



**Charity Number 298405**  
**Company Number 4960054**

**Children with Cancer UK**

**Trustees Report and Financial Statements 2015**

## Foreword by our Chair and Founding Trustee


Since starting out as a small memorial charity 28 years ago, Children with Cancer UK has played a major role fighting childhood cancer. In that time we have helped improve survival rates, particularly for children suffering with acute lymphoblastic leukaemia (ALL), the most common form of childhood cancer. The NHS has adopted treatment and procedures pioneered by our charity and today 92% of children diagnosed with ALL will survive.

Our progress would not have been possible without the generosity of supporters and for that we are enormously grateful. To date, with your help, we have raised over £200m in our fight against childhood cancer - £125m, of that, in the last ten years. Whilst success against some childhood cancers has increased, prognosis for other childhood cancers remains poor. Brain tumours kill more children than any other cancer and more than 60% of survivors are left with a life-altering, long term disability.

Today, our commitment to fight childhood cancer is as resolute as ever. Sadly 10 families every day receive the devastating news that their child has been diagnosed with cancer. Cancer is the UK's biggest child killer disease and the number of children being diagnosed has increased by more than 40% since the 1960s.

We will continue to invest in life-saving research to increase the progress scientists are making in the battle against childhood cancer and have a real impact on patient care. A great amount has been achieved, but there is still much to be done. Without our valued supporters, vital research and welfare projects could not be funded.

I offer my heartfelt thanks to everyone who has so kindly supported our work to help more children with cancer and their families. I look forward to all we can continue to achieve together in the future.



**Eddie O'Gorman OBE**  
Chair and Founding Trustee

The Trustees of Children with Cancer UK present their Annual Report for the year ended 31 December 2015 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report and the Strategic Report under the 2006 Act, together with the audited financial statements for the year.

## Strategic Review

### Review of the year – Objectives, Achievements and Future Plans

#### 4,000 children and young people are diagnosed with cancer every year in the UK

Thanks to investment in research, more young cancer patients are beating cancer than ever before.

Cancer treatment is a difficult journey for anyone to travel but for children it is especially cruel. Treatment can take up several years of their young lives; it is likely to involve lengthy hospital stays, repeated unpleasant procedures, toxic medicines and extended separation from family and friends.

Sadly, for one in five young patients even the most aggressive treatments will not be enough and their life cannot be saved. Despite the incredible progress that has been made, cancer is the leading killer of children aged one to 14 years.

New treatments are desperately needed for the young patients with high-risk cancers that resist all the treatments and tools currently available.

But not only do we need to develop treatments that are more effective, we also need to find treatments that are safer and less toxic.

As the survival rates have grown over recent decades, so that survival has become the norm rather than the exception, the harmful long-term effects of treatment have become increasingly apparent. There are an estimated 35,000 survivors of childhood cancer alive in the UK today and for many, survival has been achieved through the use of combinations of aggressive drugs, often in combination with radiotherapy. These treatments can have debilitating side effects that last long into adult life.

We need to increase the pace of research, so that we can speed up the development of more effective, less harmful treatments for children and young people so that every young cancer patient can beat their disease and go on to enjoy a long and healthy life.

### Research highlights

**We are currently funding research projects worth £14 million, at centres around the UK – including centres in Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Manchester, Nottingham and London. This means we now have more than 50 active research grants, supporting life-saving research.**

In 2015 we made new research commitments totalling £4.3 million under our range of funding streams including project grants, research fellowships and our brain tumour initiative.

All of the research funded by these grants has been scrutinised by the members of our Scientific Advisory Panel, with input from dozens of expert reviewers from around the world. Not only does this help to ensure that the research we fund is of the very highest quality but also that it is research that has real potential to impact on patient care – whether in the short, medium or long-term.

Information on all the projects we are funding is available on our website; here we have highlighted a small handful of the new projects we have funded in 2015.

### **Tracking treatment response in acute myeloid leukaemia** **Professor David Grimwade, King's College London**

Acute myeloid leukaemia (AML) is the second most common form of childhood leukaemia. It has a far worse outlook than the more common acute lymphoblastic leukaemia (ALL). Only around 70% of children with AML survive five years from diagnosis, compared with over 90% of young ALL patients.

In ALL, treatment is guided by the measurement of submicroscopic levels of leukaemic cells remaining in patients' bone marrow as treatment progresses. This is known as 'minimal residual disease' or 'MRD'. It means that high-risk children – those with high levels of MRD – can be identified early and given more intensive treatment to help avoid relapse. Conversely, low-risk children can be spared the effects of unnecessarily intensive treatment, helping to minimise toxicity.

In AML, progress has been less good. Doctors do not have access to the same genetic tests to accurately predict how children will fare. They can distinguish broad groups of patients with good, intermediate and poor prognosis but cannot accurately identify which patients are destined to relapse and which are most and least likely to benefit from stem cell transplant.

Whilst studies have suggested that MRD testing is a powerful predictor of relapse risk in AML, a molecular marker is only available in around 60% of cases. MRD technology relies on the identification of specific genetic changes (mutations) in leukaemic cells so that the number of cells with these changes can be measured relative to the number of normal bone marrow cells.

In 2015 we awarded a project grant to Professor David Grimwade to investigate the genetic make-up of the remaining 40% of childhood AML cases. The project is linked to the first ever national clinical trial for AML in children and adolescents - the MyeChild01 trial - which will recruit around 300 patients over five years from 2015.

The project team will analyse DNA from patients' leukaemic cells to identify the faulty genes, providing a detailed catalogue of the genetic changes present in childhood AML.

This should improve the panel of routine genetic tests performed on AML samples at diagnosis, to predict risk of relapse and select the best therapy, and will also be used to inform the development of an extended panel of MRD tests.

This work will provide a much more detailed picture of the genetic changes underlying childhood AML, working towards the development of more individualised treatment approaches.

**Children with Cancer UK invested £3 million in the development and testing of MRD technology. MRD testing was adopted by the NHS in 2009 as part of standard care for children with ALL. Not only has this pushed survival above 90%, it has reduced relapses and treatment-related deaths.**

### **Preserving fertility in boys treated for cancer** **Dr Rod Mitchell, Edinburgh Royal Hospital for Sick Children and MRC Centre for Reproductive Health, University of Edinburgh**

As survival rates for childhood cancer have increased over the decades, the long-term effects of cancer treatment are becoming an increasingly important consideration. One important long-term effect of cancer treatment is infertility. For men undergoing treatment for cancer there is the possibility of storing sperm, but for boys - who do not yet make sperm - there are currently no options to preserve fertility.

In 2015, we awarded a project grant to Dr Rod Mitchell to enable him to establish a clinical service to store testicular tissue from boys with cancer at high risk of infertility. This is the first service of its kind to be approved in the UK.

The tissue will be taken from the boys before they begin treatment and stored until they are adults so that it could be used to enable them to have children. The tissue will be available to these patients throughout adulthood to provide the potential long-term benefit of restoring their fertility in the future using techniques developed as part of this research.

Equally important, a small amount of the tissue taken from each patient will be used to carry out research to help understand the mechanisms by which chemotherapy causes damage and affects fertility. This will contribute to efforts to modify cancer treatments to reduce the risk of infertility for children diagnosed in the future. It will also aid the development of treatments that could help protect the testicles from chemotherapy-induced damage.

### **What we're going to do in 2016**

In September, we'll be holding our scientific conference, Childhood Cancer 2016, which will bring together clinicians and scientists working in childhood cancer for three days of discussion and debate. We will be focusing on three key themes: precision medicine, immunotherapy and causation.

We will complete assessment of applications received under our 2015/16 call for project grant applications and will launch our 2016 calls for applications for research fellowships, clinical PhD and training studentships and project grants.

*Molly*

*"On a number of occasions, it felt like the chemo was doing her more damage than the cancer. However, no matter how bad it was for us, her parents, it was incomprehensibly worse for her. Yet she just got on with it and did what was asked. That's not to say that she didn't hate most of the treatment - but that she blindly trusted us, just as we blindly trusted the doctors, nurses, consultants and surgeons.*

*But it does work and the treatment is getting better and better thanks to the incredible research and work of those genius science types."*

Molly's dad, Damon

Molly was diagnosed with non-Hodgkin lymphoma in May 2011.

### Research fellowships

In 2015, we awarded Fellowships to two talented young scientists, taking the number of Paul O'Gorman Research Fellows to five.

Our Fellowship scheme was launched in 2014, to plug a gap in funding for junior researchers. Through the scheme, we aim to identify talented early career researchers and set them on course to develop independent careers in childhood cancer research. We provide funding for five years to support their salary costs and basic research costs.

This kind of funding helps to build capacity in childhood cancer research, helping to attract and retain talented researchers.

Following our thorough selection process, which includes rigorous scientific review of their research plans as well as panel interview, Dr Patrick Hales and Dr David Clynes were each awarded a Fellowship in 2015:

#### Dr Patrick Hales, UCL Institute of Child Health, London

Dr Hales is carrying out a programme of research that aims to develop advanced MRI techniques to improve diagnosis and assessment of treatment response in paediatric cancer.

A number of childhood cancers still carry a very poor prognosis – including the brain tumours high-grade glioma, diffuse intrinsic pontine glioma and medulloblastoma. Some of these tumours are known to have sub-types that would benefit from different types of treatment; the challenge is to identify these at an early stage, so that treatment can be tailored to an individual patient's needs.

Magnetic resonance imaging (MRI) is an essential tool in the diagnosis of these tumours. However, conventional MRI techniques leave many questions unanswered about the biology of a tumour, meaning that it is often not possible to identify the sub-type and malignancy of a tumour with imaging and doctors must wait until after surgery, when the tumour can be examined in more detail.

This Fellowship will enable Dr Hales to take forward the imaging and analysis techniques he has already developed. The aim is to develop novel imaging biomarkers that identify high-risk tumour subtypes at an earlier stage and help surgeons to target the most malignant part of a tumour during biopsy or surgery. Dr Hales' research also aims to improve how we are able to monitor a patient's response to treatment.

#### Blake

*"We nearly lost Blake a couple of times, but our persistence and Blake's zest for life and to live just shone through. We were advised not to go ahead with the six-week radiotherapy which was on the protocol – the oncologist said Blake had a high chance of not making it through.*

*Again, we pushed for him to have it. Blake had to have a general anaesthetic five days a week for six weeks. He survived it, and it didn't even faze him. Blake is fighting this with all he's got*

*- a true amazing superhero!"*

Blake's mum, Llian

Blake was diagnosed with medulloblastoma - a brain tumour in September 2013.

