

Charity No. 225838  
Company No. 190141

**THE CANCER RESEARCH CAMPAIGN**

**Annual Report and Accounts**

**31 March 2014**

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## **THE CANCER RESEARCH CAMPAIGN**

### **LEGAL AND ADMINISTRATIVE DETAILS**

#### **STATUS**

The Cancer Research Campaign ('The Campaign') is a charity registered in England & Wales under number 225838 and a company limited by guarantee, registered in England & Wales under number 190141. The Campaign is governed by its Memorandum and Articles of Association.

#### **TRUSTEES**

Cancer Research UK is the sole member of The Campaign since 27 August 2002 and has been a Trustee/director since that date.

In addition, Ian Kenyon is a trustee/director of The Campaign.

Trustee/directors who served during the financial year:

Ian Kenyon (from 26 March 2014)

Bob Miles (from 3 December 2013 to 25 March 2014)

Dr Harpal Kumar (from 11 June 2013 to 3 December 2013)

Lynne Robb (to 10 June 2013)

The Trustees of Cancer Research UK, including those who served during the financial year and as at the date the accounts were signed, are:

Michael Pragnell MA (Oxon) MBA (INSEAD)

Anne Baldock LLB

Wendy M Becker BA MBA

Professor Doctor Anton Berns PhD

Professor Sir Adrian Bird CBE FRS FRSE

Helen Calcraft BA(Hons) MBA

Dr Adrian Crellin MA FRCR FRCP

James Crosby BA (to 9 April 2013)

Professor Jonathan K C Knowles

David Lindsell FCA (from 1 April 2014)

Roger Matthews ACA BSocSci

Andrew Palmer FCA (Treasurer) (from 15 January 2014)

Professor Peter Selby CBE DSc MD FMedSci FRCR FRCP

#### **SECRETARY**

Niamh O'Sullivan (from 7 April 2014)

Gill Marcus (to 7 April 2014)

#### **REGISTERED OFFICE**

Angel Building

407 St John Street

London

United Kingdom

EC1V 4AD

#### **BANKERS**

Lloyds Bank

Wholesale Banking & Markets

4th Floor

25 Gresham Street

London EC2V 7HN

## **THE CANCER RESEARCH CAMPAIGN**

**Company No. 190141**

### **TRUSTEES' REPORT (incorporating Strategic Report)**

The Trustees of The Cancer Research Campaign ('The Campaign') present the annual report and audited accounts for the financial year to 31 March 2014. The accounts have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published by the Charity Commission in March 2005 and with applicable laws. They have also been prepared in accordance with The Campaign's governing document. The legal and administrative details on pages 1 and 2 form part of the Trustees' Report.

### **OBJECTIVES AND PRINCIPAL ACTIVITY**

The Campaign's objective is to attack and defeat the disease of cancer in all its forms, to investigate its causes, distribution, symptoms, pathology and treatment and to promote its cure.

The Campaign transferred its operations and legal and/or beneficial title to all its assets and liabilities to Cancer Research UK on 4 February 2002. The Campaign acts as a Trustee for legacy income for Cancer Research UK and holds legal title to some assets that have yet to be formally transferred to Cancer Research UK – the beneficial title to such assets is however held by Cancer Research UK. Under the terms of the transfer agreement any income of The Campaign belongs to Cancer Research UK.

War on Cancer and the Gibb Research Fellowship Endowment Fund remain part of The Campaign Group.

### **RESERVES**

The Trustees are responsible for ensuring that the level of reserves is appropriate to the present and planned activities of The Campaign, taking account of the uncertainty attaching to future income, investments and costs. As part of the transfer agreement all existing obligations of The Campaign were transferred to Cancer Research UK and surpluses arising after this date are to be transferred to Cancer Research UK. Cancer Research UK has indemnified The Campaign against any loss and/or liability relating to the activities carried on by The Campaign and transferred to Cancer Research UK as well as any liabilities incurred by The Campaign in connection with its continuing activities.

The Trustees will therefore not retain reserves other than those held in respect of its subsidiary undertakings, War on Cancer and the Gibb Research Fellowship Endowment Fund. The Campaign will maintain a break-even level of operations. Further information is provided in Note 5.

### **GOVERNANCE**

Following the merger and the transfer of assets and liabilities of The Campaign to Cancer Research UK, the Articles of Association of The Campaign were amended by the members at an Extraordinary General Meeting held on 27 August 2002 so that The Campaign could be operated and administered more efficiently as part of the Cancer Research UK Group. In particular, on 27 August 2002 and in accordance with the revised Articles of Association, Cancer Research UK became a Trustee/Director and member of The Campaign with the remaining Trustees and members resigning with effect from that date. Lynne Robb was appointed as Trustee/Director in September 2009 and retired in June 2013. Since that date the role has been occupied by Cancer Research UK employees. Accordingly, Cancer Research UK has responsibility for the overall direction and control of The Campaign.

