Wilkins

Miss Sarah Lloyd

Mrs Sandra Owen

Ms Susan Gwyer-Roberts - appointed 8.7.19

Auditors

Graham Paul Limited

(Statutory Auditor)

Court House

Court Road

Bridgend

CF31 1BE

LATCH WELSH CHILDREN'S CANCER CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of LATCH Welsh Children's Cancer Charity for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

This report has been prepared having given due regard to guidance published by the Charities Commission on public benefit.

AUDITORS

The auditors, Graham Paul Limited, will be proposed for re-appointment at the forthcoming Trustees Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 15 July 2020 and signed on its behalf by:

Ms Susan Gwyer-Roberts - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LATCH WELSH CHILDREN'S CANCER CHARITY

Opinion

We have audited the financial statements of LATCH Welsh Children's Cancer Charity (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LATCH WELSH CHILDREN'S CANCER CHARITY

Matters on which we are required to report by exception

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

- 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, 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.

Our responsibilities for the audit of the financial statements

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

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

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. 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 auditors' 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.

Brian Scott FCA (Senior Statutory Auditor)
for and on behalf of Graham Paul Limited
(Statutory Auditor)
Court House
Court Road
Bridgend
CF31 1BE

15 July 2020

LATCH WELSH CHILDREN'S CANCER CHARITY

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019**

		Unrestricted funds	Restricted fund	2019 Total funds	2018 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	681,658	-	681,658	589,868
Investment income	3	84,947	-	84,947	79,415
Total		766,605	-	766,605	669,283
EXPENDITURE ON					
Raising funds	4	65,497	-	65,497	61,615
Charitable activities	5				
Services to patients		699,379	-	699,379	826,719
LATCHmosphere maintenance		18,800	-	18,800	21,150
Total		783,676	-	783,676	909,484
Net gains/(losses) on investments		412,532	-	412,532	(267,164)
NET INCOME/(EXPENDITURE)		395,461	-	395,461	(507,365)
RECONCILIATION OF FUNDS					
Total funds brought forward		4,585,917	-	4,585,917	5,093,282
TOTAL FUNDS CARRIED FORWARD		4,981,378	-	4,981,378	4,585,917

The notes form part of these financial statements

LATCH WELSH CHILDREN'S CANCER CHARITY

BALANCE SHEET AT 31 DECEMBER 2019

		2019	2018
	Notes	£	as restated £
FIXED ASSETS			
Tangible assets	13	13,319	26,631
Investments	14	3,864,242	3,411,066
		<u>3,877,561</u>	<u>3,437,697</u>
CURRENT ASSETS			
Debtors	15	33,247	42,375
Cash at bank		1,174,853	1,175,421
		<u>1,208,100</u>	<u>1,217,796</u>
CREDITORS			
Amounts falling due within one year	16	(104,283)	(69,576)
NET CURRENT ASSETS		<u>1,103,817</u>	<u>1,148,220</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,981,378</u>	<u>4,585,917</u>
NET ASSETS		<u><u>4,981,378</u></u>	<u><u>4,585,917</u></u>
FUNDS	19		
Unrestricted funds		<u>4,981,378</u>	<u>4,585,917</u>
TOTAL FUNDS		<u><u>4,981,378</u></u>	<u><u>4,585,917</u></u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 15 July 2020 and were signed on its behalf by:

Ms Susan Gwyer-Roberts -Trustee

The notes form part of these financial statements

LATCH WELSH CHILDREN'S CANCER CHARITY

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019	2018
	Notes	£	as restated £
Cash flows from operating activities:			
Cash generated from operations	1	(44,871)	(311,353)
Net cash provided by (used in) operating activities		<u>(44,871)</u>	<u>(311,353)</u>
Cash flows from investing activities:			
Purchase of fixed asset investments		(774,902)	(987,066)
Sale of fixed asset investments		734,258	909,789
Interest received		2,261	2,612
Dividends received		82,686	76,803
Net cash provided by (used in) investing activities		<u>44,303</u>	<u>2,138</u>
Change in cash and cash equivalents in the reporting period		<u>(568)</u>	<u>(309,215)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,175,421</u>	<u>1,484,636</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,174,853</u></u>	<u><u>1,175,421</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