#### Dr David Clynes, Weatherall Institute of Molecular Medicine, University of Oxford

Dr Clynes' research aims to uncover new ways of treating certain childhood cancers known as Alternative Lengthening of Telomeres (ALT) positive cancers. These include some devastating forms of childhood brain tumours.

Cancer occurs through the uncontrolled growth of cells and the activation of ALT removes the cells' ability to limit this, leading to tumour formation.

Recent research has provided important clues as to how ALT is activated in cancers and its role in the inactivation of a protein called ATRX. Dr Clynes is using this as the basis for the identification of new drugs. He will also use specialist technology to identify other proteins involved in this process and will screen pre-existing drugs and test them for their ability to limit the growth of, or preferentially kill cancer cells.

A fresh approach is needed to develop new therapeutic strategies to beat ALT cancers. The Fellowship will help him to uncover the Achilles heel of these devastating cancers. This in turn will allow for the identification and/or rational design of new tailored drugs.

#### Ethan

*"At first I was extremely pessimistic and had all the natural responses - anger, sadness and even depression, but I soon overcame this. The only way I was able to conquer my feelings and have a clear head was to allow my loved ones to love me. I opened myself up to them and they helped me realise that anger and frustration doesn't change anything. I don't look back on being ill and having treatment but on the great times with family and friends. It's so much easier to remember the fun than the distress."*

Ethan was diagnosed with spindle cell sarcoma, a type of bone cancer in January 2013, just before his 15th Birthday.

### Brain Tumour Initiative

In 2015, we awarded the first major research grants under our Brain Tumour Initiative, which was launched in 2014 to increase momentum in childhood brain tumour research.

Brain and spinal tumours (or central nervous system, CNS tumours) are the most common group of solid tumours in childhood, accounting for a quarter of diagnoses. Brain tumours kill more children than any other type of cancer. For those children that do survive, aggressive treatments take a heavy toll. More than 60% of childhood brain tumour survivors are left with life-altering disabilities.

Despite the devastation caused by childhood brain tumours, they only receive a small share of research funds. This has limited progress in research and treatment.

With the four grants awarded in 2015 under our Brain Tumour Initiative, four groups of researchers are taking forward vital new research into four different types of tumour: ependymoma, medulloblastoma, craniopharyngioma and high grade glioma.

An important feature of the four grants is that they are all strongly collaborative, with researchers working together to share samples, data and expertise, both nationally and internationally. Information on the brain tumour projects as part of our Brain Tumour Initiative can be found on the next page.

### Brain Tumour Initiative projects funded

#### **BIOMarkers of Ependymoma in Children and Adolescents (BIOMECA) Professor Richard Grundy, Children's Brain Tumour Research Centre, University of Nottingham**

Ependymoma is a devastating brain tumour that kills up to 40% of young patients, with little improvement over recent years. It is the second most common malignant brain tumour to occur in children and adolescents.

BIOMECA is a unique partnership between leading European ependymoma specialists who are now collecting tumour samples from young patients being treated under the current international ependymoma clinical trial. The team will use medical expertise and state-of-the-art technology to identify biological abnormalities in these samples and link them with tumour location, spread, treatment resistance and recurrence.

Professor Grundy is leading the UK contribution to BIOMECA; the hope is that this work will allow the development of new tumour and patient-specific risk categories so that in future therapy can be personalised to ensure best outcome for individual children. The overriding aims are to improve childhood ependymoma survival and decrease the associated toxicity and side effects observed with current treatment regimes, thereby benefiting all children and adolescents diagnosed with an ependymoma in the future.

#### **Diagnosing childhood medulloblastomas by improved MRI scans Professor Andrew Peet, University of Birmingham**

Medulloblastoma is the most common childhood malignant brain tumour and only around 60% of young patients survive. Different medulloblastoma subtypes respond differently to treatment and rapid diagnosis is essential to aid treatment planning. Professor Peet is working with colleagues from other UK centres to develop a new tool to allow rapid, non-invasive diagnosis that can inform critical initial treatment decisions. Non-invasive methods for diagnosing the medulloblastoma sub-groups will allow medical teams to plan treatment at the time the child is first referred, rather than waiting days or even weeks for surgery and subsequent processing of samples.

This earlier diagnosis should help to improve outcomes by allowing more informed initial treatment decisions and earlier treatment planning. It will also aid discussions with the child and family in the crucial early stages of their admission to hospital. The insight that this project will give into the metabolism of medulloblastoma tumours may allow radically new treatment approaches to be taken. In future, accurate non-invasive diagnosis may avoid surgery altogether.

#### *Elin*

*"Elin has been a trooper throughout this journey! She has a heart of gold and is so funny. I am so immensely proud of the way she has coped, and continues to cope, with the challenges thrown at her, and how she carries on improving."*

Elin's mum, Rhian

Elin was diagnosed with a brain tumour in October 2013. She had the tumour removed through surgery and started to be weaned off her final medication in April 2015.

#### *Rhiley*

*"Rhiley spent 11 months in and out of hospital. She went through a high risk operation to remove the tumour followed by months of aggressive chemotherapy and radiation therapy. We had to watch her feeling sick, losing weight and we found ourselves hoovering up her beautiful blonde hair as it fell out. She was a fighter all through her treatment and consistently proved doctors wrong. Sadly the toxic treatment proved too much and Rhiley took her last breath in mummy and daddy's arms in April 2015, two weeks after her third birthday."*

*Rhiley's mum, Kim*

#### **Understanding the genetics of paediatric glioblastoma Dr Steven Pollard, University of Edinburgh**

Paediatric glioblastoma is a devastating brain tumour that less than 20% of young patients survive. This collaborative project brings together research teams from the UK, Canada and Sweden to define the role of a gene that is often mutated in paediatric glioblastoma. By taking forward our understanding of the role of this specific gene, the team will determine whether it might represent a possible target for a new therapeutic approach. In the course of this work, the team will also create new cellular models of the disease that will be shared with other research teams around the world to speed up drug-discovery efforts.

Ultimately, we hope that this work will lead to the development of new treatments for children with these devastating tumours.

#### **New tools to improve treatment and care in paediatric craniopharyngioma Dr Juan Pedro Martinez-Barbera, UCL Institute of Child Health**

Paediatric craniopharyngioma is a brain tumour that has high survival but can leave survivors with very poor quality of life. Almost every survivor becomes a chronic patient, suffering severe, lifelong problems that can include severe obesity, diabetes, seizures, visual disturbances, behavioural and learning difficulties. New, targeted treatments are urgently needed but progress is hampered by our poor understanding of the biology of these tumours.

This collaborative project brings together teams from the UK and Germany to help profile these tumours and work towards the development of improved treatments. The use of specific drugs capable of slowing down tumour growth would allow clinicians to postpone or avoid using radiotherapy in young children and therefore reducing the likelihood of brain damage. New mechanisms of delivering the drugs to the tumour site could also reduce potential side effects of the drugs.

The research will also give an insight into the biology of the disease, and why it behaves differently in different patients, potentially leading to more personalised management of patients in the future.

### What we're going to do in 2016 for our brain tumour initiative

In 2016 we'll be holding a workshop that will focus on the very specific problem of drug delivery in childhood brain tumours. Following on from the workshop we'll be inviting funding applications for collaborative projects in this field and plan to award a further round of grants before the end of the year.

#### Jarvis

*“We have always tried to look at this as an ‘adventure’ – not one we wish to ever take again – knowing that no matter what we were going through, others were also going through it and some much worse than us.*

*Jarvis now has three-monthly MRI scans and meetings with consultants six times a year. He has to take a growth hormone injection every day and we see his endocrinologist consultant three times a year. He also has six-monthly hearing tests and is being referred to an ENT specialist. ... but all these are a very small price to pay for being given the all clear.” (February 2015)*  
Jarvis' mum, Jackie

Jarvis was diagnosed with Medulloblastoma - a brain tumour in March 2013.

### Welfare highlights

In 2015, we were able to fund a number of welfare projects across the UK. We've highlighted a few of these and the huge difference they make to children and families affected by childhood cancer.

#### CLIC Sargent

As part of our commitment to help families affected by childhood cancer, we continue to work closely with our friends at CLIC Sargent through our support of their 'CLIC Sargent grants' and 'Home from Home' initiatives.

Parents of a child with cancer will spend, on average, over £4,000 on extra expenses each year during treatment. These grants help families not only with their travel costs, but extra childcare costs for siblings and higher costs of gas, electricity and food bills resulting from side-effects of treatment. These grants also allow families to worry about one less thing whilst their child is undergoing cancer treatment.

We are also able to support CLIC Sargent and support their Home from Home initiative, which offers free accommodation and support for families while a young person undergoes cancer treatment.

#### Together for Short Lives

We are pleased to have given financial support to Together for Short Lives - one of the UK leading charities for children with life-shortening conditions. Together for Short Lives provide information and support to families of children with cancer, when a child needs palliative care. They also help improve the quality of life and death for children with cancer and their families. From the moment of diagnosis, for whatever life holds, they help to ensure that families make the most of their precious time together.

#### Lifelites

We were able to provide a grant to Lifelites, a charity that provides specialist entertainment, educational and assistive technology packages to children and young people with rare, life-limiting conditions and complex

disabilities. Our grant enabled Lifelites to provide children with cancer with leading technology and equipment that encourages them to communicate, be creative and, most importantly, control elements of their lives that they might otherwise be unable.

#### Shooting Star Chase

We were also able to support Shooting Star Chase, a leading children's hospice charity caring for babies, children and young people with life-limiting conditions, and their families.

### What we're going to do in 2016

We plan to continue our welfare efforts to help ensure every family affected by childhood cancer has the support they need.

#### Zippos Circus

Thanks to the kind donations from our supporters, children and their families were treated as VIP guests at Zippos circus for the fifth successive year. The event at Zippos helps children put aside their troubles and have some fun.

Nearly 50 families were treated to a sensational circus extravaganza, featuring over 20 high-energy acts from across the world. Everyone had a fantastic day watching the incredible motorcycle Globe of Terror, world-renowned musical clowns 'The Rastellis' and the tumbling and human pyramids from the Kenya Boys and a wide variety of other exhilarating performers.

### Raising awareness

In September 2015, we once again took part in Childhood Cancer Awareness Month. Our aims were to raise awareness of childhood cancer and brain tumours and raise funds. We were able to share patient stories to highlight the impact childhood cancer has on children and their families. Gold is the theme of childhood cancer awareness and we were able to distribute thousands of gold ribbons throughout the month, raising vital awareness.