The authorised representatives of Cancer Research UK are any two of the Trustees of Cancer Research UK, usually the Chairman of Council, the Treasurer or Chairman of the Audit Committee.

Trustee appointments are made in accordance with Cancer Research UK's governing document, policies and procedures, together with those of The Campaign. The liability of the member is limited to an amount not to exceed £1.

## **THE CANCER RESEARCH CAMPAIGN**

### **TRUSTEES' REPORT (Incorporating Strategic Report)**

#### **PUBLIC BENEFIT**

The Trustees have a duty in accordance with section 17 of the Charities Act 2011 to report on public benefit by explaining the significant activities undertaken in order to carry out our aims for the public benefit and our achievements measured against those aims. We confirm that we have had regard to the Charity Commission's guidance on public benefit in reporting on The Campaign's activities and achievements above.

#### **EMPLOYEES**

The Campaign had no employees during the financial year (2013: none).

#### **INDEPENDENT AUDITORS**

A resolution for the reappointment of PricewaterhouseCoopers LLP as auditors will be proposed at the Annual General Meeting of Cancer Research UK, the ultimate parent undertaking.

## **THE CANCER RESEARCH CAMPAIGN**

### **TRUSTEES' REPORT (Incorporating Strategic Report)**

#### **STRATEGIC REPORT**

##### **REVIEW OF ACTIVITIES**

The accounts show a break-even position for the year.

The Campaign continues to act in a trust capacity to receive legacy income. Under the terms of the transfer agreement, which is referred to above, the beneficial interest to this income belongs with Cancer Research UK. For accounting disclosure purposes, as required by the Charity Commission, income from legacies has been shown as both incoming resources and a transfer to Cancer Research UK.

Legacy income for the year was £24 million (2013: £23 million) (see note 2). Legacy income for The Campaign peaked in the year ended 31 March 2003, the first accounting year immediately following the merger and formation of Cancer Research UK and has generally been in decline since then.

Conversely, legacy income in Cancer Research UK has grown since the merger in February 2002, more than offsetting any decline in The Campaign. This is entirely to be expected as new testators have written their wills in the name of Cancer Research UK.

##### **RISK MANAGEMENT**

The Trustees are responsible for The Campaign's systems of internal control and their effectiveness. These systems are used to manage rather than totally eliminate any risk of failure to achieve The Campaign's objectives, and provide reasonable, but not absolute, assurance against material misstatement or loss.

The potential risks arising from The Campaign's activities are reviewed and assessed through the work of the Audit Committee of Cancer Research UK, which monitors the implementation of measures to reduce risks or mitigate their effects, for the Cancer Research UK Group. For more information on the major risks facing the Cancer Research UK Group, please refer to the Group accounts which are available at <http://www.cancerresearchuk.org/about-us/what-we-do/our-annual-publications-and-strategy/annual-report-and-accounts/>.

##### **ACTIVITIES AND PERFORMANCE OF SUBSIDIARIES**

The Campaign has two subsidiary undertakings that are involved with cancer research: War on Cancer and the Gibb Research Fellowship Endowment Fund. Their results for the year are set out in note 5 to the accounts and are considered to be satisfactory; results are not consolidated into the Campaign accounts. War on Cancer was awarded a uniting direction with Cancer Research UK on 1 December 2010 and is now shown as a restricted fund within the Cancer Research UK accounts.

## THE CANCER RESEARCH CAMPAIGN

### TRUSTEES' REPORT

#### Statement of trustees' responsibilities

The trustees (who are also directors of The Cancer Research Campaign for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

The trustees are responsible for keeping adequate accounting records that 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The Trustees' Report (incorporating the Strategic Report) has been approved and signed on the Trustees behalf



Ian Kenyon  
Trustee  
28 May 2014

## **THE CANCER RESEARCH CAMPAIGN**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CANCER RESEARCH CAMPAIGN**

#### **Report on the financial statements**

##### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

##### **What we have audited**

The financial statements, which are prepared by The Cancer Research Campaign, comprise:

- the balance sheet as at 31 March 2014;
- the statement of financial activities and the summary income and expenditure account for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 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 Annual Report and Accounts 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 other matter prescribed the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

## THE CANCER RESEARCH CAMPAIGN

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CANCER RESEARCH CAMPAIGN (CONTINUED)