	2019 £	2018 as restated £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	395,461	(507,365)
Adjustments for:		
Depreciation charges	13,312	13,312
Gain on investments	(37,246)	(126,296)
Interest received	(2,261)	(2,612)
Dividends received	(82,686)	(76,803)
Unrealised (gains)/losses on investments	(375,286)	393,460
Decrease/(increase) in debtors	9,128	(2,852)
Increase/(decrease) in creditors	34,707	(2,197)
Net cash provided by (used in) operating activities	<u>(44,871)</u>	<u>(311,353)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.19 £	Cash flow £	At 31.12.19 £
Net cash			
Cash at bank	1,175,421	(568)	1,174,853
Total	<u>1,175,421</u>	<u>(568)</u>	<u>1,174,853</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

In light of the challenging circumstances arising from the COVID-19 pandemic, Trustees ought to consider any financial risk to the Charity in the coming twelve-month period. It is likely that charitable income will reduce considerably and that the value of our investment portfolio will be lower because of the significant drop in the stock market. Further, our charitable expenditure remains constant due to the ongoing needs of families for grant payments, the salary commitments and service level agreements in place. LATCH still holds a healthy cash balance outside of our investment portfolio, which can be used to fund ongoing commitments. Our reserves policy ensures that we have sufficient free reserves to fund expenditure for a period of five years. On that basis, LATCH is considered to remain a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
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Tangible Fixed Assets are initially recorded at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES - continued

Fixed asset investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments.

2. DONATIONS AND LEGACIES

	2019	2018 as restated
	£	£
Donations and fund raising events - branch	65,626	65,811
Donations and fund raising events - central	525,505	371,650
Bereavements	26,304	24,262
Bequests	54,833	119,908
Sale of promotional items	9,390	8,237
	<u>681,658</u>	<u>589,868</u>

3. INVESTMENT INCOME

	2019	2018 as restated
	£	£
Dividends and fixed interest securities	82,686	76,803
Interest on cash deposits	2,261	2,612
	<u>84,947</u>	<u>79,415</u>

4. RAISING FUNDS

Raising donations and legacies

	2019	2018 as restated
	£	£
Fundraising activities	<u>43,654</u>	<u>39,924</u>

Investment management costs

	2019	2018 as restated
	£	£
Investment management fees	<u>21,843</u>	<u>21,691</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2019

4. RAISING FUNDS - continued

Aggregate amounts	65,497	61,615
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5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6) £	Support costs (See note 7) £	Totals £
Services to patients	611,494	87,885	699,379
LATCHmosphere maintenance	18,800	-	18,800
	<u>630,294</u>	<u>87,885</u>	<u>718,179</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2019 £	2018 as restated £
Grants and comfort payments	259,708	385,184
Funded posts	305,658	318,426
Capital contribution Cardiff and Vale NHS Trust	24,819	3,303
Hospital equipment	21,309	33,091
LATCHmosphere	18,800	21,150
	<u>630,294</u>	<u>761,154</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Services to patients	71,678	309	15,898	87,885

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2019 £	2018 as restated £
Auditors' remuneration	4,800	5,220
Auditors' remuneration for non audit work	600	600
Depreciation - owned assets	<u>13,312</u>	<u>13,312</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2019**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2019 nor for the year ended 31 December 2018.

10. STAFF COSTS

There were no staff costs for the year ended 31 December 2019 nor for the year ended 31 December 2018.

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	589,868	-	589,868
Investment income	79,415	-	79,415
Total	669,283	-	669,283
EXPENDITURE ON			
Raising funds	61,615	-	61,615
Charitable activities			
Services to patients	826,719	-	826,719
LATCHmosphere maintenance	21,150	-	21,150
Total	909,484	-	909,484
Net gains/(losses) on investments	(267,164)	-	(267,164)
NET INCOME/(EXPENDITURE)	(507,365)	-	(507,365)
RECONCILIATION OF FUNDS			
Total funds brought forward	5,093,282	-	5,093,282
TOTAL FUNDS CARRIED FORWARD	4,585,917	-	4,585,917

12. PRIOR YEAR ADJUSTMENT

Subsequent to the approval of the financial statements for the year ended 31st December 2018, it was discovered that creditors as at 31/12/18 were understated by £43,945 as a result of further costs relating to social workers. A prior year adjustment has therefore been made to correct this error.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2019**13. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
COST	
At 1 January 2019 and 31 December 2019	89,353
DEPRECIATION	
At 1 January 2019	62,722
Charge for year	13,312
At 31 December 2019	76,034
NET BOOK VALUE	
At 31 December 2019	13,319
At 31 December 2018	26,631

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2019	3,411,066
Additions	774,902
Disposals	(697,012)
Impairments	375,286
At 31 December 2019	3,864,242
NET BOOK VALUE	
At 31 December 2019	3,864,242
At 31 December 2018	3,411,066

Investment assets outside the UK are shown below.