We were very grateful to Karen, mum to Yasmin, who has leukaemia and wrote a very useful and popular blog on 'five ways you can help when a friend's child is diagnosed with cancer'.

#### Golden Afternoon Tea

To launch Childhood Cancer Awareness Month 2015, we invited children with cancer and their families to join us for a special 'Golden Tea Party'. This was followed by a trip to the theatre to see Roald Dahl's Charlie and the Chocolate Factory. Generous supporters, One Aldwych hotel, hosted the delicious tea, themed around Willy Wonka's magical world. We were delighted to be joined by Olympic Gold Medallist and Dancing on Ice Star, Jayne Torvill and children's TV Presenter, Chris Jarvis.

#### Brain Tumour Awareness Month

2015 was the first year we took part in Brain Tumour Awareness Month. Our aims were to highlight just how important research is to find better diagnosis and safer treatments for children with brain tumours. We were able to show people what life can be like for children with brain tumours and the treatment they have to go through, by sharing patient stories during the month.

Our hero patient story for the month was Lucy, who was diagnosed with a tumour when she was only seven months old and had her tumour surgically removed. Lucy's story featured in our brain tumour appeal, helping to raise funds for our brain tumour initiative.

### **Bake Club**

In May we helped raise awareness of childhood cancer and vital funds for the charity through our Bake Club initiative. Supporters, community groups and companies across the UK rolled up their sleeves and baked delicious home cooked treats for people to buy, raising not only funds for us, but highlighting the importance of our life-saving work.

### **What we're going to do in 2016**

We are going to ensure that childhood cancer awareness is optimised throughout the year by communicating the life-saving work of our researchers and highlighting the impact cancer has on children and their families.

#### **Eva**

*"Eva has had over 400 different procedures. She's had more than 40 rounds of chemo, two major surgeries (including the loss of a kidney), three minor surgeries, and two rounds of radiotherapy. Eva has had countless blood transfusions and dressing changes as well as hundreds of blood samples taken.*

*She has been so very brave, full of smiles and laughter. She has been nicknamed 'Eva the Brave' and we are so proud of her."*  
Eva's mum, Rebecca

Eva was diagnosed with Wilms' tumour in November 2013

### **Fundraising highlights**

#### **Opera at Syon**

In 2015 we held two stunning opera evenings, Le Nozze di Figaro and Lucia di Lammermoor, took place in the Great Conservatory at Syon. The evenings raised more than £109,000 and we are extremely grateful to Margrete Hargreaves-Allen and Lady Julia Craig Harvey and the committee for their continued support.

#### **2015 Grand Draws**

In 2015, we ran three Grand Draws, Spring, Summer and Christmas. Thanks to our celebrity friends, Kian Egan, Linda Robson and Holly Willoughby and our generous supporters the Grand Draws raised over £2.3million for Children with Cancer UK.

#### **Climb with Ed**

In May, 10-year-old Ed Gordon-Thomson trekked up the UK's highest mountain- Ben Nevis for Children with Cancer UK. Ed was joined by friends of the charity and TV presenters Nadia Sawalha, Kaye Adams, Nigel Marven and trustee Linda Robson. Ed was diagnosed with leukaemia seven years ago when he was two and a half. Over £48,000 was raised through this fantastic challenge.

#### **Marbella Ball**

Children with Cancer UK friends and supporters Sandro Morelli and Caroline Randerson once again hosted this hugely popular and successful fundraising party in Marbella, Spain. The party took place on 7th June – 250 guests attended and over £23,000 was raised.

#### **St. Baldrick's**

Through our partnership with St. Baldrick's we received £78,000 from people shaving their heads to support our work.

### **Anglers Against Cancer**

In 2015, Anglers Against Cancer (AAC), a wonderful group of people, united by their love of fishing raised over £64,000 for us. AAC is now a group of nearly 5,000 anglers, their loved ones and their friends, with a shared goal of raising funds to help treat, and ultimately prevent, cancer in children.

### **Ride London**

Over 350 cyclists cycled through the Surrey hills and the streets of London for us last August, as they raised over £260,000 towards our life-saving work.

### **Christmas lights**

John and Gina Ferridge held their last Christmas Light Switch for us in 2015. For the past 13 years, they have lit up their house with Christmas lights and in the process raised almost £35,000 for us.

### **The Children with Cancer Ball**

The Children with Cancer Ball was held on Saturday 14th November and nearly 1,000 guests were entertained by the Bootleg Beatles, Al Murray and Rollacoaster, amongst others. We thank Stephen Haines, and the rest of the organising committee for their hard working in helping to raise £559,000, which is our highest ever amount at the ball.

### **Television campaign**

In 2015 we continued our recruitment of new donors through our national TV fundraising campaign. This helped us raise funds for vital research and welfare projects. The campaign featured on TV, the rail network and on tubes- ensuring millions of people saw the campaign.

The campaign resulted in thousands of new regular givers through mobile phone as well as nearly 85,000 new donations.

### **Sports Events**

This year, thanks to over 1,400 runners, the Virgin Money London Marathon raised an incredible £2.7million. Throughout 2015, thousands of Children with Cancer UK supporters participated in hundreds of different runs, muddy races, obstacle courses, treks and cycle rides across the UK and overseas.

We were also proud to launch our partnership with Rat Race Events – we aim to raise over £1million over three years by encouraging participants in their obstacle and extreme challenges to fundraise for the charity. In 2015 we raised close to £250,000 towards this total.

Overall, our cyclists, runners, climbers, swimmers and trekkers raised a record breaking £4.3 million towards our work to help save young lives.

### **Corporate partnerships and trust fundraising**

We are hugely grateful to the many companies - large and small – that supported and have continued to support us in 2015 and all their dedicated staff who fundraise so enthusiastically to raise vital funds and awareness for Children with Cancer UK. We've highlighted the contribution of a selection of these and shown some of the wonderful ways they raise money for children with cancer.

### **Coral**

Coral have raised close to £1.5million for Children with Cancer UK since the partnership began in 2014.

This fantastic achievement is a huge testament to the varied and dedicated fundraising shown by Coral staff and customers.

Shops held regular fundraising events throughout the year, from bake sales to summer parties, whilst many staff took on an extra challenge, pushing themselves to their limits by taking on a wide variety of challenge events. All these activities along with proceeds from the sale of scratch cards across the UK contributed to this significant milestone for Children with Cancer UK.

Andy Hornby, Chief Executive of Coral said: *"We are delighted to have reached this amount so soon. Every penny we raise makes a difference to the lives of young people affected by cancer and we will keep up the momentum - we assure you of that"*.

#### **One Aldwych**

In 2015 One Aldwych raised over £11,000 for Children with Cancer UK. To support Childhood Cancer Awareness month, One Aldwych hosted a scrumdiddlyumptious tea, themed around Willy Wonka's magical world. Children were delighted to meet Olympic Gold Medallist and Dancing on Ice star, Jayne Torvill and children's TV presenter, Chris Jarvis. Since their support started in 2012 One Aldwych have raised over £43,000 for Children with Cancer UK.

#### **Woodward Estate Agents**

Woodward Estate Agents set out to host 7 events in 7 months for us in 2015. The events included a 10k Super hero run, a London to Brighton cycle and also a street festival in their local area. Their outstanding support, enthusiasm and fundraising skills meant they beat their original fundraising goal and raised just over £10,000.

Director of Woodward Estate Agents, Stephen Woodward said: "We have supported Children with Cancer UK for over 20 years, but inspired by colleagues Lyndsay and Jennifer, we are making 2015 our BIG year for fundraising. I am so proud of those of my colleagues who have responded so generously with their precious time and endless enthusiasm, and grateful to all those who have given. As a father of two lovely children I am constantly moved by the vital work of Children with Cancer UK."

#### **Toys R Us**

In 2015 Toys R Us raised £45,869. The company have supported Children with Cancer UK since 2012 and in that time have managed to raise £214,636 towards our life saving research. This has been raised by donating 20% from the sale of their charity bags for life. In addition they have donated gifts for our competitions and special welfare days and we are thrilled that their support will continue into 2016 and beyond.

#### **Pallet-Track**

Children with Cancer UK were chosen as Pallet-Track's 2015 charity partner. Their initial fundraising target was £8,000 which would be raised through their annual fundraising events; these include a corporate golf day, a forklift driver challenge and also a gala dinner. Thanks to their fantastic fundraising efforts they exceeded their target and raised a grand total of £13,000 contributing to our vital, lifesaving research. Managing Director, Nigel Parkes from Pallet-Track said "Pallet-Track is extremely proud of the staff, depot members, sponsors, suppliers and customers who helped support Children with Cancer UK."

#### **Trusts and Foundations**

We are so very grateful to the many Trusts and Foundations that supported the projects within our Brain Tumour Initiative in 2015 and to the many who continue to give so generously year on year including the Schroder Foundation and Trust and The Clover Trust. With special thanks to the Children's Leukemia Research Foundation (USA) for their continuing generosity towards our research into the causes of and finding new and improved treatments for childhood leukaemia.

#### **What we're going to do in 2016**

We are pleased to let you know that there are some exciting plans ahead for fundraising in 2016. Our loyal supporter and Trustee, Linda Robson, will be the face of our new Weekly Lottery 'Linda's Lottery', which will have more prizes and the opportunity to enter a super draw to win £40,000 twice a year.' Brian Blessed will be the face of our Childhood Cancer Awareness Month appeal in 2016, which raises funds to take children who have cancer, or who have recently finished treatment, to Zippos circus in London.

Following on from the success of the DRTV campaigns in 2014 and 2015, we are launching a new series of DRTV adverts in September 2016. These adverts follow the story of a family whose daughter is diagnosed with leukaemia and shows the medical journey of the young girl. These adverts will be accompanied by train and tube panels adverts.

#### **The Mr Men and Little Miss are back!**

We are pleased to announce that Children with Cancer UK will once again team up with the Mr Men and Little Miss characters in 2016. This has been made possible by the generosity of Sanrio, the licence holder of the characters.

The characters will start to be used in 2016, ready for most Sports Team activities happening in 2017. In addition, there will be a new children's fundraising campaign, encouraging schools and groups to design a new character or write a new Mr Men and Little Miss story launched in May 2016.

#### **How your donations help children with cancer**

As a member of the Fundraising Standards Board (FRSB), the independent self-regulator of fundraising in the UK, Children with Cancer UK is committed to best practice in fundraising and follows the Fundraising Promise and the Institute of Fundraising's Code of Fundraising Practice.