#### Other matters on which we are required to report by exception

##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

##### **Trustees' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

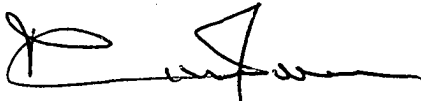
#### Responsibilities for the financial statements and the audit

##### **Our responsibilities and those of the trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, the trustees 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Kim Green (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors

London

29 May 2014



# THE CANCER RESEARCH CAMPAIGN

## STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31 March 2014

Company No.190141

(Incorporating an Income and Expenditure account)

	Note	2014 Restricted Funds £'000	2013 Restricted Funds £'000
<b>Incoming resources</b>			
Voluntary Income:			
Legacies	2	24,080	23,127
<b>Resources expended</b>			
Costs of generating funds:			
Costs of generating voluntary income	3	-	-
Governance costs	3	-	-
<b>Net income/(expenditure) for the year before transfers</b>		<u>24,080</u>	<u>23,127</u>
<b>Transfer of funds to Cancer Research UK</b>	4	(24,080)	(23,127)
<b>Fund balances carried forward at 31 March</b>		<u>-</u>	<u>-</u>

All funds received in the year were held on trust for the benefit of Cancer Research UK.

All amounts relate to continuing operations and all gains and losses recognised in the year are recorded in the Statement of Financial Activities and therefore no separate statement of total recognised gains and losses has been presented.

There are no differences between the net income for the year and the historical cost equivalents.

The notes on pages 11 to 13 form an integral part of the accounts.

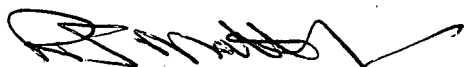
# THE CANCER RESEARCH CAMPAIGN

## BALANCE SHEET As at 31 March 2014

Company No. 190141

	Note	2014 £'000	2013 £'000
Fixed assets: investments	5	-	-
<b>Net assets</b>		-	-
<b>The funds of the charity</b>			
Unrestricted fund		-	-
<b>Total charity funds</b>		-	-

These accounts were approved by the Trustees on 28 May 2014 and signed on the Trustees' behalf by:



Roger Matthews  
Authorised Representative of Cancer Research UK

The notes on pages 11 to 13 form an integral part of the accounts.

## THE CANCER RESEARCH CAMPAIGN

### NOTES TO THE ACCOUNTS

Year ended 31 March 2014

#### 1. ACCOUNTING POLICIES

##### **Basis of preparation**

The accounts have been produced on a going concern basis. The principal accounting policies, all of which have been applied consistently throughout the year are set out below:

##### **Accounting convention**

The accounts are prepared under the historical cost convention, and in accordance with the reporting requirements of the Companies Act 2006, The Campaign's memorandum and articles of association, together with applicable accounting standards in the United Kingdom. The Campaign has complied with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' published in March 2005 and applicable law, the Charities Act 2011 and Companies Act 2006.

The Campaign is a subsidiary of Cancer Research UK and has taken advantage of the exemption conferred by Financial Reporting Standard No. 1 (Revised) not to prepare a cash flow statement. The cash flows are included in the consolidated results of Cancer Research UK (see note 10).

##### **Group accounting**

In accordance with section 400 of the Companies Act 2006, The Campaign has taken advantage of the exemption available not to prepare and deliver group accounts. Accordingly, The Campaign's accounts present information about it as an individual undertaking and not about it as a group.

##### **Incoming resources from generated funds**

All income is recognised when The Campaign has entitlement, certainty of receipt and the amount is capable of measurement.

##### Legacies

Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, provided that sufficient information has been received to enable valuation of The Campaign's entitlement. Amounts receivable are included at 90% of their valuation to reflect Cancer Research UK's experience of the uncertainty inherent in the administration of estates. Residuary legacies are subject to further reduction to reflect the impact on the valuation of unrealised estate assets of subsequent adverse movements in property and investment markets. Reversionary interests involving a life tenant are not recognised due to the intrinsic uncertainties in valuing them.

##### Donated Services

Donated services are provided by Cancer Research UK to support the fundraising activities of The Campaign. The value of these services is not recognised in these accounts as it is not considered that they can be practically or reasonably quantified or measured.

##### **Investments**

Subsidiary undertakings are valued at cost less any provision for impairment.

##### **Fund Accounting**

The funds held by The Campaign are restricted funds that are only available for transfer to Cancer Research UK, as detailed in the Trustees' Report on page 3.

