

Registered Charity Number 1176160

THE LITTLE PRINCESS TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2020

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**THE LITTLE PRINCESS TRUST
STATUTORY INFORMATION
FOR THE YEAR ENDED 31 JULY 2020**

Principal Address and Registered Office

Broadway House
32-35 Broad Street
Hereford
Herefordshire
HR4 9AR

Registered Charity Number

1176160

Company Number

CE012589

Registered Auditors

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Bankers

National Westminster Bank PLC
12 Broad Street
Hereford
Herefordshire
HR4 9AH

Investment Managers

Rowan Dartington & Co Ltd
2-3a Union Walk
Hereford
HR1 2EP

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Brewin Dolphin
2nd Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Trustees

Timothy Wheeler MBE – Chairman
Tania Hudson – Treasurer
Robert L Pizii
Simon Tarplee
Timothy Lowe
Kate Bliss (appointed 9 November 2019)
Sarah Woodall (appointed 10 October 2020)

Key Management Personnel

Philip Brace, Chief Executive Officer
Nadine Schofield, Finance Officer (appointed September 2019)
Wendy Tarplee-Morris, Research Manager
Ian Morris, Marketing and Communications Officer (appointed September 2019)
Katie Price, Governance Officer

THE CHAIR AND THE CHIEF EXECUTIVE REFLECT ON 'A YEAR LIKE NO OTHER'

At a time when, collectively, we have never been more aware of the need for charity in our lives, we are proud to be a part of The Little Princess Trust and delighted to report that, in spite of the unprecedented nature of the past few months, the charity has continued to give hair and hope.

Reflecting on 2019/2020, no one could deny that it has been a year like no other, with new challenges to face and a number of changes forced upon us. Nonetheless, we are pleased and proud to report that The Little Princess Trust has responded to those challenges, adapted and continued to move forward. Above all, the charity has found ways to continue to provide wigs under challenging circumstances, developing new ways of working, for example, introducing video technology to our wig fitting provision, to ensure that this vital service which we provide could continue. It is particularly pleasing to report that, in spite of Covid-19, we have given away our largest number of wigs to date within a twelve-month period. Better still, in line with our strategic aim, the number of wigs which have come from our own manufacturers has continued to increase, which is far more cost-effective, reaching almost 80% of the total.

We have also been able to maintain our focus on research and, whilst our primary aim will always be to give free real hair wigs to every child and young person experiencing hair loss due to cancer treatment, we have also been able to further increase our commitment to fund innovative, vital paediatric cancer research. As a relative newcomer to research, the charity is just beginning to see projects which we have funded come to fruition. This year, we were thrilled with the news that one of these projects has brought onto the horizon a fundamental change in the understanding of a childhood cancer, with the discovery of the earliest genetic root of the kidney cancer known as Wilms' tumour. Whilst circumstances this year have inevitably delayed progress with our latest round of awards, we are delighted that, for the year ahead, we are committing what will be our largest amount of funding ever for vital research into childhood cancers.

Through it all, our wonderful supporters have continued to send in donations, and their fantastic commitment and kindness have allowed us to plan for the year ahead with confidence. Even though we were unable to accept hair donations during lockdown, it was great to see the steady flow of hair resume as soon as we were able to open up again and, better still, the extra months had allowed more time for hair to grow even longer, providing us with more of the longer hair which is so urgently needed.

We have also been fortunate to be able to rely upon the unwavering commitment and strength of The Little Princess Trust team of staff and we would like to put on record our thanks to every member of that team. We are proud of the strong culture which lies at the heart of the charity and this, allied to the organisational changes made over the past 18 months, has enabled us to respond quickly and effectively to a rapidly changing landscape. There have also been developments and improvements in our governance, with a full review of policies and procedures to ensure that we are always following best practice. We further strengthened our board of trustees with two new appointments and we plan to continue to widen the diversity of those involved in the oversight of the charity, whether on the board, as one of our team of trusted advisers, as ambassadors or as part of our proposed representation for young people.

Covid-19 has brought many challenges but, as an organisation, we have rallied and we have reacted, with purpose and with innovation, allowing us to maintain a consistent and effective service. The Little Princess Trust only exists thanks to the generosity of those who donate. Like many charities, we rely heavily on all of those wonderful annual community fundraising events, from the village fetes with a prize draw and the many events centred around an individual's haircut to major occasions such as the Cardiff half marathon and The London Marathon, all of which would normally have raised tens of thousands of pounds for The Little Princess Trust. Nonetheless, the giving detailed here and the many individuals who have donated to achieve this total serve as inspiration to us all and remind us of what is possible when people come together to support the causes which touch their hearts. We would like to highlight the unfailing generosity of our supporters, especially during the first half of 2020, generosity which has given us all cause for hope at a time when, for many, this has been something in short supply.

**THE LITTLE PRINCESS TRUST
CHAIR AND CEO'S REPORT
FOR THE YEAR ENDED 31 JULY 2020**

In conclusion, this report is not, of course, about us but about the children and young people we help, their families and everyone who is affected by cancer. With all the challenges which COVID-19 has brought, the support which we receive from all those associated with the charity allows us to celebrate the unfailing generosity of the British people, and perhaps remind ourselves that, even when living through the darkest of times, hope still remains alongside a willingness to look beyond ourselves. We all dream of a day when The Little Princess Trust will no longer be needed but, for as long as we are, we will continue to do all that we can to give hair and hope. Our sincere thanks to all those who make this possible.

Phil Brace
Chief Executive

Tim Wheeler MBE
Chair of Trustees

**THE LITTLE PRINCESS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2020**

The Trustees present their report along with the financial statements of the Charity for the year ended 31 July 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements, and comply with the Charity's governing document, applicable law and Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

The Charitable Incorporated Organisation was registered in the United Kingdom on 7 December 2017 transferring the assets and activities of the previous charity with the same name (registered charity number 1113172) from 1 August 2018.

OBJECTIVES AND ACTIVITIES

The Little Princess Trust seeks to improve the life of every child and young person with cancer.

The charity's primary objective is to give real hair wigs, free of charge, to every child or young person experiencing hair loss due to cancer treatment.

The charity also provides wigs in the UK and Ireland to those who have suffered hair loss due to other conditions such as alopecia, where funds and logistical circumstances allow. In addition, the charity continues to explore extending provision of its service to countries outside the UK where there is no service available.

The charity works with specialist suppliers and experienced wig fitters who offer wigs tailored to the individual child's needs to give the most realistic look and feel and as close as possible to their original hair. The charity puts parents and carers in contact with wig fitters as local to them as possible.

Parents or carers can contact the charity themselves by using the relevant contact information on The Little Princess Trust website or, alternatively, the child's treatment centre can make the initial contact.

The charity arranges for the manufacture of its own range of wigs made from donated hair. However, if the charity does not have a wig suitable for a child or young person then it will purchase one from a commercial supplier.

In addition to wig provision, the charity is committed to funding vital research which aims to deliver more effective and kinder treatments for all childhood cancers. The charity invites applications for funding from academics and organisations involved in researching the causes of paediatric cancer. The charity engages with the Children's Cancer and Leukaemia Group (CCLG) to facilitate this process under the guidelines from the Association of Medical Research Charities (AMRC).