#### **Our Fundraising Promise**

The Fundraising Promise is a key part of the FRSB scheme. It outlines how we, as a member, will behave when undertaking our fundraising and ensures fundraising is legal, honest, open, transparent and accountable.

- We are committed to high standards
- We are honest and open
- We are clear
- We are respectful
- We are fair and reasonable
- We are accountable

#### **Our Supporter Care Charter**

- We recognise the true value of each and every supporter
- We respect our supporters
- We value supporter relationships
- We know who our supporters are
- We listen to our supporters' feedback
- We go "The Extra Mile"



## Thank you

**A very warm and heartfelt thank you to all the families who have kindly shared their experiences in 2015. Your involvement is essential in raising awareness and vital funds to help children with cancer.**

Although we are only able to highlight a very small number of our supporters below, we offer our sincere and wholehearted thanks to everyone who so generously supported our work during 2015:

All our runners and challenge participants

Our dedicated Ball and Opera at Syon chairs and committees, notably Stephen Haines, Margrete Hargreaves-Allen and Lady Julia

Craig Harvey

Martin Burton and Zippos Circus

Cos Onisforou at Fare for generous catering at our Zippos Circus event

Sandro Morelli at Villa Tiberio in Marbella

Caroline Randerson for the fashion show and Marbella ball

Kerry Michael and The Grand Pier in Weston-Super-Mare for hosting our event for families in April.

Jim Mee and the team at Rat Race Events

Sanrio

The late Mr Joseph Foreman for his generous legacy

Our Scientific Advisors and specialist peer reviewers

And finally, a special thank you to our dedicated team at Children with Cancer UK.

### Fundraising Friends:

Ant and Dec • Brian Blessed • Brenda Blethyn • Frank Bruno • Sir Michael Caine • Jasper Carrott  
Dame Joan Collins • Phil Collins • Dame Judi Dench • Kian Egan • Philippa Forrester • Sir Bruce Forsyth  
Sir Chris Hoy • Chris Jarvis • Sir David Jason • Pui Fan Lee • Lennox Lewis • Gary Lineker Joanna Lumley  
Sandy Lyle • Sir Paul McCartney • Sir Trevor McDonald • Stephen Mulhern • Des O'Connor • Robert Powell  
Pauline Quirke • Sir Steve Redgrave Linda Robson • Jonathan Ross • Phillip Schofield • Chris Tarrant  
Rob Templeman • David Tennant • Kevin Whately • Holly Willoughby • Paul Young

### Louis

*"Our whole world instantly fell apart and we were devastated. Louis however, reacted remarkably to all of this and always had a smile to give. His fighting spirit is getting stronger the older he gets. If people were able to see children on treatment and see what they have to go through and see the difference that research makes to children, even in such a short space of time. Research can really make a difference to outcomes for all forms of cancer."*

Louis' mum, Claire

Louis was diagnosed with acute lymphoblastic leukaemia in September 2009. In 2015, he was two and a half years into his remission.

## Financial review

The Consolidated Statement of Financial Activities (SOFA) set out on page 28, shows the financial results for Children with Cancer UK and its trading subsidiary: Helping Children with Cancer Limited.

We are pleased to report an increase in our incoming resources from £12.8 million to £17.5 million in 2015. A significant reason for this growth is the charity scratch card partnership with Coral that has generated gross income of £4.2 million (£618,000 in 2014) and net income of £843,000 (£214,000 in 2014). We are expecting this partnership to continue during 2016.

We have been able to consolidate some of our activities, such as combining our running and challenges team to create an amalgamated sports team. This has in itself lead to an increase in combined income of £740,000.

We have also invested heavily in new income streams, including having a greater presence in online and mainstream media, to secure additional sustainable income as well as create awareness of our cause. This has resulted in close to £450,000 of additional recurring income and £400,000 in one-off income. This £1.7m investment, in our first ever media 'acquisition' program, has resulted in over 12,000 new regular givers as well as over 85,000 new donations. We have re-evaluated our acquisition programme and scaled back activity in 2016.

We have continued to carry out our regular seasonal direct mail appeals and have this year observed a more challenging fundraising environment than in previous years. Appeal and raffle income has fallen from close to £4.4 million to £4.15 million. This year's appeal programme included an additional mailing to two million businesses at a cost of £517,000. Including income received after year end, close to £100,000 has been raised so far from over 1,400 new supporters.

The recruitment of new supporters from direct mail appeals has been a successful strategy for the charity but given the uncertain economic conditions and a pressurised fundraising environment, we have during 2016 scaled down our cold recruitment activity while we review the effectiveness of the direct mail appeal programme.

We have continued our recent momentum in research and welfare funding and awarded £5.5 million (2014: £5.8 million) in direct charitable funding which has contributed to a third consecutive deficit of £532,000. This has been part of a structured approach to utilise our reserve position in order to facilitate the funding of our Brain Tumour Initiative, ongoing project grants and new funding streams such as Research Fellowships and Clinical PhD Studentships. We are expecting to award a similar level of grant funding in 2016 and have a reserve balance to give us the buffer to guarantee this funding.

For every £1 donated, we spend 81p on fighting childhood cancer

- 39p on research projects
- 17p on welfare projects
- 25p on raising awareness

We invest 19p in £1 to raise more money.

**For every £1 we spend on fundraising, we raise over £5 more.**

## Reserves

At the end of the year, the Charity held £8,430,813 (2014: £8,963,257) in unrestricted reserves.

Unrestricted reserves are generated when the supporter does not stipulate how the income may be spent. They are therefore available to be applied at the discretion of Trustees to any of the Charity's charitable purposes. It is the intention of Trustees to expend these funds as soon as possible whilst using them in a structured manner to meet their long term objectives.

The Trustees consider the reserves to have a dual role; to provide a buffer to allow operating expenditure to be carefully minimised should the need arise, as well as, facilitate the following year's grant award programme of at least £5 million. The remainder, approximately £3.5 million, is set aside for fluctuations in income that could impact the charity's ability to carry out its services. The Trustees consider that, as this amount is between the range of 15% and 25% of the current year's income, that this is a reasonable buffer to have in place as a contingency.

## Going Concern

The Charity has a strong reserve position and has sufficient available resources, as demonstrated by the reserve policy above. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure.

Our cash deposits could easily be drawn down should working capital be required. We believe that there are no material uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

## Investments

The Memorandum of Association allows the Charity to deposit or invest funds in any manner but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification.

The Charity recognises that it must have enough resources to carry out its present and future activities effectively. Therefore the Trustees have agreed to hold sufficient cash levels, invested mainly in instant access deposit, to meet fluctuating needs.

During 2015, the Charity has worked with Barclays Investment Management to develop a medium to long-term investment policy which has led to the Charity investing £1.5 million into an investment portfolio in addition to the £9.5 million held between fixed interest and instant access cash.

Cash balances generally are increasing over time since more funds are being kept available to meet longer term grant commitments. The Trustees are keen to ensure that these funds are not exposed to any risk since this cash value has already been promised to grant holders. As at 31 December 2015, our grant liabilities are close to £9.5 million.

## Risk and internal control

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reassurance that:

- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the Charity or for publication is reliable; and
- the Charity complies with relevant laws and regulations.

As part of the Charity's risk management process the Trustees acknowledge their responsibility for the Charity's system of internal control and reviewing its effectiveness. It is also recognised by the Trustees that such a system is designed to manage rather than eliminate the risk of failure to achieve the Charity's objectives and can only provide reasonable, not absolute, reassurance against material misstatement or loss.

The Trustees keep under regular review the major risks that could affect their achievement of the Charity's objectives. The Charity also periodically engages professional advisers to facilitate the Charity's risk assessment process.

## Principal risks and uncertainties

The Charity's main risk is our susceptibility to changes in the economic and financial environment. We do not receive any funding from the government and rely solely on discretionary donations from the public – therefore adverse economic conditions can impact our ability to maximise fundraising. However, we have contingency plans and a stable reserve position in place to minimise such risks.

A significant risk for the Charity is our reliance on two major income streams that make up the majority of our annual income: individual giving and running events. We have been continuing to diversify our income streams to manage this and are developing sustainable income streams such as committed and major donor giving.

The principal risk for the trading subsidiary is its reliance on short term and ad hoc commercial arrangements to generate income.

## Structure, governance and management

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, Statement of Recommended Practice (SORP 2015) and current accounting standards (FRS 102).

## Governing documents

These financial statements are for Children with Cancer UK and its subsidiary Helping Children with Cancer Limited.

Children with Cancer UK is a company limited by guarantee and operates under its Memorandum and Articles of Association dated 11th November 2003 as amended by special or written resolutions, dated 30th November 2004, 22nd December 2006 and 12th May 2007. On 14th May 2007 the reporting Charity changed its name from CHILDREN with LEUKAEMIA UK to Children with Cancer UK. However, the Charity continued to use the working name of CHILDREN with LEUKAEMIA until 11th May 2011.

The Charity operates under its Trust Deed (dated 4th January 1988) and Variation of Trust Deed (dated 10th December 2003).

## Aims and Objectives

### Purposes and Aims

The Charity's objects as amended by written resolution of 12th May 2007 are shown below:

- i) To promote the relief of children and young people suffering with leukaemia or any other form of cancer (and allied disorders) and of their families;
- ii) To raise public awareness and knowledge in matters relating to leukaemia or any other form of cancer (and allied disorders) affecting children and young people; and
- iii) To promote research into the causes, alleviation, prevention, treatment and cure of leukaemia or any other form of cancer (and allied disorders) affecting children and young people and to publish the useful results of such research.

Our aims are to determine the causes, find the cure and provide care for children with cancer.

We fund life-saving research into the causes, prevention and treatment of childhood cancer.

We fund innovative welfare projects to provide better care for young cancer patients and their families.

We campaign to raise awareness of childhood cancer to protect more children and to improve the lives of young cancer patients, today and for future generations.

We are a member of the Association of Medical Research Charities.

We are also a member of the National Cancer Research Institute.

Further details of the projects we fund are detailed in note 20.

### Public Benefit

The Trustees continue to give due regard to the public benefit provided by the Charity in relation to its charitable purpose as set out by the objectives above and have given due consideration to the relevant guidance issued by the Charity Commission. The Trustees will continue to ensure that the activities that promote the charitable objects above will be applied to provide public benefit.

### Board of Trustees

The governing body of the reporting Charity is the Board of Trustees, which has a current total of four members. The Trustees of the Charity also act as the Directors of the charitable company. The Board meets at least three times a year together with the Chief Executive and other senior management where appropriate.