## **THE CANCER RESEARCH CAMPAIGN**

### **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2014**

#### **2. LEGACIES**

The Campaign is entitled to certain legacies, which have not been accrued for as the recognition criteria outlined above, have not been met as at 31 March 2014. It is difficult to estimate the amounts involved. It is felt helpful to give as accurate an indication as is practical of known legacy income, which will be received by The Campaign on behalf of Cancer Research UK in later accounting years. The amounts that are estimated for pecuniary and residuary legacies are £1 million (2013 - £2 million).

At 31 March 2014, The Campaign had an interest in 451 estates that are subject to a life interest or trust (2013 – 548). In accordance with The Campaign's accounting policy on recognising legacy income, reversionary interests involving a life tenant are not recognised in these accounts. It is not considered practical at this time to give an indication of what these interests might currently be worth.

#### **3. RESOURCES EXPENDED**

Costs incurred in the governance of The Campaign and generation of legacy income were borne by the parent charity undertaking Cancer Research UK in the year to 31 March 2014 and the year to 31 March 2013.

#### **4. TRANSFER OF FUNDS**

In line with the transfer agreement, all incoming resources from legacies are charitably donated to Cancer Research UK each year. There are therefore no assets or liabilities held by The Campaign.

#### **5. FIXED ASSET INVESTMENTS**

War on Cancer, which was a wholly controlled subsidiary undertaking of the Campaign, was awarded a uniting direction with Cancer Research UK on 1 December 2010 and is shown as a restricted fund within the Cancer Research UK accounts.

The Gibb Research Fellowship Endowment Fund, a permanent endowment fund created by will trust, funds fellowships, studentships and prizes for cancer research. The Campaign has the right to appoint the Trustees of the Fund. Separate accounts have been prepared for the Gibb Research Fellowship Endowment Fund.

The subsidiary undertakings are included at cost of £nil (2013: £nil).

The summarised financial information of the subsidiary undertakings is provided hereunder.

# THE CANCER RESEARCH CAMPAIGN

## NOTES TO THE ACCOUNTS

Year ended 31 March 2014

	War on Cancer		Gibb Research Fellowship Endowment Fund	
	2014	2013	2014	2013
	£000	£000	£000	£000
<b>Incoming resources</b>				
<b>Incoming resources from generated funds:</b>				
Voluntary income	2	2	-	-
Investment income	18	-	107	96
<b>Total incoming resources</b>	<b>20</b>	<b>2</b>	<b>107</b>	<b>96</b>
<b>Resources expended:</b>				
Cost of generating funds	-	-	20	24
Charitable activities	-	-	857	212
Governance costs	-	-	-	-
<b>Total resources expended</b>	<b>-</b>	<b>-</b>	<b>877</b>	<b>236</b>
<b>Net incoming/(outgoing) resources for the year</b>	<b>20</b>	<b>2</b>	<b>(770)</b>	<b>(140)</b>
Realised gains on investments	-	-	607	195
Unrealised (losses)/gains on investments	-	-	(410)	96
<b>Net movement in funds</b>	<b>20</b>	<b>2</b>	<b>(573)</b>	<b>151</b>
Assets	77	57	4416	4,661
Liabilities	-	-	(970)	(642)
<b>Net assets</b>	<b>77</b>	<b>57</b>	<b>3,446</b>	<b>4,019</b>

## 6. TAXATION

The activities of The Campaign are exempt from taxation as per Part 11, Chapter 3 of the Corporation Tax Act 2010 to the extent that they are applied to The Campaign's charitable objectives.

## 7. AUDITORS' REMUNERATION

Auditors' costs have been borne by the parent charity undertaking, Cancer Research UK, in the year to 31 March 2014 (£2K) and the year to 31 March 2013 (£2k).

## 8. TRUSTEES AND EMPLOYEES

The Trustees received no remuneration from The Campaign during the year (year to 31 March 2013: £nil), nor did The Campaign reimburse the Trustees for any expenses (year to 31 March 2013: £nil).

The Campaign had no employees in the current or the prior year. Services provided by the parent charity's employees, Cancer Research UK in the current or the prior year are not included in the accounts as they cannot be accurately measured and would be immaterial.

## 9. RELATED PARTY TRANSACTIONS

The Charity has taken advantage of the exemption available under Financial Reporting Standard 8 "Related Party Transactions", which allows it not to disclose transactions with other group undertakings. There are no other material transactions by size or nature with any other related parties.

## 10. PARENT UNDERTAKING

The ultimate and immediate parent undertaking and controlling entity is Cancer Research UK, registered in England and Wales as a charity, number 1089464, a company limited by guarantee and incorporated and registered in England & Wales, with Company number 4325234. Copies of the Annual Report and Accounts of Cancer Research UK are available from Angel Building, 407 St John Street, London, EC1V 4AD.