

***Cancer & Polio Research Fund Limited***

***A Company Limited By Guarantee Without Share Capital***

723.861

***Financial Statements And Annual Report For***

***The Year Ended 6 September 2004***



***Cancer & Polio Research Fund Limited***

***A Company Limited By Guarantee Without Share Capital***

***Financial Statements And Annual Report For  
The Year Ended 6 September 2004***

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# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Directors and Officers For The Year Ended 6 September 2004***

<b>Directors</b>	C.M. Azurdia M.B., Ch.B., M.R.C.G.P., D.Obst., R.C.O.G. T.E.Saxton B.Sc. J.E. Shaw B.Sc., Ph. D. J.A. Smith B.A.,D.Phil P.Rudland M.A., Ph.D.,M.R.C. Path., F.I.B.I.O.L., F.R.S.A.	
<b>Secretary</b>	S.Houghton F.B.I.M., F.I.I.M.	
<b>Registered Office</b>	92 London Road, Liverpool L3 5NW	
<b>Auditors</b>	Deloitte & Touche LLP Chartered Accountants & Registered Auditors Martins Building 4 Water Street Liverpool L2 8UY	
<b>Bankers</b>	National Westminster Bank plc. Liverpool University 5 Oxford Street Liverpool L7 7HL	Abbey National plc. Business Banking Centre PO Box 126 Newport Gwent NP19 7UP
<b>Investment Advisors</b>	Langmore James Associates Ltd. 44 Bewsey Street Warrington Cheshire WA2 7JE	
<b>Solicitors</b>	Charles Russell Solicitors 8-10 New Fetter Lane London EC4 A 1RS	
<b>Company No.</b>	723861	
<b>Charity Commission No.</b>	326812	

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Trustees Annual Report For The Year Ended 6 September 2004***

The members of the Council, who are the trustees and directors of the charity for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 6 September 2004. The members of the Council have adopted the provisions of the Statement of Recommended Practice (SORP 2000) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The members of the Council and changes during the year are listed on page 1.

At each Annual General Meeting, one third or the nearest number of members of the Council who have been longest in office since their last election or appointment retire from office. All retiring members of the Council are eligible for re-election. The Annual General Meeting is usually held in November.

The Charity was incorporated by Memorandum and Articles of Association dated 14 May 1962 and subsequently revised and is registered with the Charity Commission. The Company Registration Number, Charity Commission Number and Registered Office are shown on page 1.

The income and property of the Charity are to be applied solely towards its objects and no portion can be paid or transferred to any member of council by way of dividend, bonus or other means. No member of council can receive salary, fees or any form of remuneration, only reimbursement of any reasonable out-of-pocket expenses.

The Charity as a result of the reduction in income from Candis Club, which is due to be completely phased out in the next year, started using the services of a professional fundraiser to improve its fundraising and secure its future income. However, the Charity is still able to meet its current commitments from reserves.

#### **Objects**

The objects of the Charity are the advancement of education and the preservation of health and relief of sickness by promotion of research into cancer and other crippling diseases.

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Trustees Annual Report For The Year Ended 6 September 2004 (Continued)***

#### **Investment Policy**

The Charity's policy continued to be that of maintaining sufficient funds to ensure that on going and promising new research projects can operate without fear that funding will be abruptly terminated.

The policy requires that risk be kept to a minimum level but some return on capital is required. The Charity during the year considered rates of return on capital from the money market and concluded that at present it could achieve a greater rate of return from a bank deposit account. The Secretary is authorised by the members of Council to invest funds on short term or longer term in Money Market deposits and bank deposit accounts depending on the urgency of access needed in respect of funds.

The policy originally required a sum in the region of £250,000 be invested in an Authorised Unit Trust and /or Trusts as defined by the Charity Commission. The Unit Trust/s had to be selected within the range entitled Ethical Funds, in particular the Tobacco Industry and Associated Industries are to be excluded. The Council have reviewed this policy in view of the losses incurred to date on the investments and have decided to alter the policy so that if a specific unit trust recovers to a pre-determined value, then it will be sold and invested in a lower risk investment. There is now no requirement for the investments to maintain a specific value.