### Trustee appointment and induction

There were no new appointment to the Trustee Board in 2015 (2014: none). The selection of Trustees is made based on vacancies arising, sympathy with the objects of the Charity and the additional skills and experience that potential new Trustees are able to afford. Under the Articles of Association, Trustees are appointed by a majority vote of the members (who are all the current Trustees) by ordinary resolution. Each new Trustee receives the Charity Commission publication 'The Essential Trustee: What you need to know' as well as the most recent published annual report. The Chief Executive offers an induction day to all Trustees which provides full information about the operations of the Charity.

## Management

The Trustees exercise executive responsibility for the governance of the Charity and, through the Chairman, supervise the management of the Charity by the Chief Executive and the senior management team. The Chairman and Chief Executive also task the Board with decision-making on strategic management issues as well as overseeing the research grants application process and monitoring the progress of awarded grants.

The senior management carry out the operational running of the Charity and the coordinating of fundraising appeals and events.

Following the resignation of Caroline Blakely, Cliff O'Gorman was appointed Honorary Chief Executive from 8th January until 6th April 2016 and then temporarily for three weeks as Chief Executive. From 29th April 2016, he has been employed as Trustee Liaison helping the Trustees to move the charity forward. In these capacities he has either not been remunerated or his remuneration has been set below industry average levels. His remuneration was set using the remuneration policy below and his employment is under the same terms as all other employees. He is related to two members of the Board of Trustees and has been appointed with the consent of the other two Trustees. The Trustees have recently written to the Charities Commission to appoint Cliff as interim Chief Executive.

### Remuneration

The salaries of Children with Cancer UK staff are periodically benchmarked against other charities (with the last study carried out in 2014) to ensure that salary levels are in line with industry averages and sufficient to attract and retain staff of the appropriate calibre.

All staff posts are periodically evaluated to ensure that salary levels are reflective of the industry and organisational needs, as well as individual and charity performance. During 2015, the charity did not make any general salary increases; the only increases to individual salaries were based on changes in roles and responsibilities.

In recruitment of a new post, an assessment is made of the requirements of the role in terms of skills, experience, competency and urgency. The salary is then determined on the basis of this assessment and the current market conditions.

During 2015 the Charity has been compliant with the Hutton Fair Pay Review with the salary of the highest paid employee being no more than four times the median salary of the organisation.

### Trading Subsidiaries

Helping Children with Cancer Limited (company registration 2807553) is the wholly owned trading subsidiary of Children with Cancer UK. Its principal purpose is to raise funds for the Charity and all profits are donated under gift aid.

The principal activity of the Company is the licensing of the name and logo of the Charity for use in corporate sponsorship and commercial agreements.

The trading activities generated operating profit for the year of £76,778 (2014: £88,851) which will be paid to Children with Cancer UK under the Gift Aid Scheme. It is anticipated that the trading activity within the subsidiary will continue at a similar level.

The Charity also holds 100% of the share capital of Children with Cancer Research Limited (09442350) which is currently dormant and is to be dissolved in 2016.

### Related parties

An internal conflict of interest register is in place which is based on declaration of interests submissions completed by all Trustees and senior management. Trustee meeting policy is that, where Trustees have an interest in the matter under discussion, they will absent themselves from these discussions and decisions.

### Grant making policy

It is the Trustees' policy to maximise the proportion of its charitable output that is achieved through grant making.

#### • Welfare grants

There is no open application process for welfare grants and no welfare grants are given to individuals. The Trustees determine which organisations are to be supported. In 2015, a total of £1,129,620 (2014: £1,716,887) was awarded to welfare projects.

#### • Research grants

An increasing proportion of the Charity's output is achieved through scientific and medical research. The Charity adheres to the standards set by the Association of Medical Research Charities (AMRC) and awards research grants after deliberation and approval of its own Scientific Advisory Panel. In 2015, a total of £4,388,744 (2014: £4,105,403) was awarded to research projects.

Project funding in these areas is directed in two ways:

#### 1. Research into treatment

The Charity works in partnership with Leukaemia and Lymphoma Research Fund, Great Ormond Street Hospital Children's Charity, University College London, Cancer Research UK and other institutions giving grants in support of the parts of their programmes that are relevant to the Charity's objects.

#### 2. Research into prevention and causes

The Charity advertises for project applications that are then subject to peer review and scrutiny by our panel of scientific advisors before the Trustees determine which projects to support.

It is also the Trustees' policy to support directly a number of long-term programmes of research at UK institutions in areas which are of wide ranging importance in relation to childhood cancer.

The Trustee's openly invite research applications and the criteria is displayed on our website as well as advertisements in scientific publications.

### Plans for future periods

The Charity now has much more prominence as a funder of translational research across all cancers and the quality of the science we are asked to fund continues to improve. In order to continue the momentum of recent years, the Charity has the following aims in relation to the research we fund:

- 1) To better measure and publicise the impact of the research we fund
  - a. More rigorous grant reporting framework which includes project visits.
  - b. Ensure appropriate credit for joint funding
- 2) To become an advocate / spokesperson for children suffering from cancer
  - a. Comment on news items via social media
  - b. Provide a scientific / research blog

- 3) To continue to champion collaborative science
  - a. Through continued funding of the brain tumour initiative
  - b. Funding of national clinical trials

- 4) To use expertise of our SAP to develop a new research strategy that will
  - a. aim specifically to target areas of unmet need and
  - b. see us become a "go to" funder for new technologies

- 5) To further increase prominence of the Charity by changing our current conference schedule
  - a. Annual scientific update meeting covering all aspects of childhood cancer
  - b. Bi-annual conference focussed on causation.

In terms of fundraising, the focus on subsequent years will be to consolidate our activities, invest in sustainable income streams whilst diversifying how we fundraise. We will be reviewing how we recruit new supporters via our individual giving programme as well as exploring new fundraising initiatives such as major donor giving.

The trading subsidiary will continue to operate in the same scale and no significant changes are planned.

### Reference and administration

Children with Cancer UK (previously known as CHILDREN with LEUKAEMIA) was set up in memory of Paul O'Gorman who died on 6 February 1987 and his sister Jean, who died on 3 November 1987. The Charity was inaugurated by Diana, Princess of Wales on 12 January 1988 at Mill Hill County High School where Paul had been a pupil.

#### Trustees

The Trustees of Children with Cancer UK are the Charity's Trustees under charity law and the directors of the charitable company:

Edward O'Gorman OBE (Chairman)  
The Earl Cadogan DL  
Sandra Mileham  
Linda Robson

#### Chief Executive

Caroline Blakely (Resigned 12th January 2016)  
Cliff O'Gorman (Honorary from 13th January 2016, formally appointed between 7th April 2016 and 29th April 2016)  
Edward O'Gorman (appointed from 2nd May 2016)

#### Senior Management

Cliff O'Gorman (Trustee Liaison)  
Bhavesh Kotecha (Director of Finance)  
Ben Twyman (Head of Events)  
Pippa Gough (Head of Major Relationships)  
Emma Sheard (Head of Individual Giving)  
Mark Bell (Head of Operations)

#### Registered Charity Number

298405

#### Registered Company Number

4960054

#### Principal office

51 Great Ormond Street, London WC1N 3JQ

#### Solicitors

Bates Wells Braithwaite, 2-6 Cannon Street, London EC4M 6YH

#### Auditors

Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury Square, London EC4Y 8EH

#### Bankers

National Westminster Bank plc, 30 North Audley Street, London W1A 4UQ

#### Contact details

Children with Cancer UK  
51 Great Ormond Street, London WC1N 3JQ  
Tel: 020 7404 0808  
Fax: 020 7404 3666  
Email: [info@childrenwithcancer.org.uk](mailto:info@childrenwithcancer.org.uk)  
[www.childrenwithcancer.org.uk](http://www.childrenwithcancer.org.uk)

#### Scientific Advisory Panel

We are indebted to the members of our Scientific Advisory Panel who freely give their time and expertise to help drive forward our fight against childhood cancer.

Research into childhood cancer is a broad field and we aim to reflect the diversity of the field amongst the membership of our Panel:

**Professor David Walker** BMedSci, BM, BS, FRCP, FRCPC (Chair). Professor of Paediatric Oncology, Children's Brain Tumour Research Centre, University of Nottingham; Honorary Consultant in Paediatric Oncology, Nottingham Children's Hospital (QMC Campus NUH NHS Trust).

**Dr Yann Jamin** BSc (Hons), PhD. Paul O'Gorman Postdoctoral Fellow, The Institute of Cancer Research

**Professor Pamela Kearns** MBChB, BSc (Hons), PhD, FRCPC. Professor of Clinical Paediatric Oncology, School of Cancer Sciences, University of Birmingham; Honorary Consultant in Paediatric Oncology, Birmingham Children's Hospital

**Professor Silvia Marino** MD, FMH-Path. Professor of Neuropathology and Honorary Consultant Neuropathologist, Blizard Institute, Barts and the London School of Medicine, Queen Mary University of London.

**Dr Matthew Murray** MB BChir, MA, FRCPC, DCH, PGCME, PhD. Academic Consultant Paediatric Oncologist, Addenbrooke's Hospital; University Lecturer, University of Cambridge

**Professor Geoffrey Pilkington** BSc, PhD, CBIOL, FSB, FRCPath. Professor of Cellular and Molecular Neuro-oncology, University of Portsmouth.

**Mr Charles Stiller.** Lead on Childhood Cancer, National Cancer Intelligence Network, Public Health England

**Dr Owen Williams** BSc (Hons), PhD. Reader in Cancer Biology and Head of Cancer Section, UCL Institute of Child Health and Great Ormond Street Hospital for Children NHS Trust

#### Statement of Trustees' responsibilities

The Trustees (who are also directors of Children with Cancer UK for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' report and the financial statements in accordance with applicable law and regulations.