The Trustees have paid due regard to the charity commissioners' guidance on public benefit in deciding what activities are undertaken to further the charity's charitable purposes for the public benefit.

IMPACT AND INNOVATION

MAKING A DIFFERENCE OVER THE PAST YEAR

"The hair gives children confidence, it gives them pride in their appearance, it creates a lasting smile, it brings happiness on the darkest of days,"
– Nikki Morrison, mother of LPT wig recipient Flo Morrison

We gave 1,614 wigs free wigs to children and young people, a 17% increase over the past two years and the largest annual total so far.

During this financial year we surpassed the milestone of providing 10,000 wigs since the charity was started in 2006.

We supported five new research projects, bringing the overall total funded to 54.

We awarded our first ever Innovation Grant to Dr Ruman Rahman at the Children's Brain Tumour Research Centre, University of Nottingham. The total sum awarded to this project was £676,000.

DID WE DO WHAT WE SAID WE WOULD DO?

New Headquarters

In our 2018/19 report we said: As well as centralising the charity's operations under one roof and improving efficiencies, the new headquarters will include a salon, which will enable children to have wigs styled and fitted on site, a wig-making facility and provide capacity to host conferences and events.

During this year Covid-19 has, unfortunately, slowed progress with the development of our new base in Hereford but we hope to see work completed by the middle of 2021. This will therefore remain in our plans for the year ahead.

Research

In our 2018/19 we said: The charity will also seek to increase its work within childhood cancer research. A full research strategy will be written to show interested medical professionals the areas of pediatric cancer where the charity wants to focus and the areas of preferred research. The Little Princess Trust will also work in partnership with the CCLG to fund more research and clinical trials into childhood cancers as the charity seeks to become one of the biggest funders of cancer research in the UK.

After a strong first half of the year, progress was interrupted by Covid-19 and a whole round of awards had to be delayed. Many of our funded research projects have been unavoidably delayed or paused whilst labs were closed or repurposed for COVID work. However, the Little Princess Trust continues to increase the amount of funding available for research into childhood cancers and will make additional funds available in 2020-21. The research strategy has now been written and approved.

Overseas

In our 2018/19 report we said: The charity's key objective is to provide a real hair wig to every child suffering hair loss as the result of cancer. The charity will continue to explore the extension of its services outside of the British Isles by establishing more partnerships overseas. Through its contacts within the hair industry, the charity believes new collaborations can be made via introductions made through Aderans and Great Lengths.

We have established partnerships and made progress with a number of pilot projects in mainland Europe and developed collaborations with the hair industry, although, once again, progress was delayed by Covid.

Communicating with supporters

In our 2018/19 report we said: The charity will continue with the work already started this year on improving supporter relationships by being more proactive in the way it communicates with those helping the charity. Plans are in place to start a quarterly newsletter to both thank supporters and update them with the charity's invaluable work while greater use will be made of The Little Princess Trust's growing social media platforms to get the charity's key messages across on issues such as the need for longer hair donations and the call for more hair donors to set up Just Giving pages.

A regular newsletter has been published and the growth of the importance of social media channels was made even more important with the restrictions imposed from March of this year. The key message regarding the need for longer hair donations is increasingly being heard.

During 2020, we improved all our internal processes to ensure supporters who donate hair and/or fundraise are communicated with and thanked accordingly. Our social media posts increased fourfold and we now manage and maintain all of the main channels with the emphasis on early response to questions and observations. Whilst Covid restricted our ability to communicate and thank face to face, we ensured that our virtual communication was effective and appropriate. Significant change was adopted within our supporter services team to ensure that there was a personal response to all communication.

Events

In our 2018/19 report we said: A big focus will be placed on the charity being involved in staging and hosting more of its own events over the coming 12 months. As the charity enters the events market, it wants to be part of six major events which will serve to provide publicity for The Little Princess Trust as well as helping to diversify income sources. The charity aims to have a substantial number of runners in the Cardiff and Bath half marathons, and plans are in place for The Little Princess Trust to be the named charity of choice at Hereford Racecourse's Charity Race Day in March, 2020. Another exciting event identified is the London to Paris 2020 cycle ride. The charity will have 60 riders in the high-profile bike ride and all will be wearing Little Princess Trust clothing. This great event will generate huge publicity when the cyclists ride for three days into the French capital on the same weekend as the closing stage of the Tour de France.

We had a large team in the Cardiff half marathon and a significant presence at the event, including tv coverage. Unfortunately, all subsequent events were affected by Covid 19, although we did have some runners in the virtual London marathon. We are delighted to be able to announce that the London to Paris cycle ride has been rescheduled for 2021.

Governance

In our 2018/19 report we said: The charity is also seeking to implement greater documented controls within the organisation and to have good, quality written procedures for every department. This corporate compliance will be tested, written and reviewed, and senior manager meetings will be introduced to discuss procedure, self-review and improve internal communication within the charity.

A significant amount of work has gone into the review of policies and procedures, led by the CEO and the Chair of Trustees, assisted by the newly appointed Governance Officer. Regular management meetings and reviews now take place and internal communication is now very strong.

PROVIDING FREE REAL-HAIR WIGS

Totally amazed

“Thank you so much for my daughter’s wig that she received today. She is so thrilled with it! I am totally amazed by the efficiency and the support we have received from you. I cannot put into words how this helps my daughter to build up her confidence in her own appearance. I am indebted to you. Thanks seems too small a gesture.”

The unprecedented circumstances caused by the pandemic, Covid-19, had a substantial impact on the activities of every charity and The Little Princess Trust was no exception. Every department within the charity was affected and experienced significant changes to normal working practices. Our strategic response was based on emphasising our primary objectives whilst demonstrating results. We knew that we had to reach more people than ever before and, with no paid fundraisers, it was essential that we increased our social media output fourfold and ensured excellent communication via every method and channel possible.

As a children’s cancer charity, The Little Princess Trust needed to be particularly cautious and aware of the potential dangers of coronavirus, especially in the early stages of the outbreak when little was known about the virus and some of the advice received was contradictory. An immediate priority was the health and well-being of our wig recipients. Whilst we were determined to continue providing our wigs to any young person requesting one, it was obvious that anyone undergoing treatment, particularly with a weakened immune system, would have to conform to strict social distancing measures and would not be allowed to come into contact with a hair stylist.

Our Wig Referrals Team worked quickly and efficiently to create ‘virtual wig fitting appointments’, with *WhatsApp*, *Skype*, *FaceTime* and *Zoom* utilised to link up our wig fitters with those receiving wigs in a safe and convenient manner, ensuring that each child and young person continued to receive a wig which was styled and fitted appropriately. Covid secure methods of working were adopted and regularly reviewed to ensure that they remained appropriate to effectively protect our wig recipients, our wig fitters and our staff from risk of Covid transmission. Covid statements were regularly provided to wig recipients, supporters and stakeholders alike.

Technology ensures young people can still have a Little Princess Trust wig fitted.

Nicola Wood, from The Wonderful Wigs Company in Sunderland, and Chris Baguley, from Baguleys of Cheshire, joined LPT’s own wig fitter Liz Pullar in holding virtual wig fitting appointments. Apps such as *Zoom*, *FaceTime* and *WhatsApp* allow the hair specialists to pass on their specialist knowledge to the young people who are all suffering with hair loss, many due to cancer treatment.