#### **Annual Review**

It will be seen from the Statement of Financial Activities that covenanted donations have ceased due to the expiry of the deed of covenant between the charity and Candis, there was no income from legacies this year and investment income has declined due to reduced funds held and falling interest rates. The prior year adjustment last year had a distorting effect on grants payable but other resources expended are similar to last year. This has resulted in net outgoing reserves for the year amounting to £84,099 (2003 Net incoming resources £80,684).

The listed investments showed a poor performance compared to the previous year and the charity is involved in ongoing talks regarding the investments' financial performance.

The Charity is raising funds through the use of collection boxes in public places such as shops. The income for the year from this source amounted to £8,856.

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Trustees Annual Report For The Year Ended 6 September 2004 (Continued)***

#### **Risk Management**

In previous years the trustees have carried out a formal review of the charity's activities including identifying the major opportunities available to the charity and the risks to which it is exposed. Systems established to mitigate risks have been developed and will be periodically reviewed to ensure that they still meet the needs of the charity.

#### **Reserves Policy**

The charity gives grants for a variety of projects. The trustees have examined the requirement for free reserves which are the unrestricted funds which are not designated for specific purposes or otherwise committed. They consider that, given the nature of the work, and in view of the future reduced funding noted earlier, the level of reserves held at the year end is adequate. The free reserves as at 6 September 2004 consist of the unrestricted reserve of £470,111.

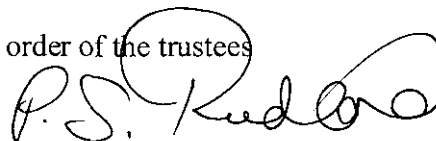
#### **Grant Making Policy**

The charity has previously invited applications for funding of projects to be considered by the trustees. Applicants are invited to submit a summary of their proposals and these are reviewed by the scientific panel of trustees. Most projects are funded for between one and three years and are monitored on an annual basis.

#### **Auditors**

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappointment them will be proposed at the forthcoming Annual General Meeting.

By order of the trustees



29/11/04

P S Rudland  
Council Member

## ***Cancer & Polio Research Fund Limited***

### ***A Company Limited By Guarantee Without Share Capital***

#### ***Statement of Directors Responsibilities***

U.K. Company law requires the directors as trustees of the charity to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial period and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements the directors are required to :

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANCER & POLIO RESEARCH FUND (A COMPANY LIMITED BY GUARANTEE WITHOUT SHARE CAPITAL)**

We have audited the financial statements of Cancer & Polio Research Fund Limited for the year ended 6 September 2004 which comprise the statement of financial activities, the note of historical cost profit and losses, the balance sheet and the related notes 1 to 11, which have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purposes of company law, are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the trustees' report and other information contained within the annual report as described in the contents section for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANCER & POLIO  
RESEARCH FUND LIMITED A COMPANY LIMITED BY GUARANTEE WITHOUT  
SHARE CAPITAL)**

## Opinion

In our opinion, the financial statements give a true and fair view of the charitable company's state of affairs as at 6 September 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*

~~Deloitte & Touche LLP~~

*29 November 2004*

Chartered Accountants and Registered Auditors  
**Liverpool**

**Cancer & Polio Research Fund Limited**

**A Company Limited By Guarantee Without Share Capital**

**Statement of Financial Activities For The Year Ended 6 September 2004**

	See Note	2004	2003
<b>Income and Expenditure</b>		<b>£</b>	<b>£</b>
<b>Incoming Resources</b>	1		
Covenanted Donations		-	40,621
Donations, Legacies & similar incoming resources	2	28,034	39,345
Investment Income	3	<u>13,506</u>	<u>16,305</u>
		<u>41,540</u>	<u>96,271</u>
 <b>Resources Expended</b>			
Charitable Expenditure :			
Costs of activities in furtherance of the Charity's objects:			
Grants Payable/(recoverable)	1,4	99,359	(9,490)
Fund raising costs	5	<u>15,575</u>	<u>12,648</u>
		114,934	3,158
Management & administration:			
Staff costs	6	6,171	6,168
Professional fees		2,053	3,923
Secretarial costs		2,416	2,338
Other costs		65	-
		<u></u>	<u></u>
 <b>Total Resources Expended</b>		<u>125,639</u>	<u>15,587</u>
 <b>Net (Outgoing)/Incoming Resources For The Year</b>		(84,099)	80,684
 <b>Other Recognised Gains and Losses</b>			
Unrealised (losses)/gains on investment assets	7	<u>(7,782)</u>	<u>56,193</u>
 <b>Net movement in funds</b>		(91,881)	136,877
 Fund balances brought forward at 7 September 2003		<u>561,992</u>	<u>425,115</u>
 <b>Fund balances carried forward at 6 September 2004</b>		<u>470,111</u>	<u>561,992</u>

The Company's income and expenditure all relate to continuing operations.