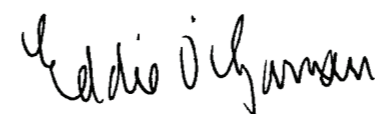
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the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

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

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

Insofar as each of the trustees of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This Annual Report of the Trustees, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 14th July 2016 including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:



**Eddie O'Gorman OBE**  
**Chairman of Trustees**

## Independent Auditor's Report to the Trustees of Children with Cancer UK

We have audited the financial statements of Children with Cancer UK for the year ended 31 December 2015 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's Trustees, 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 Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on 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 charitable company'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 Strategic report and the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2015 and of the group's income and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Pesh Framjee**  
Senior Statutory Auditor  
For and on behalf of  
Crowe Clark Whitehill LLP  
Statutory Auditor  
London

5th August 2016

**Consolidated statement of financial activities for the year ended 31 December 2015  
(incorporating an income and expenditure account)**

	Note	Total restricted funds £	Total unrestricted funds £	Total 2015 £	Total 2014 £
<b>Income from:</b>					
Donations and legacies	4	572,366	16,094,264	16,666,630	12,097,894
Other trading activities	4	-	728,190	728,190	620,712
Income from investments		-	139,814	139,814	112,420
Other income		-	9,630	9,630	1,692
<b>Total Income</b>	16	<b>572,366</b>	<b>16,971,898</b>	<b>17,544,264</b>	<b>12,832,718</b>
<b>Expenditure on:</b>					
Raising funds		-	3,465,102	3,465,102	2,304,003
Charitable activities	7	220,668	14,352,770	14,573,438	11,673,435
<b>Total Expenditure</b>	5,15	<b>220,668</b>	<b>17,817,872</b>	<b>18,038,540</b>	<b>13,977,438</b>
Net change in investments	9	-	(38,168)	(38,168)	(4,611)
<b>Net (expenditure)/income</b>		<b>351,698</b>	<b>(884,142)</b>	<b>(532,444)</b>	<b>(1,149,331)</b>
<b>Transfers between funds</b>	16	<b>(351,698)</b>	<b>351,698</b>	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>(532,444)</b>	<b>(532,444)</b>	<b>(1,149,331)</b>
Reconciliation of funds:					
<b>Total funds brought forward</b>		<b>-</b>	<b>8,963,257</b>	<b>8,963,257</b>	<b>10,112,588</b>
<b>Total funds carried forward</b>	16	<b>-</b>	<b>8,430,813</b>	<b>8,430,813</b>	<b>8,963,257</b>

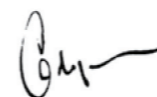
The comparative figures for each fund are shown in note 3 to the financial statements.

**Balance sheets as at 31 December 2015  
Company Number: 4960054**

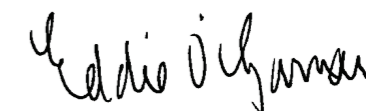
	Note	2015 Group £	2015 Charity £	2014 Group £	2014 Charity £
<b>Fixed assets</b>					
Investments	9	11,855,726	11,855,826	11,000,000	11,000,100
		11,855,726	11,855,826	11,000,000	11,000,100
<b>Current assets</b>					
Debtors and prepayments	11	2,185,935	2,227,396	2,100,576	2,152,933
Cash deposits		4,118,836	4,118,836	3,694,327	3,694,327
Cash at bank and in hand		519,967	476,630	219,887	168,718
		<b>6,824,738</b>	<b>6,822,862</b>	<b>6,014,790</b>	<b>6,015,978</b>
<b>Creditors: amounts falling due within one year</b>					
Grants	12,13	(3,657,849)	(3,657,849)	(3,379,770)	(3,379,770)
Other	13	(812,755)	(810,979)	(600,116)	(601,404)
<b>Net current assets</b>	15	<b>2,354,134</b>	<b>2,354,034</b>	<b>2,034,904</b>	<b>2,034,804</b>
<b>Total assets less current liabilities</b>		<b>14,209,860</b>	<b>14,209,860</b>	<b>13,034,904</b>	<b>13,034,904</b>
<b>Creditors: amounts falling due after more than one year</b>					
Grants	12	(5,779,047)	(5,779,047)	(4,071,647)	(4,071,647)
<b>Net assets</b>		<b>8,430,813</b>	<b>8,430,813</b>	<b>8,963,257</b>	<b>8,963,257</b>
Represented by:					
<b>Unrestricted funds</b>		<b>8,430,813</b>	<b>8,430,813</b>	<b>8,963,257</b>	<b>8,963,257</b>
<b>Restricted funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	15,16	<b>8,430,813</b>	<b>8,430,813</b>	<b>8,963,257</b>	<b>8,963,257</b>

The notes on pages 31 to 43 form part of the financial statements.

Approved and authorised for issue on behalf of the Trustees on 26th July 2016.



The Rt Hon the Earl Cadogan KBE DL  
Trustee



Eddie O'Gorman OBE  
Trustee

**Consolidated cash flow statement for the year ended 31 December 2015**

	Note	2015 £	2014 £
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities	a)	1,440,501	(972,288)
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		139,814	112,420
Net cash provided by investing activities		139,814	112,420
<b>Change in cash and cash equivalents in the reporting period</b>			
		<b>1,580,315</b>	<b>(859,868)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	b)	<b>14,914,214</b>	<b>15,774,082</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	b)	<b>16,494,529</b>	<b>14,914,214</b>

**Notes to the Cash flow Statement**

a) Reconciliation of net (expenditure) to net cash flow from operating activities	2015 £	2014 £
Net (expenditure) for the reporting period	(532,444)	(1,149,331)
Adjustments for:		
Dividends, interest and rents from investments	(139,814)	(112,420)
Increase in debtors	(85,359)	(479,276)
Increase in creditors	2,198,118	768,739
<b>Net cash provided by (used in) operating activities</b>	<b>1,440,501</b>	<b>(972,288)</b>

b) Analysis of cash and cash equivalents	1 January 2015 £	Cashflow £	31 December 2015 £
Cash at bank and in hand	219,887	300,080	519,967
Cash held as short term investments	3,694,327	424,509	4,118,836
Cash held as long term investments	11,000,000	855,726	11,855,726
	<b>14,914,214</b>	<b>1,580,315</b>	<b>16,494,529</b>

**Notes to the financial statements for the year ended 31 December 2015**

**1. Charity information**

Children with Cancer UK is a private limited company (registered number 4960054), which is incorporated and domiciled in the UK. The address of the registered office is 51 Great Ormond Street, London WC1N 3JQ. It is also a registered charity (registered number 298405) and as such is a non-profit making organisation, limited by guarantee and therefore with no share capital.

**2. Accounting policies**

(a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP FRS 102 applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity 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).

Children with Cancer UK is the ultimate parent company. It has two subsidiaries - Helping Children with Cancer Ltd and Children with Cancer Research Ltd. Children with Cancer UK owns the whole of the share capital of Helping Children with Cancer Limited, a company registered in England and Wales, number 2807553. It also holds 100% of the share capital of Children with Cancer Research Limited, a company registered in England and Wales, number 09442350 which is currently dormant.

The financial statements of the Charity and its active subsidiary company are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. No separate Statement of Financial Activities has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006. The charity has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Cash Flow Statement and certain disclosures about the charity's financial instruments.

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. In their estimation, the impact of transitioning is not material to the financial statements and therefore the restatement of comparative items is not required. The transition date was 1 January 2014.

(c) Preparation of the accounts on a going concern basis

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 25. There are no material uncertainties casting doubt on going concern.

(d) Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently



measured at amortised cost. Financial assets held at amortised cost comprise cash and bank and in hand, short term cash deposits together with the group's trade and other debtors excluding prepayments. Financial liabilities held at amortised cost comprise the group's short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Investments, including bonds and cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

(e) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Residuary legacies – The charity recognises residuary legacies once probate has been granted which therefore requires an estimation of the amount receivable.

(f) Functional/Presentational currency

The functional currency of the Charity and its subsidiary is considered to be in pounds sterling because that is the currency of the primary economic environment in which the charity/group operates. The consolidated financial statements are also presented in pounds sterling.

(g) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

(h) Incoming resources

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

Voluntary income in the form of appeals, committed giving, sports events and community fundraising income is recognised in the period of receipt. Income received in advance of an event or lottery is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income arising from corporates and trusts is recognised in the period in which the charity has entitlement to the income.

Income from trading activities is recognised in the period in which the service has been provided or product sold.

Investment income from dividends and 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 received or receivable from the Bank.

(i) Expenditure and basis of allocation of costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and the majority is directly attributable to specific activities. Other indirect costs are apportioned to activities in accordance with staff activity and an assessment of where the resources have been applied. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants to third parties are included in the SOFA when approved by the Trustees when a constructive obligation exists, notwithstanding that they may be paid in future accounting periods.

Support costs include governance costs which are costs incurred to manage the Charity in compliance with constitutional and statutory requirements and the direct expenditure and overhead costs relating to the appeals and fundraising functions. They also include the allocation of costs incurred to support and co-ordinate fundraising activities. These costs are allocated across the categories of charitable activities and the basis of this cost allocation has been explained in note 6 of the financial statements.

Expenditure on raising funds includes expenditure specifically incurred for fundraising purposes. This constitutes a mixture of directly attributable costs and apportionment.

(j) Taxation

Children with Cancer UK, as a registered Charity, is exempt from taxation of income falling within Section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that this is applied to its charitable objectives. No tax charge has arisen in the year.

(k) Tangible fixed assets

Tangible fixed assets costing more than £10,000 are capitalised and included at cost including any incidental costs of acquisition, or, where donated, are included at valuation at the date that ownership is acquired.

(l) Pension scheme

Permanent employees are entitled to join the Grouped Stakeholder Pension Plan provided by Scottish Widows. In 2015, the Charity made a contribution of 8% (2014: 8%) of salary per month to any personal or stakeholder pension scheme selected by all employees serving for more than three months who elected to take advantage of this benefit. The amount charged to the statement of financial activities in respect of pension costs is the contribution payable during the year.

(m) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(n) Gifts in Kind

Gifts in kind and donated goods and services are recognised in the accounts when the benefit to the Charity is reasonably quantifiable and measurable. The value is the price the Charity estimates it would pay should it purchase equivalent goods or services.

The estimated valuation of gifts in kind is based on the value of the contribution to the Charity, or the valuation the Charity would have had to pay to acquire the goods or services. A corresponding amount is recognised within expenditure in the period of receipt.