Nicola, a member of the LPT salon network, has also produced videos showing people how to take care of their wigs and how to take measurements to request the correct wig size.

The Wig Referral Team

The department is made up of a Hospital Relationship Manager, a Salon Relationships Manager, a Wig Referrals co-ordinator, a Wig Referrals Analyst and the Mobile Wig Fitter, Liz Pullar, who joined the team as a member of staff on August 5, 2019. The team works together to ensure that the key aim of reaching every child needing a wig is met.

**THE LITTLE PRINCESS TRUST
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 JULY 2020**

The dedication of the team helped the charity provide more wigs to young people in this 12-month period than ever before. In total, 1,614 wigs were provided which compares with 1,523 for the 12 months previous and 1,336 in the year before that.

One of the team's key aims this year was to increase the percentage of wigs that are given to young recipients that are made by The Little Princess Trust's own manufacturers. In previous years, the charity has used wigs from other commercial manufacturers which are not as cost-effective. But the percentage of wigs provided, that were made by the LPT's own manufactures, rose to 79.06% in the period (up from 46.77% on the previous 12 months).

The department has been working on obtaining better data to understand exactly what the requirement would be in a calendar year for children and young people undergoing cancer treatments. This has helped us be more focused on gap analysis and ensure appropriate and purposeful action is taken.

We maintain extremely close relationships with all the hospitals and cancer units to educate and inform all front-line staff regarding our service. We also work closely with our network of salons and we continue to improve the 'gold salon' requirements. We now acknowledge that all LPT partner salons need to be at this level. Safeguarding has been added to the salon audit as a key requirement along with up-to-date DBS checks.

The charity is constantly looking at ways to highlight that its wigs are for people of all genders and the Wig Referral Team has worked closely with Chris Baguley. He is a member of the LPT's salon network and, as a male wig specialist, has provided an excellent service to our male wig recipients.

Nicola Wood, another valued member of the LPT salon network, provided excellent support to the team as the country went into lockdown by making videos to demonstrate the wig fitting process. She also held many virtual wig fitting appointments to ensure our service continued during lockdown.

The Wig Referral Team worked with the Marketing Department through lockdown to design new lenticular cards which, it is hoped, will be key in publicising the charity's message to hospital patients. Feedback was sought from hospitals before the final draft was approved and the cards are now making their way to departments across the country.

Another success for the department was an agreement that sees shampoo and conditioner provided by LPT now being sent directly to the wig recipient. The charity has long funded these items but taking over management of the entire process will result in real savings for the charity and provide a fair and equal service to all recipients.

We have already learnt a great deal in terms of developing overseas partnerships. We have seen progress in Sweden, Portugal, Bulgaria, and Germany and these are providing valuable pilot projects. However, we remain at this time very much a UK charity but we will continue to explore opportunities to work with partners overseas. Once restrictions are lifted, we will conduct an audit on Bulgaria and Portugal. Sweden and Germany have both had to be delayed.

HAIR DONATION

Hair and Hope

Teenager Luiza Cochior has thanked The Little Princess Trust for the wig she received five years ago by donating her own hair to our charity. Her world was turned upside down when, aged just eight, she was diagnosed with acute lymphoblastic leukaemia. When told that the treatment she needed would cause her hair to fall out, she began to panic. But her worries were put aside when she saw her Little Princess Trust wig.

And now aged 13, Luiza is fit and healthy – and her hair has grown back to such an extent that she has been able to help someone experiencing what she has gone through by donating 30 cm of her long locks to The Little Princess Trust.

“My hair was a way of telling me I had beaten cancer and now it’s all in the past,” she said. “I really hope my hair will make another child’s journey easier – the same way your charity made mine.”

For a short period of time, the charity had to ask supporters to stop sending hair donations and, while the marketing and social media teams successfully conveyed this message to a large number of supporters, a number of donations still continued to arrive. With our team of volunteers who would normally help to sort large quantities of incoming hair unable to come in owing to Covid restrictions, the work of sorting incoming hair fell solely to the logistics team, the only members of staff who continued to work from The Little Princess Trust’s offices. The team’s presence was vital not only in managing incoming deliveries of hair whenever regulations allowed but particularly in sending out wigs to children and young people. Along with the implementation of a quarantine system so that any post delivered to the charity’s offices remained stored and unopened for 72 hours, they all followed a new Little Princess Trust Covid-risk assessment, making use of hand sanitiser, masks and gloves while the offices were adapted to ensure social distancing measures were always in place.

With salons closed across the country and with the charity asking supporters to put their hair donations on hold, revenue to the charity dropped by 75% during the month of April. Covid-19 also saw all events which unusually provide additional funding having to be cancelled. These included the Hereford Racecourse Charity Race Day, the Great Manchester Run, Cardiff half marathon, The London Marathon and the London 2 Paris cycle event. Amid such a challenging scenario, the charity’s communications team devised a strategy to focus on The Little Princess Trust’s core aims with regard to hair. A ‘Let it Grow’ campaign was promoted on Social Media to highlight the need for longer hair donations while communication was stepped up on all channels, through news stories on the charity’s website and via an increase in emailed newsletters.

The extra activity had the desired effect and, as lockdown restrictions eased, the charity received substantial publicity from the national media in print, television and radio. Both the Chief Executive and the Research Manager Wendy Tarplee-Morris were interviewed and able to promote the charity’s key messages, particularly highlighting the need for longer hair donations accompanied by fundraising.

The charity’s fund raising pack has been completely redeveloped, to help motivate and enthuse supporters to fundraise for LPT. Requests for the new packs will be proactively followed up to ensure those that who request a pack are fundraising for LPT as pledged, in line with fundraising regulations.

FUNDING VITAL RESEARCH

LPT funded research makes crucial cancer discovery

A fundamental change in the understanding of a childhood cancer is on the horizon thanks to one of the earliest projects funded by The Little Princess Trust. Scientists have now discovered the earliest genetic root of the kidney cancer, known as Wilms' tumour, after comparing tissue samples. Understanding the root of the cancer promises to improve treatment and help prevent Wilms' tumours returning.

The discovery by the team at the Wellcome Sanger Institute also increases the chance of one day being able to screen for cancers like this before tumours develop.

Dr Sam Behjati, from the Wellcome Sanger Institute and Addenbrookes Hospital, added that the discovery of the genetic root of Wilms' tumour not only signals a shift in the understanding of this particular cancer but "may even pave the way for us to begin to think about preventing childhood cancer."

We have maintained good communication with the paediatric research community, despite most meetings and conferences moving to online and virtual, continuing to enjoy close relationships with existing grant holders as well as those awarded this year. One example of this is the team at the Matchett Lab in Ulster who are in receipt of our Career Establishment Grant awarded in 2018/2019. The team are growing in number and expertise as their work on developing more effective, kinder therapies for childhood acute myeloid leukaemia gathers momentum.