Investments can be further analysed as follows:

	2019		2018	
	UK £	Overseas £	UK £	Overseas £
Listed Investments	556,387	-	719,790	-
Unlisted Investments	-	863,312	-	396,410
Other	2,311,646	132,897	2,127,641	167,225
	2,868,033	996,209	2,847,431	563,635

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2019

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Prepayments & other debtors	<u>33,247</u>	<u>42,375</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Funded posts & other accruals	<u>104,283</u>	<u>69,576</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018 as restated
	£	£
Within one year	4,544	4,544
Between one and five years	18,176	18,176
In more than five years	26,724	31,268
	<u>49,444</u>	<u>53,988</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted fund	2019 Total funds	2018 Total funds as restated
	£	£	£	£
Fixed assets	13,319	-	13,319	26,631
Investments	3,864,242	-	3,864,242	3,411,066
Current assets	1,208,100	-	1,208,100	1,217,796
Current liabilities	(104,283)	-	(104,283)	(69,576)
	<u>4,981,378</u>	<u>-</u>	<u>4,981,378</u>	<u>4,585,917</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2019

19. MOVEMENT IN FUNDS

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	4,585,917	395,461	(1,000,000)	3,981,378
Designated	-	-	1,000,000	1,000,000
	<u>4,585,917</u>	<u>395,461</u>	<u>-</u>	<u>4,981,378</u>
TOTAL FUNDS	<u>4,585,917</u>	<u>395,461</u>	<u>-</u>	<u>4,981,378</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	766,605	(783,676)	412,532	395,461
	<u>766,605</u>	<u>(783,676)</u>	<u>412,532</u>	<u>395,461</u>
TOTAL FUNDS	<u>766,605</u>	<u>(783,676)</u>	<u>412,532</u>	<u>395,461</u>

Comparatives for movement in funds

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted Funds			
General fund	5,093,282	(507,365)	4,585,917
	<u>5,093,282</u>	<u>(507,365)</u>	<u>4,585,917</u>
TOTAL FUNDS	<u>5,093,282</u>	<u>(507,365)</u>	<u>4,585,917</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	669,283	(909,484)	(267,164)	(507,365)
	<u>669,283</u>	<u>(909,484)</u>	<u>(267,164)</u>	<u>(507,365)</u>
TOTAL FUNDS	<u>669,283</u>	<u>(909,484)</u>	<u>(267,164)</u>	<u>(507,365)</u>

19. MOVEMENT IN FUNDS - continued

Unrestricted Funds

The general reserve represents the funds of the charity which are not designated for specific purposes.

Designated funds represent monies set aside for the following:

- £700k relating to planned upgrades to Rainbow Ward
- £300k relating to medium term capital project development

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2019.

21. FROM THE HONORARY PRESIDENT

This annual report shows that 2019 was another highly successful year for LATCH in achieving our purpose of providing support: emotional, financial and medical, to children in Wales with cancer and to their families. I would like to thank all those who have once again worked so hard to provide that invaluable support.

The challenges change from year to year but the needs of the children remain undiminished. I have been associated with LATCH since 1988 when our ten year old son was diagnosed with Leukaemia. Among our present trustees are Sian and Lyn Howell whom I first met in clinic in those times. It strikes me as a remarkable feature of this charity that once a commitment has been made to help the children and their families meet their challenges, it is likely to continue through the years.

In 2019 we welcomed Susan Gwyer-Roberts as our new Executive Chair. Susan brings to LATCH vast experience from her many years in education and from her active engagement in the governance of other charities.

Jade Morgan too has joined us as our new General Manager, bringing the fruits of a professional career in charity work and fundraising.

They are looking at our affairs with fresh eyes and LATCH is already benefitting from their expertise.

In our history of nearly 40 years, Susan is only the fourth person to hold the Chair and Jade is our third administrator/general manager. Continuity and change have proved themselves by now a winning formula for many generations of patients.

We can be confident that the skills and dedication of our trustees will ensure the best experience possible for the generations of children to come.

Judge Philip Price Q.C.

LATCH

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Registered Charity Number: 1100949

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