**3. Consolidated statement of financial activities for the year ended 31 December 2015**

	Total restricted funds	Total unrestricted funds	Total 2015	Total 2014
	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary Income				
Appeals and associated donations	347,432	4,037,683	4,385,115	4,039,200
Committed giving	-	1,152,571	1,152,571	1,117,560
Schools and children's groups fundraising	-	90,414	90,414	70,248
Running Events	-	3,044,723	3,044,723	3,236,032
Community fundraising	15,608	1,051,888	1,067,496	899,821
Corporate and trust donations	133,281	1,314,106	1,447,387	791,335
Legacies	-	910,188	910,188	1,006,986
	<b>496,321</b>	<b>11,601,573</b>	<b>12,097,894</b>	<b>11,161,182</b>
Activities for generating funds				
Special events and trading	-	620,712	620,712	731,341
Investment income	-	112,420	112,420	192,265
Other incoming resources	-	1,692	1,692	-
<b>Total incoming resources</b>	<b>496,321</b>	<b>12,336,397</b>	<b>12,832,718</b>	<b>12,084,788</b>
<b>Resources expended</b>				
Costs of generating funds				
Costs of generating voluntary income	64,966	2,019,899	2,084,865	1,679,603
Costs of special events and trading	-	193,309	193,309	237,486
	<b>64,966</b>	<b>2,213,208</b>	<b>2,278,174</b>	<b>1,917,089</b>
Charitable activities				
Research into Prevention & Causes	49,401	2,336,858	2,386,259	2,148,327
Research into Treatment	5,550	3,965,409	3,970,959	3,487,412
Welfare	5,000	3,422,325	3,427,325	3,718,544
Raising Awareness & Education	-	1,816,022	1,816,022	1,708,067
Governance costs	-	103,310	103,310	84,864
<b>Total resources expended</b>	<b>124,917</b>	<b>13,857,132</b>	<b>13,982,049</b>	<b>13,064,303</b>
<b>Net incoming resources before transfers</b>	<b>371,404</b>	<b>(1,520,735)</b>	<b>(1,149,331)</b>	<b>(979,515)</b>
Gross transfers between funds	(429,140)	429,140	-	-
<b>Net movement in funds</b>	<b>(57,736)</b>	<b>(1,091,595)</b>	<b>(1,149,331)</b>	<b>(979,515)</b>
Funds at the start of the year	57,736	10,054,852	10,112,588	11,092,103
<b>Funds at the end of the year</b>	<b>-</b>	<b>8,963,257</b>	<b>8,963,257</b>	<b>10,112,588</b>

#### 4. Incoming resources

	Total 2015	Total 2014
<b>Donations and legacies</b>		
Appeals and associated donations	4,159,183	4,385,115
Committed giving	1,527,699	1,152,571
Community fundraising	752,895	593,088
Corporate and trust donations	812,480	829,312
Legacies (see contingent asset below)	849,849	910,188
Sports events	4,349,183	3,609,545
	<b>12,451,289</b>	<b>11,479,819</b>
<b>Scratch cards</b> (see scratch card income below)		
	4,215,341	618,075
	<b>16,666,630</b>	<b>12,097,894</b>
<b>Other trading activities</b>		
Events	716,131	605,842
Sale of merchandise	12,059	14,870
	<b>728,190</b>	<b>620,712</b>

#### Contingent asset – legacy income

As at 31 December 2015, the charity had been notified of a further five residuary legacies which have not been recognised as income in the Statement of Financial Activities as they do not meet the criteria as detailed in the accounting policies. These legacies have an estimated value of £909,879 which has not been accrued.

#### Scratch card income

The scratch card income relates to the sale of gambling products as part of a corporate partnership with the Gala Coral Group Ltd. As part of the agreement, the charity receives 20% of the sales proceeds of the scratch card. However, as the product was launched under the charity's Gambling Commission license, the charity has recognised 100% of the sales proceeds as income and 80% as expenditure. This partnership will continue during 2016.

#### 5. Total expenditure

	Expenditure on raising funds £	Expenditure on charitable activities £	Support on governance costs £	2015 Total £	2014 Total £
Staff costs	301,822	664,712	484,049	<b>1,450,583</b>	<b>1,497,812</b>
Charitable expenditure	-	13,501,137	-	<b>13,501,137</b>	<b>10,557,120</b>
Printing, postage & fulfilment	2,069,299	-	-	<b>2,069,299</b>	<b>953,181</b>
Function and venue costs	847,010	-	-	<b>847,010</b>	<b>860,298</b>
Other expenditure	9,213	-	127,418	<b>136,631</b>	<b>62,408</b>
Audit fee	-	-	33,880	<b>33,880</b>	<b>46,619</b>
	<b>3,227,344</b>	<b>14,165,849</b>	<b>645,347</b>	<b>18,038,540</b>	<b>13,977,438</b>

#### 6. Support costs

Support costs are split as follows:

	Support costs £	Governance costs £	2015 Total £	2014 Total £
Staff costs	408,869	75,179	484,048	<b>442,816</b>
Other expenditure	127,419	-	127,419	<b>122,950</b>
Audit fee	-	33,880	33,880	<b>36,300</b>
	<b>536,288</b>	<b>109,059</b>	<b>645,347</b>	<b>602,066</b>

Central office overheads are allocated on a per person basis to staff in the office. The time spent by each staff member on every activity of the Charity is allocated on a month by month basis throughout the year. Overheads and staff costs are then allocated to the various charitable activities below based on this staff time basis.

#### 7. Costs of charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support and governance costs £	2015 Total £	2014 Total £
Research into Prevention & Causes	1,211,639	1,319,875	81,716	<b>2,613,230</b>	<b>2,399,938</b>
Research into Treatment	1,296,291	3,068,899	79,981	<b>4,445,171</b>	<b>3,984,293</b>
Welfare	1,809,397	1,129,620	84,292	<b>3,023,309</b>	<b>3,442,376</b>
Education	4,330,128	-	161,600	<b>4,491,728</b>	<b>1,846,828</b>
	<b>8,647,455</b>	<b>5,518,394</b>	<b>407,589</b>	<b>14,573,438</b>	<b>11,673,435</b>

### 8. Results of the parent charity

	2015 £	2014 £
Total income	17,539,526	12,820,173
Total expenditure	(18,071,970)	(13,969,502)
Net (expenditure)	<b>(532,444)</b>	<b>(1,149,331)</b>

### 9. Investments

	2015 £	2014 £
Listed investments (see below)	1,443,482	1,493,154
Cash deposits	10,412,244	9,506,846
	<b>11,855,726</b>	<b>11,000,000</b>

<b>Market value of listed investments at 1 Jan</b>	<b>1,493,154</b>	-
Additions to investment portfolio	-	1,500,000
Disposals to investment portfolio	-	-
Investment manager fees	(11,504)	(2,235)
Net Investment loss	(38,168)	(4,611)

<b>Market value of listed investments at 31 Dec</b>	<b>1,443,482</b>	<b>1,493,154</b>
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#### Listed Investments comprise the following:

Cash and short maturity bonds	35,144	101,246
Developed Government bonds	15,619	15,311
High Yield and Emerging Market Bonds	39,603	44,128
Investment Grade Bonds	97,510	-
Developed Market Equities	972,413	998,691
Emerging market equities	90,233	168,568
Real estate	109,424	79,096
Multi class and other investments	83,536	86,114
<b>Total listed investments at 31 Dec</b>	<b>1,443,482</b>	<b>1,493,154</b>

#### Total Investments are listed in:

United Kingdom	891,777	985,698
Overseas	551,705	507,456
	<b>1,443,482</b>	<b>1,493,154</b>

#### Investment in subsidiary

Children with Cancer UK holds 100% of the share capital of Helping Children with Cancer Limited. The value of the share capital owned is £100. Helping Children with Cancer Limited raises funds via commercial activities and sponsorship. Any taxable profits made by Helping Children with Cancer UK are donated to Children with Cancer UK under Gift Aid.

The income and expenditure for the year ended 31 December 2015 is as follows:

	2015 £	2014 £
Income	90,530	110,411
Cost of sales	(160)	(6,842)
Administrative expenses	(13,592)	(14,718)
<b>Profit on ordinary activities before gift aid and taxation</b>	<b>76,778</b>	<b>88,851</b>

The balance sheet for the subsidiary as at 31 December 2015 are as follows:

	2015 £	2014 £
Assets	118,970	130,378
Liabilities	(118,870)	(130,278)
<b>Reserves</b>	<b>100</b>	<b>100</b>

The Charity also holds 100% of the share capital of Children with Cancer Research Limited (09442350) which is currently dormant and is to be dissolved in 2016.

Current asset investments are held in cash on deposit for the current and prior year.

### 10. Trustees' emoluments

The Trustees received no remuneration or reimbursement of expenses during the year (2014 Nil).

### 11. Debtors

	2015 Group £	2015 Charity £	2014 Group £	2014 Charity £
Trade debtors	84,359	75,753	53,696	40,402
Amounts due from subsidiary undertakings	-	113,920	-	124,295
Other debtors	734,300	734,300	610,159	612,181
Accrued income	209,250	145,397	252,656	191,990
Prepayments	1,158,026	1,158,026	1,184,065	1,184,065
	<b>2,185,935</b>	<b>2,227,396</b>	<b>2,100,576</b>	<b>2,152,933</b>

## 12. Grants to third parties

	2015 £	2014 £
<b>Outstanding liabilities at the start of the year</b>	<b>7,451,417</b>	<b>6,903,374</b>
Awarded during the year (note 20):		
Research into prevention and causes	1,319,875	969,725
Research into treatment	3,068,899	3,065,678
Welfare	1,129,620	1,716,887
Raising awareness	-	70,000
	<b>5,518,394</b>	<b>5,822,290</b>
Under-spends on previous grant awards	(126,246)	(459,905)
Paid during the year	(3,405,383)	(4,814,047)
Foreign exchange loss	(1,286)	(295)
<b>Outstanding liabilities at the end of the year</b>	<b>9,436,896</b>	<b>7,451,417</b>
Grants falling due within one year	3,657,849	3,379,770
Grants falling due after more than one year	5,779,047	4,071,647
	<b>9,436,896</b>	<b>7,451,417</b>

The foreign exchange loss arises on the restatement of grant creditors payable in a foreign currency. A number of these grants are payable after more than one year and the actual amount that will be paid will be dependent on the exchange rate at that time.

The restatement of the foreign grant creditors resulted in an unrealised foreign exchange loss of £1,286 (2014: £295).

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

	2015 Group £	2015 Charity £	2014 Group £	2014 Charity £
Accruals and deferred income	779,667	774,717	561,401	558,101
Taxes and social security	33,088	33,088	38,715	38,715
Amounts due to subsidiary undertakings	-	3,174	-	4,588
	812,755	810,979	600,116	601,404
Grants payable	3,657,849	3,657,849	3,379,770	3,379,770
	<b>4,470,604</b>	<b>4,468,828</b>	<b>3,979,886</b>	<b>3,981,174</b>

## 14. Deferred income

Deferred income comprises income received in advance for entries to our weekly lottery and income received for events occurring in 2016.