This year saw the formal establishment of our Research Funding Sub-Committee (RFSC) which is charged with ensuring the effective delivery of our Research Strategy. We plan to appoint two further members over the coming year to increase the size to five members and hope to recruit from within both the paediatric research and clinical community. We will also continue to seek scientific advisors of all relevant backgrounds to ensure that we are truly representative with a diverse range of skills and expertise.

The imminent publishing of our Research Strategy will move us closer to achieving our membership with the Association of Medical Research Charities (AMRC), which we aim to achieve in 2021.

It was unavoidable that much of our funded research has been delayed in recent months due to restrictions and redeployment of staff to assist with the COVID effort and the deadline for our Summer 2020 open call has been pushed back into the next financial year. Nonetheless, we have successfully awarded a significant amount of funding this year.

We funded our first Innovation Grant working on a novel approach to drug delivery for children with brain tumours, which will directly target the tumour and reduce the toxicity of treatment for children. This grant of £676,000 was awarded to Dr Ruman Rahman at the Children's Brain Tumour Research Centre in Nottingham.

We were also very proud to award a £1.4 Million grant to Dr Sam Behjati at the Wellcome Sanger Institute in Cambridge for the creation of The Little Princess Trust Wilms' Tumour Knowledge Bank. Cutting edge sequencing methods will be used on 1,000 tumour samples to build a unique data set, or 'Knowledge Bank', to be used as a valuable resource for researchers and clinicians around the globe. This will enable the individual tailoring of their treatment intensity to improve outcomes and reduce the burden of chemotherapy.

This year, we also co funded the James Lind Alliance Children's Cancer Priority Setting Partnership (PSP). The role of the PSP is to identify questions that have not been answered by research to date, and then to prioritise these. The eventual aim is to turn these priorities into research questions to establish what areas of research need to happen to make the biggest difference to children with cancer.

The revised deadline for the delayed open call coincides with the end of this financial year with awards to be granted early in the next financial year. This demonstrates our unfailing commitment to the funding of this vital research for the forthcoming year.

BECOMING A MORE EFFECTIVE ORGANISATION

New Additional Premises

The Little Princess Trust has continually complied with guidelines from the Government and advice from the World Health Organisation and NHS England. This, at the start of the pandemic, meant that a decision was quickly taken to ensure that all members of staff who could work from home, did so. No member of staff was placed on furlough leave as virtual meetings were held with colleagues and partners to ensure that the charity could continue to operate effectively and efficiently.

As the country left lockdown, the decision was taken to welcome the whole of the staff team back to the offices. By this time, the charity's new premises in Aubrey Street were fully refurbished and ready for use, providing additional space. This new site was extremely useful as it meant that with the original office in nearby Broadway House also available, staff had sufficient space to work in and comply with social distancing measures. The acquisition of Aubrey Street has been a resounding success. Wig referrals, finance and procurement teams are now based there, bringing improved welfare and productivity. We have been able to move all incoming hair and sorting there too.

Hannah Tarplee Building as the new Little Princess Trust HQ

The plans to develop Berrington Street as our new base have progressed. Following inevitable delays which resulted from the national lockdown, preparations for the exciting new development of these premises will go out to tender towards the end of 2020 with work expected to be completed mid-2021. In addition to centralising the charity's operations under one roof and improving efficiencies, the new headquarters will include a salon, which will enable children to have wigs styled and fitted on site, and a wig-making facility will help to restore the diminishing craft of wig-making in the UK. The new premises will also incorporate a training and seminar suite, helping the charity play a much more prominent role within the world of childhood cancer research, with space to host conferences where scientists funded by The Little Princess Trust will give presentations on their ground-breaking work. The new building will host paediatric oncologists from all over the world to share best practice and innovative treatments. The move to a new headquarters owned by the charity will eliminate the rental costs it currently pays while establishing firm roots in The Little Princess Trust's home city of Hereford and give the charity a much more visible presence.

Internal Restructuring

The charity has continued to undergo significant structural change as it seeks to grow its presence, invest more in childhood cancer research and provide more wigs to young people suffering hair loss. We are proud to report that we are well organised, well-structured and effective in every department.

Ian Morris was recruited from the Hereford Times as Marketing Manager, Nadine Schofield joined the charity as Finance Manager and Phil Watts was employed in the new position of IT and Innovation Manager.

Governance and Strategy

The year has seen a review of all policies and procedures to ensure that the organisation and governance of the charity remains fully fit for purpose and compliant with all regulations and requirements. The appointment of Katie Price as governance officer has brought increased focus to this process and she continues to work closely with both CEO and Chair of Trustees to improve current policies and develop new ones where required. She is currently completing a course in 'charity law and governance' to further extend her knowledge and skill set.

Work has been ongoing on procedures surrounding appointments to the Board of Trustees and we have reviewed and updated our recruitment and induction process. The Board continues to seek to diversify the makeup of both the Board and the charity as a whole and we look forward to announcing further appointments in the coming year. We are also actively exploring the best way to set up a young voices working group which will be able to advise the charity and, it is hoped, provide trustees for the future.

Following the creation of our Research Sub-committee, we have also established a Finance, Audit, Investment and Risk Sub-committee, chaired by our Treasurer.

A new risk register format has been adopted and this is being continually reviewed. A Staff Handbook was issued to all staff.

Our CEO has joined ACEVO, Third Sector and the Children and Young People's Cancer Coalition, and our Chair of Trustees has become a member of The Association of Chairs and the Young Trustee Movement. The charity has organisational membership of NCVO, the Charity Finance Group and the Hereford and Worcester Chamber of Commerce.

Although plans for a developing or strategy through an away day were disrupted by Covid-19, we continue to work on our strategy and will publish in the coming year.

Tackling Climate and Environmental Issues

In 2019 we created an environmental policy and work diligently to adhere to it. We reduce waste and ensure where it is generated it is managed in accordance to avoiding landfill and is environmentally adherent. Climate impact must be a culture and all staff at The Little Princess Trust are aware of this. We procure and package when possible in adherence to our impact goals and encourage our supporters to be environmentally aware and considerate.

We will be updating our environmental strategy in the year ahead.

Working with Others

A local rugby club has helped to spread The Little Princess Trust's message by wearing a colourful new kit. The strip, in LPT pink, purple and blue, was given its first run-out this year at Ledbury RFC. All jerseys are adorned with The Little Princess Trust logo and means the Ledbury First XV will be highlighting the fact that the charity provides wigs to young people of all genders, helping to break down gender stereotypes.

The Little Princess Trust, together with CCLG, has agreed to fund the James Lind Alliance Priority Setting Partnership. The alliance is a non-profit making initiative established in 2004 which brings patients, carers and clinicians together in 'Priority Setting Partnerships' to identify and prioritise the [top 10 unanswered questions](#) or evidence uncertainties' that they agree are the most important. Our Research Manager sits on the alliance.

**THE LITTLE PRINCESS TRUST
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 JULY 2020**

A partnership was agreed with Headmasters which sees them become the official salon for The Little Princess Trust, supporting the charity by offering free haircuts to anyone donating 12 inches of hair or more. These donors will be given a co-branded certificate as well as expert advice about how to care for and style their new shorter hairdos.

We continue to work with and are very grateful for our relationships with Sally Beauty, Great Lengths and Cotswold BMW.