There are no recognised gains and losses for the current financial year and preceeding financial year other than as stated in the Statement of Financial Activities.

All funds were unrestricted funds.

The notes on pages 11 to 15 form part of these accounts.

***Cancer & Polio Research Fund Limited***

***A Company Limited By Guarantee Without Share Capital***

***Note of Historical Cost Profit and Losses  
For the Year Ended 6 September 2004***

	2004	2003
	£	£
Reported net movement in funds	(91,881)	136,877
Unrealised losses/(gains) on investments	7,782	(56,193)
Historical cost net movement in funds in the year	<u>(84,099)</u>	<u>80,684</u>

# **Cancer & Polio Research Fund Limited**

## **A Company Limited By Guarantee Without Share Capital**

### **Balance Sheet As At 6 September 2004**

	See Note	2004	2003
		£	£
<b>Fixed Assets</b>			
Investments	1,7	285,618	293,341
<b>Current Assets</b>			
Debtors	8	7,319	6,818
Cash At Bank And In Hand		<u>329,976</u>	<u>477,577</u>
		<u>337,295</u>	<u>484,395</u>
<b>Creditors</b> - amounts falling due within one year	9	<u>112,802</u>	<u>127,597</u>
<b>Net Current Assets</b>		<u>224,493</u>	<u>356,798</u>
<b>Total Assets Less Current Liabilities</b>		510,111	650,139
<b>Creditors</b> - amounts falling due after more than one year	10	<u>40,000</u>	<u>88,147</u>
<b>Net Assets</b>		<u>470,111</u>	<u>561,992</u>
<b>Funds</b>			
Unrestricted	11	<u>470,111</u>	<u>561,992</u>
		<u>470,111</u>	<u>561,992</u>

These financial statements were approved

by the council on ..... 29/11/04 .....

and signed on it's behalf by ..... J.E. Shaw .....

J.E. Shaw Council Member

The notes on pages 11 to 15 form part of these accounts.

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Notes to the Financial Statements For The Year Ended 6 September 2004***

#### **1. Accounting Policies**

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' SORP 2000 published in October 2000 and applicable accounting standards and the Companies Act. The particular accounting policies adopted are described below :-

##### Accounting Convention

The accounts are prepared under the Historical Cost Convention as modified by the revaluation of Investments.

##### Unrestricted funds

The charity maintains only unrestricted funds. These represent reserves which are expendable at the discretion of the trustees in furtherance of the objects of the charity.

##### Donations Received and Legacies

Donations are accounted for at the time of actual receipt. Legacies are accounted for on an accruals basis using the trustees best estimate of any monies not yet received.

##### Investment Income

Bank interest received is accounted for on an accruals basis. Income derived from the fixed asset investments is accounted for on an accruals basis.

##### Taxation

As a registered charity, the company is exempt from U.K. Corporation Tax on its charitable activities.

##### Charitable Expenditure

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognized as expenditure when the conditions attached are fulfilled. Staff costs include the wages of the sole paid employee acting in a secretarial capacity only. Management and administration costs represent expenditure in support of expenditure on the objects of the charity and include such operational and management costs which cannot be directly attributable to the above objects.

##### Investment Assets

These are stated at market value at the balance sheet date as required by the statement of recommended practice. The cost of these investments is stated in note 7. Realised and unrealised gains and losses are shown separately in the appropriate section of the statement of financial activities.