	2015 Group £	2015 Charity £	2014 Group £	2014 Charity £
<b>Balance as at 1 January 2015</b>	<b>56,524</b>	<b>56,524</b>	-	-
Amount released to income from donations	(56,524)	(56,524)	-	-
Amount deferred in year	30,968	30,968	56,524	56,524
<b>Balance as at 31 December 2015</b>	<b>30,968</b>	<b>30,968</b>	<b>56,524</b>	<b>56,524</b>

## 15. Analysis of net assets between funds

	2015 Group Restricted funds £	2015 Group Unrestricted funds £	2015 Group Total funds £	2014 Group Total funds £
Fixed assets	-	11,855,726	11,855,726	11,000,000
Net current assets	-	2,354,134	2,354,134	2,034,904
Creditors falling due after more than one year	-	(5,779,047)	(5,779,047)	(4,071,647)
Net assets at the end of the year	-	<b>8,430,813</b>	<b>8,430,813</b>	<b>8,963,257</b>

## 16. Statement of funds

	At the start of the year £	Total Income £	Total Expenditure £	Transfers £	At the end of the year £
<b>Restricted funds</b>					
Professor Persis Amrolia, Great Ormond Street Hospital. Immunotherapy with CD19 CAR redirected T cells for relapsed paediatric ALL (CARPALL)	-	285,611	-	(285,611)	-
Dr David Clynes, University of Leeds. The molecular basis for the alternative lengthening of telomeres in telomerase negative cancers	-	49,278	(49,278)	-	-
Professor Richard Grundy. BIOMarkers of Ependymomas in Children and Adolescents (BIOMECA) - Integrated Biological study within SIOP Ependymoma II trial organised by European Ependymoma Biology Consortium	-	92,365	(92,365)	-	-
Dr Waseem Qasim, UCL Institute of Child Health. T cell receptor gene therapy: Novel strategies for children with cancer using engineered cord blood T cells	-	31,512	-	(31,512)	-
Dr Chris Jones, Institute of Cancer Research. The role of ACVR1/ALK2 mutations in diffuse intrinsic pontine glioma	-	22,225	-	(22,225)	-
Professor Andrew Peet, Institute of Child Health, University of Birmingham. Non invasive identification of medulloblastoma genetic subtypes using metabolite profiles and imaging features	-	30,200	(30,200)	-	-
Dr Juan Pedro Martinez Barbera, Institute of Child Health, University College London. Molecular Characterisation and Assessment of Potential Biomarkers and Novel Drug Targets for Childhood Craniopharyngioma	-	25,450	(25,450)	-	-
Dr Steven Pollard, University of Edinburgh. Genome editing of human neural stem cells using nuclease-assisted gene targeting: a tool to uncover the function of H3F3A mutations in paediatric glioma	-	12,500	(12,500)	-	-
Dr Elspeth Payne, University College London. Developing zebrafish models of inherited AML to interrogate secondary driver events	-	9,870	(9,870)	-	-
Prof Steve Clifford, Newcastle University. INSTINCT - The Institute of Child Health - Newcastle University - Institute of Cancer Research High Risk Brain Tumour Network	-	5,600	-	(5,600)	-
Dr Christina Halsey, University of Glasgow. Biomarkers and discovery of new therapeutic targets for chemotherapy associated neurotoxicity	-	5,000	-	(5,000)	-
Professor Rob Mairs, University of Glasgow. Exploitation of the elevated metabolic activity of cancer cells for combination with targeted radiotherapy of neuroblastoma	-	1,000	(1,000)	-	-
Dr Oleg Gerasimenko, Cardiff University. Pathophysiology of asparaginase associated pancreatitis	-	1,000	-	(1,000)	-
Professor Shai Izraeli, Sheba Medical Centre. Hematopoietic transcription factors and childhood leukaemia - Down syndrome as a model	-	750	-	(750)	-
Professor David Grimwade, King's College London. Molecular tracking of treatment response in paediatric AML	-	5	(5)	-	-
	-	<b>572,366</b>	<b>(220,668)</b>	<b>(351,698)</b>	-
<b>Unrestricted funds</b>	<b>8,963,257</b>	<b>16,971,898</b>	<b>(17,856,040)</b>	<b>351,698</b>	<b>8,430,813</b>
<b>Total funds</b>	<b>8,963,257</b>	<b>17,544,264</b>	<b>(18,076,708)</b>		<b>8,430,813</b>

**Note** The restricted funds comprise donations that were to be spent on specific causes and projects.

All other restricted income was either discharged during the year or transferred from restricted back to unrestricted funds. This has occurred when restricted funds were received towards grants that were previously paid out of unrestricted reserves.

## 17. Staff costs

	2015 £	2014 £
Salaries and wages	1,228,115	1,266,070
National Insurance	127,416	132,294
Pension	95,052	99,448
	<b>1,450,583</b>	<b>1,497,812</b>

During 2015, one employee has been paid a gross salary between £70,000 and £80,000 (2014: one) and one employee has been paid a gross salary between £60,000 and £70,000 (2014: one).

During 2015, there have been 7 (2014: 6) staff that have formed part of the senior leadership team. The total remuneration including pension contributions amounts to £369,900 (2014: £362,412)

£33,750 (2014: £45,000) has been paid to an employee connected with a trustee. There is no interdependence between the trustee and the connected person.

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

	2015 No.	2014 No.
Charitable Activities	4	6
Raising Funds	22	25
Support, Governance, Operations and Administration	10	8
	<b>36</b>	<b>39</b>

## 18. Related Party Transactions

There have been no other related party transactions during the year other than those with the trading subsidiary.

The Charity has carried out various transactions during the year with its trading subsidiary, Helping Children with Cancer Ltd. Income of £1,114 (2014: £4,588) of trading subsidiary income was initially received in the Charity's bank accounts and then transferred. Expenditure of £1,038 (2014: £12,543) was paid by the Charity on behalf of the trading subsidiary and then recharged. A management fee of £5,000 (2014: £5,000) has been charged to the trading subsidiary for use of the charity's trademarks and a further £4,014 (2014: £4,014) for the use of Charity staff (calculated on the basis of time charged to subsidiary activity by the employee). The trading subsidiary's taxable profit of £76,778 (2014: £88,851) will be donated to the Charity under gift aid. As at 31st December 2015, £3,174 (2014: £4,588) was owed to the trading subsidiary from the Charity and, conversely, £113,920 (2014: £124,295) owed to the Charity from the trading subsidiary. The outstanding balances and gift aid due will be discharged by the trading subsidiary during 2016.

## 19. Financial Instruments

The financial statements include the following in respect of items:

	2015 £	2014 £
Financial assets measured at amortised cost	635,854	653,554
Financial liabilities measured at amortised cost	(10,185,595)	(7,956,294)
Financial assets measured at fair value	16,494,528	14,914,214

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:

Total interest income for financial assets held at fair value	148,899	113,219
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Trustees' Report  
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**20. Grants to third parties**

	Research into prevention and causes 2015 £	Research into treatment 2015 £	Welfare 2015 £	Total 2015 £
CLIC Sargent – Home from Home in Glasgow			629,620	629,620
Professor Andrew Peet, University of Birmingham. Non invasive identification of medulloblastoma genetic subtypes using metabolite profiles and imaging features		499,681		499,681
Professor Richard Grundy, University of Nottingham. BIOMarkers of Ependymomas in Children and Adolescents (BIOMECA) - Integrated Biological study within SIOP Ependymoma II trial organised by European Ependymoma Biology Consortium		494,498		494,498
Dr Juan Pedro Martinez-Barbera, Institute of Child Health, University College London. Molecular characterisation and assessment of potential biomarkers and novel drug targets for childhood craniopharyngioma	458,728			458,728
Dr Patrick Hales, Institute of Child Health, University College London. Advanced magnetic resonance imaging techniques for in vivo assessment of tumour heterogeneity, risk factor, and treatment response in paediatric cancer		409,310		409,310
Dr David Clynes, University of Oxford. The molecular basis for the alternative lengthening of telomeres in telomerase negative cancers		394,634		394,634
Dr Steven Pollard, University of Edinburgh. Genome editing of human neural stem cells using nuclease-assisted gene targeting: a tool to uncover the function of H3F3A mutations in paediatric glioma	357,589			357,589
Dr Kathleen Birley, Institute of Child Health, University College London. Evaluation of B7H3 as a novel target for immunotherapy in childhood cancer		323,089		323,089
Dr Rod Mitchell, University of Edinburgh. Fertility preservation in pre-pubertal boys treated for cancer during childhood		249,435		249,435
Professor David Grimwade, King's College London. Molecular tracking of treatment response in paediatric AML		238,325		238,325
Professor Martin Leach, Institute of Cancer Research. Identifying markers of cancer stem cell derived tumour development and resistance in paediatric glioma	235,854			235,854
CLIC Sargent. Paul's Fund: to provide financial assistance to the families of children being treated for leukaemia and other cancers.			200,000	200,000
Dr Ian Hampson, University of Manchester. Identification of infections which may play a role in the aetiology of childhood acute lymphoblastic leukaemia (ALL)	190,204			190,204
Professor Robert Mairs, University of Glasgow. Exploitation of the elevated metabolic activity of cancer cells for combination with targeted radiotherapy of neuroblastoma		189,043		189,043
Professor John Anderson, Institute of Child Health, University College London. Developing GD2-targeted cellular immunotherapy for childhood sarcomas		181,214		181,214
Together for Short Lives. To support the cost of care and support provided to young people with cancer and their families from the moment of diagnosis.			180,000	180,000
Professor Chris Clark, University College London. Advanced magnetic resonance imaging for improved diagnosis and prediction of treatment response in Wilms' tumour patients		88,559		88,559
Shooting Star CHASE (formerly CHASE Hospice Care). To support the cost of services provided to children with leukaemia and other cancers.			60,000	60,000
Lifelites. To support the cost of specialist technology that could enhance the lives of children with cancer in hospices.			60,000	60,000
Dr Elspeth Payne, University College London. Developing zebrafish models of inherited AML to interrogate secondary driver events	52,500			52,500
Professor Barry Pizer, University of Liverpool. ISPNO 2016	15,000			15,000
Professor Chris Jones, Institute of Cancer Research. 2nd Paediatric Infiltrating Glioma Symposium	10,000			10,000
Ms Renata Abrahão, London School of Hygiene and Tropical Medicine. Travel grant to ASH 2015		1,111		1,111
<b>Total grants to third parties</b>	<b>1,319,875</b>	<b>3,068,899</b>	<b>1,129,620</b>	<b>5,518,394</b>