The President of the International Society of Paediatric Oncology (SIOP), Kathy Pritchard-Jones, has agreed to become an LPT Trusted Advisor.

We have developed robust and active relationships with Teenage Cancer Trust, Clic Sargent, CYPC (Children and Young people with cancer coalition of which our CEO is now a member) CCLG, CWCUK, Anthony Nolan, Brain Tumour UK, CanTeen Australia, America and many smaller similar charities.

The Little Princess Trust now has its very own online shop, allowing our incredible supporters to show the pride they have in helping our brilliant charity by raising our profile every time they leave the home. Wristbands, T-shirts, umbrellas and tote bags are just some of the items available to buy, all designed in our colours and with our logo.

FUTURE PLANS

Continue to provide wigs free of charge

We will continue to explore ways to manufacture high quality wigs from donated hair, both in the UK and overseas.

Further refine our message regarding hair length

We will continue to emphasise our message that we need donations of longer hair. We will also explore further whether there are ways to make ethical and environmentally friendly use of donations of hair which don't meet our published criteria.

Continue to fund new research

The charity remains committed to fulfilling its research strategy and plans to commit additional funds to research for 2020-21, particularly in the light of the reduction in funding from other sources brought about by the disruption caused by Covid 19. We will continue to work towards achieving our own AMRC accreditation. We will continue to work with potential partners on developing a network to provide a paediatric clinical trials provision in the UK.

Maximising Efficiency of the Hannah Tarplee Building and Little Princess Trust Properties

In addition to centralising operations under one roof, the charity's new bases will include a salon, allowing children to have wigs styled and fitted on site, and also a wig-making facility. The Hannah Tarplee Building will provide a training and seminar suite to host paediatric cancer research conferences with the charity's research funding partners and specialist children's oncologists.

Becoming More Diverse and Inclusive

We aim to meet the needs of every child or young person suffering from cancer who needs a wig. We will continue challenge ourselves on inclusivity and diversity seek to be truly representative, reaching out to all communities to establish links and build relationships which can inform our practice and bring about further improvement. As well as increasing the diversity of our board, our trusted advisers and our ambassadors, we will also monitor the research which we fund as we aim to recognise the diversity of our community in all that we do.

Continue to seek new partnerships

We will continue to reach out to others within the sector to try and establish good partnerships and strong relationships which will benefit both those affected by childhood cancers and those involved in the paediatric cancer research community.

Continue to develop and improve governance

We will continue to seek best practice in all that we do. We will publish an updated vision, mission and values statement along with our next strategic plan. We will also be producing an annual review, which will be available on our website.

FINANCIAL REVIEW

Fundraising activities

The Little Princess Trust has an ethical and transparent approach with regards to its fundraising. The charity is registered with the Fundraising Regulator and is an Organisational Member of the Institute of Fundraising. All staff follow the Code of Fundraising Practice.

The charity does not use any external fundraisers and, does not employ any full-time fundraising staff. Out of the 22 employees, only the CEO, the events co-ordinator and the member of staff in charge of corporate partnerships are involved with active fundraising (alongside other duties that are not linked to fundraising).

The Trustees are not aware of any failure by the charity, or of any person acting on its behalf, to comply with fundraising standards.

The charity monitors its fundraising activities, and those of any person acting on its behalf, through online platforms such as Just Giving and Virgin Money Giving, and aims to thank all of their donors — both hair and financial donors — within 48 hours of being informed of their supporters' efforts.

Oversight of fundraising activities is the responsibility of the Board of Trustees and any new initiatives or activities are discussed at the board meetings which are held at regular intervals through the year.

The charity received no complaints relating to its fundraising activities during the year to 31 July 2020. The charity strives to protect vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent or which places undue pressure on a person to give money by not undertaking cold calling, telephone campaigns or employing any third parties to raise funds on our behalf.

The charity does not approach members of the public for fundraising. The charity raises funds through individual donations, corporate donors and a number of fundraising sporting events run by organisations for the benefit of the charity sector. This approach and the fact that the charity does not employ any professional fundraisers ensures it adheres to one of its fundamental aims, to be low on overheads and high on impact.

Total funds raised during the year were £4.5m. Costs have been controlled well and £981,190 of all expenditure (excluding funding for research of £2,553,080) is on wigs/wig products.

Financial review

Charity income was £4,544,551. Expenditure, excluding grants for research, was £1,453,536.

The Charity has a procurement policy to ensure that it obtains best value in the use of its resources. It will always seek to gain best market value for each purchase in order to apply the principal of best practice.

It is the policy of the Charity to agree prices and terms of payment with its suppliers when the order for goods and services is placed, and to adhere to these arrangements when making payment. Strong internal controls exist to ensure that all orders and payments are signed by authorized signatories.

A prudent budget is in place and Management and Trustees are provided with monthly management accounts to track the budget and resources of the Charity to ensure that they are able to make best use of funds.

Reserves policy

The Little Princess Trust undertakes to provide wigs free of charge to children and young people experiencing hair loss as a result of cancer treatment, and other conditions, throughout the duration of their treatment, Trustees therefore consider the charity has an obligation to safeguard the wig provision service in order to fulfil this commitment. The Little Princess Trust is reliant on fundraised income and donations to support its operations which, being uncertain sources of income, may not always provide the necessary funds to cover essential costs.

In order to safeguard our wig provision service, the Charity's policy is to maintain free reserves to cover between 12 and 24 months of operational expenditure (overhead costs + non-research charitable expenditure). Trustees consider free reserves in this context to comprise the total reserves available to the charity, less those reserves whose uses are restricted or else designated for specific purposes. These reserves would allow us to continue our wig provision service while necessary adjustments to the new circumstances could be made.

At current levels of activity, annual operational expenditure is circa £1.5m, and the free reserves target range is therefore between £1.5m and £3m.

At 31 July 2020, free reserves amounted to £2,682,902. In the context of continued uncertainty over the impact the covid-19 pandemic and Brexit will have on the charity's income and expenditure, Trustees consider this to be acceptable, but will continue to closely monitor the charity's financial position, to ensure the reserves level maintains an appropriate balance between financial resilience and investment in the development of the charity's activities.

In addition to the Free Reserves, Trustees have also designated funds to ensure that other key strategic priorities can be continued into the foreseeable future, irrespective of fluctuations in income.

At 31 July 2020 unrestricted funds, other than tangible fixed assets and stock, amounted to £14,182,902 comprising Free Reserves of £2,682,902 and Designated fund of £11,500,000. The detail is set out below.

**THE LITTLE PRINCESS TRUST
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 JULY 2020**

Trustees reserves and investment policies identify the following constituent parts of reserves held:

1. Free Reserves
2. LPT Sponsored Research Fund: £8m is designated for spending on research projects as per the research strategy over the medium term (5 years). This fund is to enable the charity to fulfil its strategic research objectives and make research funding commitments spanning multiple years.
3. Clinical Trials Infrastructure Fund: £2m is designated to fund a national clinical trials network over the next five years.
4. Berrington Street Property Build and Fit Out Fund: £1m is designated for the build and furnishing of The Hannah Tarplee Building. Work will commence in January 2021 and completion is expected in Autumn 2021. The property will centralise the charity's operations, eliminate rental costs and maximise efficient working.
5. Research and Development Fund: £500k is designated to fund the development of the charity's wig provision service overseas in the short to medium term (3 years) and the development of manufacture of LPT wigs in the UK over the short to medium term (3 years).