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Notes to the Financial Statements (Cont.) For The Year Ended 6 September 2004***

#### **2. Donations, Legacies & similar incoming resources**

	<u>2004</u>	<u>2003</u>
	£	£
Legacies	-	15,704
Candis Club	12,500	12,500
Liverpool Cancare Research Trust	-	6,689
Other Donations & similar incoming resources	<u>15,534</u>	<u>4,452</u>
	<u>28,034</u>	<u>39,345</u>

#### **3. Investment Income**

	<u>2004</u>	<u>2003</u>
	£	£
Bank interest	13,447	16,224
Income from UK listed investments	<u>59</u>	<u>81</u>
	<u>13,506</u>	<u>16,305</u>

#### **4. Grants payable**

	<u>2004</u>	<u>2003</u>
	No      £	No      £
The amounts payable in the year comprises:-		
British Polio Association	1      20,130	-      -
University of Liverpool	<u>5      79,229</u>	<u>2      30,000</u>
	6      99,359	2      30,000
Grants Refunded - Clatterbridge Hospital	<u>-      -</u>	<u>(1) (39,490)</u>
	6      99,359	3      (9,490)

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Notes to the Financial Statements (Cont.) For The Year Ended 6 September 2004***

#### **4. Grants payable (contd.)**

	<u>2004</u>	<u>2003</u>
£	£	£
Reconciliations of grants payable:		
Commitments at 7 September	210,008	325,586
Commitments made in year	99,359	30,000
Grants cancelled or recovered	<u>-</u>	<u>(39,490)</u>
Grants payable / (refunded) for the year	99,359	(9,490)
Grants paid during the year	<u>(161,477)</u>	<u>(106,088)</u>
Commitments at 6 September	<u>147,890</u>	<u>210,008</u>
Commitments at 6 September are Payable as follows:		
Due within one year (see note 9.)	107,890	121,861
Due after more than one year (see note 10.)	<u>40,000</u>	<u>88,147</u>
	<u>147,890</u>	<u>210,008</u>

#### **5. Fundraising Costs**

	<u>2004</u>	<u>2003</u>
	£	£
Costs of Professional Fundraiser	9,654	6,670
Fundraiser Expenses	1,163	685
Other fundraising costs	<u>4,758</u>	<u>5,293</u>
	<u>15,575</u>	<u>12,648</u>

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Notes to the Financial Statements (Cont.) For The Year Ended 6 September 2004***

#### **6. Staff Costs**

The total staff costs amounted to £6,171 as follows : -

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Wages	6,000	6,000
Social Security Costs	<u>171</u>	<u>168</u>
	<u>6,171</u>	<u>6,168</u>

None of the Directors received any remuneration during the year and none received a reimbursement of expenses. (2003 = Nil)

The average weekly number of paid employees was 1 (2003 = 1) as follows : -

	<u>2004</u>	<u>2003</u>
	<u>1</u>	<u>1</u>
Secretarial		

#### **7. Investments**

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
<b>Investments listed on the UK Stock Exchange</b>		
At 7 September 2003	293,341	237,067
Additions at Cost	59	81
Net unrealised (losses)/profits	<u>(7,782)</u>	<u>56,193</u>
At 6 September 2004	<u>285,618</u>	<u>293,341</u>
Historical Cost as at 6 September 2004	<u>154,195</u>	<u>154,136</u>

The investments include holdings in four indirect listed managed funds. All managed funds are held as unrestricted funds and comprise 5% or more of the total investment portfolio.

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
<b>8. Debtors</b>		
All receivable within one year		
Prepayments and Accrued Income	<u>7,319</u>	<u>6,818</u>

# ***Cancer & Polio Research Fund Limited***

## ***A Company Limited By Guarantee Without Share Capital***

### ***Notes to the Financial Statements (Cont.) For The Year Ended 6 September 2004***

#### **9. Creditors: amounts falling due within one year**

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Grants Payable	107,890	121,861
Other Creditors and accruals	4,294	5,487
Other Taxation and Social Security	<u>618</u>	<u>249</u>
	<u>112,802</u>	<u>127,597</u>

#### **10. Creditors: amounts falling due after more than one year**

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Grants Payable	<u>40,000</u>	<u>88,147</u>

#### **11. Movement in Unrestricted Funds**

Unrestricted Funds	7 September 2003	Income	Expenditure Gains and Losses	6 September 2004
	£	£	£	£
General Fund	422,787	41,540	(125,639)	338,688
Revaluation Reserve	139,205	-	(7,782)	131,423
	<u>561,992</u>	<u>41,540</u>	<u>(133,421)</u>	<u>470,111</u>