Since the year end, The Little Princess Trust has agreed to award a grant to CCLG of £2,250,741 for the funding of 14 agreed research projects over a maximum of 4 years.

The reserves policy will be reviewed annually to ensure funds are being used appropriately.

Investment Policy

The Finance, Audit, Investment and Risk Committee is responsible for overseeing the overall investment strategy and for the oversight of its implementation. Investment assets are held as reserves. The Trustees seek to invest across a range of assets and risk profiles to suit the different investment requirements. The precise asset range, distribution and allocation will be left to the investment managers to decide, based on an agreed assessment of the charity's attitude to risk. The Trustees aim to build a range of investments designed to ensure the long-term sustainability of the charity, by protecting the reserves of the charity and achieving an appropriate return.

The Charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims. The charity seeks to work with investment managers who can tailor investment portfolios without conflicting with our ethical values and that can hold assets that make a positive contribution to society and the environment. Potential investments are screened to ensure that they do not conflict with any of the charities chosen criteria and companies whose practises do not meet our moral obligations are removed.

Recruitment and appointment of new Trustees

The Little Princess Trust is governed by its constitution (Charity deed dated 4 November 2017) as a charitable incorporated organisation (CIO) registered with the Charity Commission on 7 December 2017 under the Charity number 1176160.

New Trustees are appointed by a resolution of Trustees passed at a properly convened meeting. In selecting future Trustees, account is taken of the skills, knowledge and experience needed for the effective administration of the CIO. Each Trustee is given appropriate induction and training relevant to their responsibility. Kate Bliss and Sarah Woodall were appointed as trustees, further strengthening the skill set of the Board.

Reference and administrative details

Details of the address of the principal office of the Charity, the Charity registration number and the names and addresses of any other relevant organisations providing banking services or professional advice to the Charity are shown on page 3.

Organisational structure

Day to day responsibility for the charitable activities is delegated to the Chief Executive Officer.

Principal risks and uncertainties

Identifying and managing the possible and probable risks the charity may face is a key part of our effective governance. The responsibility for providing guidance to the Board on matters relating to risk is delegated to the CEO, who considers the subject of risk management in the wider context of Charity management and governance. Internally, a risk register is maintained where all risks are identified. This year the risk register was completely restructured; with risks now being grouped into six categories; governance risks, external risks, reputational risks, regulatory & compliance risks, financial risks and operational risks. Risks are identified and given ratings from low to high according to the likelihood of their occurrence and the impact should they occur. The risk register is dynamic, showing movement in risk ratings between periods, and includes a traffic light system to illustrate confidence in the control. The risk register is regularly reviewed by Trustees to ensure that control measures in place are appropriate to mitigate each risk.

Pay policy for key management personnel

The Trustees consider that the Chief Executive Officer, under his scheme of delegation is in charge of running and operating the Charity on a day to day basis, supported by key management personnel comprising the Research Manager, Finance Officer, Marketing and Communications Officer and Governance Officer.

All Trustees give of their time freely and no trustee received remuneration in the year in their capacity as a trustee. Details of trustees' expenses and related party transactions are disclosed in note 8 to the accounts. The charity has a policy of paying the living wage as a minimum while the pay of senior and other staff is reviewed annually based on performance and is normally increased in line with average earnings. The remuneration is set to ensure that it is fair but also that it will attract and retain staff of the appropriate calibre and experience required by the charity. Internal pay reviews and pay scales are the responsibility of the CEO who takes reference from payroll committee and external relevant parties.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing a Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the Charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

**THE LITTLE PRINCESS TRUST
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 JULY 2020**

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Charity constitution. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included in the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Statement as to 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 in connection with preparing their report, of which the Auditor is unaware, and
- the Trustees, having made enquiries of fellow Directors and the Auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Approved by order of the Board of Trustees on and signed on its behalf by:

T Wheeler
Chair of Trustees

**THE LITTLE PRINCESS TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 JULY 2020**

Opinion

We have audited the financial statements of the Little Princess Trust (the charitable incorporated organisation – 'charity') for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 Charity's affairs as at 31 July 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

We have nothing to report in this regard.

**THE LITTLE PRINCESS TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 JULY 2020**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the
- trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

The Trustees are responsible for the other information. As explained more fully in the Trustees' Responsibilities statement the Trustees 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Scott Lawrence (Senior Statutory Auditor)
for and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date...11 February 2021

THE LITTLE PRINCESS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JULY 2020

	Notes	2020 £	2019 £
INCOME AND ENDOWMENTS FROM			
Donations and fundraising	2	4,544,551	4,788,610
Total funds transferred into the charity	21	-	14,408,514
Investment income	3	210,956	144,207
Total		4,755,507	19,341,331
EXPENDITURE ON			
Raising funds and other costs	5	(472,346)	(384,678)
Charitable activities:			
Hair pieces and donation	6	(981,190)	(1,337,935)
Research	6	(2,553,080)	(2,474,624)
Total		(4,006,616)	(4,197,237)
NET INCOME		748,891	15,144,094
(Losses)/Gains on investment assets	11	(20,531)	292,072
Net movement in funds		728,360	15,436,166
RECONCILIATION OF FUNDS			
Total funds brought forward		15,436,166	-
TOTAL FUNDS CARRIED FORWARD		16,164,526	15,436,166

All activities relate to continuing operations and all funds are unrestricted. There are no restricted or endowment funds.

The notes on pages 26 to 35 form part of these financial statements.

THE LITTLE PRINCESS TRUST
CHARITY BALANCE SHEET
AT 31 JULY 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	10	970,616	590,886
Investments	11	9,552,135	6,758,814
		<u>10,522,751</u>	<u>7,349,700</u>
CURRENT ASSETS			
Stock	12	1,011,008	814,727
Debtors	13	117,825	62,896
Cash at bank and in hand		6,467,205	8,700,610
		<u>7,596,038</u>	<u>9,578,233</u>
CREDITORS			
Amounts falling due within one year	14	(1,128,629)	(1,271,468)
		<u>6,467,409</u>	<u>8,306,765</u>
NET CURRENT ASSETS			
Creditors falling due after one year	14	(825,634)	(220,299)
		<u>5,641,775</u>	<u>8,086,466</u>
TOTAL NET ASSETS			
		<u>16,164,526</u>	<u>15,436,166</u>
TOTAL ASSETS			
FUNDS OF THE CHARITY			
Unrestricted funds:	18		15,436,166
- Designated	18	11,500,000	-
- Undesignated	18	4,664,526	-
		<u>16,164,526</u>	<u>15,436,166</u>
TOTAL CHARITY FUNDS			

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

.....
T Wheeler
Trustee Chairman

THE LITTLE PRINCESS TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

	2020 £	2019 £
Cash used in operating activities (from below)	803,187	15,637,556
Cash flows from investing activities:		
Purchase of fixed assets	(433,696)	(614,411)
Purchase of fixed asset investments	(7,549,056)	(7,205,539)
Disposal of fixed asset investments	4,735,202	-
Proceeds from sale of fixed assets	-	738,797
Interest received	21,090	28,852
Investment income	189,866	115,355
 Increase in cash and cash equivalents in the year	 (2,233,407)	 8,700,610
Cash and cash equivalents at the beginning of the year	8,700,610	-
Cash and cash equivalents at the end of the year	6,467,205	8,700,610

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Net movement in funds	748,891	15,144,094
Depreciation of tangible fixed assets	53,966	23,525
Interest received	(21,090)	(28,852)
Investment income	(189,866)	(115,355)
(Increase)/decrease in stock	(196,281)	(814,727)
Decrease/(Increase) in debtors	(54,928)	(62,896)
(Decrease)/Increase in creditors	462,495	1,491,767
 Net cash used in operating activities	 803,187	 15,637,556

**THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Little Princess Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The principal accounting policies are described below and are consistent with prior years.

Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast a significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. On review, the Trustees have concluded that they are to adopt the going concern basis in preparing the annual financial statements.

Income

Donations and grants are recognized 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.

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. The Charity holds a portfolio of investments. Any gains made on investments are reinvested into the portfolio.

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.

Allocation and apportionment of costs

- Charitable activities costs are made up of direct and support costs.
- Direct costs are those which contribute to charitable activities such as the production of hair pieces.
- Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include; back office, finance, administration, payroll and governance costs which support the Charity's activities.

Tangible fixed assets

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

Freehold buildings	- not provided
Office equipment	- 33% on cost
Computer equipment	- 33% on cost
Motor vehicles	- 33% on cost

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

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.

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.

Creditors

Creditors are recognized 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The Charity is exempt from tax on its charitable activities.

Operating leases

The cost of and income from operating leases is charged and credited to the profit and loss account on a straight-line basis over the lease term.

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.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Investments are stated at market value. Unrealised gains or losses are calculated as the difference between opening and closing market value and are taken to the Statement of Financial Activities.

Stock

Stock is valued at the average cost to manufacture and transport the wigs which are held in stock at the year end.

Critical Accounting Estimates and Areas of Judgement

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 Trustees do not consider that they have made any critical judgements apart from those involving estimation in the preparation of the financial statements.

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

2 DONATIONS AND FUNDRAISING

	2020	2019
	£	£
Donations and fundraising income	<u>4,544,551</u>	<u>4,788,610</u>

The charity claims gift aid in the ordinary course of activities. In light of recent events in the charity sector, they may also be able to claim gift aid on donations made via Facebook. As the amount is as yet unknown, this has not been provided for in the financial statements but is a contingent asset.

3 INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	21,090	28,852
Income from investment	<u>189,866</u>	<u>115,355</u>
	<u>210,956</u>	<u>144,207</u>

4 NET INCOME FOR THE YEAR

	2020	2019
	£	£
This is stated after charging:		
Auditors' remuneration – as auditor	9,000	9,000
Auditors' remuneration – other services	2,761	9,242
Depreciation	<u>53,966</u>	<u>23,525</u>
	<u>65,727</u>	<u>41,767</u>

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

5 RAISING FUNDS AND OTHER COSTS

	2020	2019
	£	£
Raising donations		
Donation site fees	42	212
Merchandise	5,264	13,896
	<u>5,306</u>	<u>14,108</u>
Other fundraising activities		
Events	33,620	13,567
	<u>33,620</u>	<u>13,567</u>
Investment management costs		
Portfolio management	41,850	31,820
Support costs	391,570	325,183
Total	<u>472,346</u>	<u>384,678</u>

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	2020	2019
	£	£	£	£
Hair pieces and donation	469,974	498,994	968,968	1,225,306
Hair and Wig carriage	12,222	-	12,222	112,629
	<u>482,196</u>	<u>498,994</u>	<u>981,190</u>	<u>1,337,935</u>
Research	2,503,233	49,847	2,553,080	2,474,624
	<u>2,985,429</u>	<u>548,841</u>	<u>3,534,270</u>	<u>3,812,559</u>

During the year, 5 new grants received approval to promote research into the causes of childhood cancers and into minimising the effects of chemotherapy on children.

A one-off grant of £50,000 was made to James Lind Alliance Priority Setting Partnership to build a tool to enable the research world to identify research priorities for children's cancer.

Grants of £2,453,232 were made to CCLG which allowed the following research projects to be fully funded by The Little Princess Trust:

Institution	Purpose of grant	£
University of Nottingham	Neurosurgically-applied chemotherapy for childhood brain tumours arising in the posterior fossa using a biodegradable paste	676,229
University of Birmingham	A phase II trial to assess the activity of Gemtuzumab Ozogamicin Therapy in HAemophagocytic lymphohistiocytosis (HLH)/macrophage activation syndrome (MAS) or relapsed/refractory cancers.	197,574
University of Newcastle	Clinical and biological factors associated with relapse and length of survival following relapse in UK neuroblastomas.	149,104
Wellcome Sanger Institute	The Little Princess Knowledge Bank of Wilms Tumour.	1,430,325
		<u>2,453,232</u>

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

7 SUPPORT COSTS

	Wages & Salaries £	Property costs £	*Gover- nance £	Other costs £	2020 £	2019 £
Hair pieces	143,433	11,572	12,319	122,513	289,837	211,114
Hair donation	62,753	11,572	12,319	122,513	209,157	152,356
	<u>206,186</u>	<u>23,144</u>	<u>24,638</u>	<u>245,026</u>	<u>498,994</u>	<u>363,470</u>
Research	49,732	-	-	115	49,847	-
Fundraising	215,584	30,379	24,637	120,970	391,570	325,183
Total	<u>471,502</u>	<u>53,523</u>	<u>49,275</u>	<u>366,111</u>	<u>940,411</u>	<u>688,653</u>

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include; back office, finance, administration, payroll and governance costs which support the Charity's activities. These costs are then apportioned between the fundraising and charitable activities on the basis of the nature of the cost and why this was undertaken, or in the case of property costs, 50/50.

* Included within Governance costs are £40,274 (2019: £29,792) of wages and salaries for the time spent supporting the Trustees of the Charity.

8 TRUSTEE'S REMUNERATION AND BENEFITS

No Trustee received any remuneration from the Charity during the year (2019 £36,732).

During the year 2 Trustees were paid expenses:

	2020 £	2019 £
Travel and sundry	<u>1,086</u>	<u>7,829</u>

9 STAFF COSTS

	2020 £	2019 £
Wages and salaries	465,513	295,371
Social security costs	34,383	23,533
Pension costs	11,880	6,376
Temporary staff and other	-	15,052
Redundancy costs	-	36,435
	<u>511,776</u>	<u>376,767</u>

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

9 STAFF COSTS (continued)

The average monthly number of employees during the year was as follows:

	2020	2019
Full time	13	9
Full time equivalent	9	6
	<u>22</u>	<u>15</u>

One employee received emoluments in excess of £60,000

The key management personnel of the charity in the year comprised the CEO, Finance Officer, Research Manager, Marketing and Communications Officer and Governance Officer. The total employee benefits of key management personnel of the charity were £195,776 (2019: £180,302).

10 TANGIBLE ASSETS

	Freehold buildings £	Computer equipment £	Office equipment £	Motor vehicles £	Total £
Cost					
As at 1 August 2019	483,948	95,441	12,739	22,283	614,411
Additions	373,215	19,519	22,407	18,555	433,696
Disposals	-	(750)	-	-	(750)
As at 31 July 2020	<u>857,163</u>	<u>114,210</u>	<u>35,146</u>	<u>40,838</u>	<u>1,047,357</u>
Depreciation					
At 1 August 2019	-	18,222	4,684	619	23,525
Charge for year	-	35,382	7,659	10,925	53,966
Elim on disposal	-	(750)	-	-	(750)
At 31 July 2020	<u>-</u>	<u>52,854</u>	<u>12,343</u>	<u>11,544</u>	<u>76,741</u>
Net Book Value					
at 31 July 2020	<u>857,163</u>	<u>61,356</u>	<u>22,803</u>	<u>29,294</u>	<u>970,616</u>
At 31 July 2019	<u>483,948</u>	<u>77,219</u>	<u>8,055</u>	<u>21,664</u>	<u>590,886</u>

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

11 FIXED ASSET INVESTMENTS

	2020 £	2019 £
Listed investments – see note (i)	9,552,135	5,543,717
Pooled investments – see note (ii)	-	1,215,097
	<u>9,552,135</u>	<u>6,758,814</u>

(i) Listed Investments:

	Listed investments £	Cash and settlements pending £	Total £
Market value			
At 1 August 2019	5,469,457	74,260	5,543,717
Additions	4,879,196	2,669,858	7,549,054
Disposals	(3,429,722)	(13,568)	(3,443,290)
Revaluations	(97,346)	-	(97,346)
At 31 July 2020	<u>6,821,585</u>	<u>2,730,550</u>	<u>9,552,135</u>
Net book value			
At 31 July 2020	<u>6,821,585</u>	<u>2,730,550</u>	<u>9,552,135</u>

Included in the above investments are £3,176,125 (2019: £163,302) outside the UK.

(ii) Pooled investments – COIF Charities Investment Fund Accumulation Units:

	Total £
At 1 August 2019	1,215,097
Additions	-
Disposals	(1,291,912)
Revaluations	76,815
At 31 July 2020	<u>-</u>
	<u>-</u>

12 STOCK

	2020 £	2019 £
Hair pieces	977,979	814,727
Online shop merchandise	33,029	-
	<u>1,011,008</u>	<u>814,727</u>

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

13 DEBTORS

	2020	2019
	£	£
Due within one year:		
Accrued income	90,584	49,668
Prepayments	27,241	13,228
	117,825	62,897

14 CREDITORS

	2020	2019
	£	£
Amounts falling due within one year:		
Trade creditors	22,485	745,030
Other creditors and accruals	20,097	18,310
Grants payable	1,086,047	508,128
	1,128,629	1,271,468

	2020	2019
	£	£
Amounts falling due after one year:		
Grants payable	825,634	220,299
	825,634	220,299

15 LEASE COMMITMENTS

Land and buildings	2020	2019
	£	£
Due:		
within one year	31,215	28,800
Between two and five years	120,276	115,200
Greater than five years	40,800	69,600
	192,291	213,600

During the year £29,001 (2019: £28,800) was recognised as an expense.

16 CAPITAL COMMITMENTS

At 31 July 2020 the Charity had capital commitments contracted for, but not provided in the financial statements of £Nil (2019: £Nil).

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	2020 Total funds	2019 Total Funds
	£	£	£
Tangible fixed assets	10,522,751	10,522,751	7,349,700
Current assets	7,596,038	7,596,038	9,578,233
Current liabilities	(1,128,629)	(1,128,629)	(1,271,468)
Creditors falling due after one year	(825,634)	(825,634)	(220,299)
Total net assets	<u>16,164,526</u>	<u>16,164,526</u>	<u>15,436,166</u>

18 MOVEMENT IN FUNDS

	Net movement in funds	At 31 July 2020	At 31 July 2019
	£	£	£
Unrestricted general funds	<u>728,360</u>	<u>16,164,526</u>	<u>15,436,166</u>

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted general funds	<u>4,755,507</u>	<u>(4,006,616)</u>	<u>(20,531)</u>	<u>728,360</u>

Within unrestricted funds, the following amounts have been designated by the Trustees:

- Free Reserve: As a charity that relies on fundraised income and donations to support its activities, the Charity's policy is to hold 12 to 24 months of planned expenditure in reserve to ensure financial security and to provide for contingencies.
- LPT Sponsored Research Fund: £8m is designated for spending on research projects as per the research strategy over the medium term (5 years). This fund is to enable the charity to fulfil its strategic research objectives and make research funding commitments spanning multiple years.
- Clinical Trials Infrastructure Fund: £2m is designated to fund a national clinical trials network over the next five years.
- Berrington Street Property Build and Fit Out Fund: £1m is designated for the build and furnishing of The Hannah Tarplee Building. Work will commence in January 2021 and completion is expected in Autumn 2021. The property will centralise the charity's operations, eliminate rental costs and maximise efficient working.
- Research and Development Fund: £500k is designated to fund the development of the charity's wig provision service overseas in the short to medium term (3 years) and the development of manufacture of LPT wigs in the UK over the short to medium term (3 years).

These unrestricted funds have been further detailed as follows:

THE LITTLE PRINCESS TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

	Designated £	Undesignated £	Unrestricted 2020 £	Unrestricted 2019 £
Unrestricted funds	-		-	15,436,166
Designated:				
- LPT Sponsored Research Fund	8,000,000	-	8,000,000	-
- Clinical Trials Infrastructure Fund	2,000,000	-	2,000,000	-
- Berrington Street Property Fund	1,000,000	-	1,000,000	-
- Research and Development Fund	500,000	-	500,000	-
Undesignated:				
- Fixed assets	-	970,616	970,616	-
- Stock	-	1,011,008	1,011,008	-
- Free reserves	-	2,682,902	2,682,902	-
	<u>11,500,000</u>	<u>4,664,526</u>	<u>16,164,526</u>	<u>15,436,166</u>

19 PENSION CONTRIBUTIONS

Pension costs are charged as incurred (as detailed in Note 9). The Charity is complying with auto enrolment rules for eligible employees.

20 RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2020.

21 TRANSFER OF ASSETS

The Charitable Incorporated Organisation was registered on 7 December 2017 and lay dormant until the assets and activities of the previous charity with the same name (registered charity number 1113172), were transferred with effect from 1 August 2018 for £nil consideration.

The transfer has been accounted for using the acquisition method, the assets and liabilities were transferred at fair value and recognised in the balance sheet under appropriate headings with a corresponding amount recognised as income and resources expended in the Statement of Financial Activities as voluntary income and other resources expended.

	Unrestricted funds £	Total £
Fixed assets		
Tangible assets	41,431	41,431
Investments	3,389,676	3,389,676
Current assets		
Stock	375,374	375,374
Debtors	66,837	66,837
Cash at bank and in hand	10,577,527	10,577,527
Current liabilities		
Amounts falling due within one year	(42,331)	(42,331)
	<u>14,408,514</u>	<u>14,408,514</u>