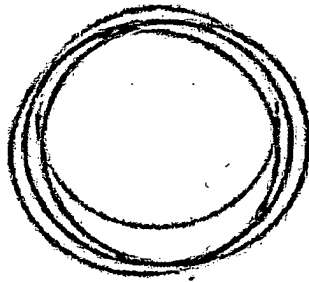


The Registered Company Number is:- 03059425

The Registered Charity Number is England & Wales 1046854 Scotland SC037596

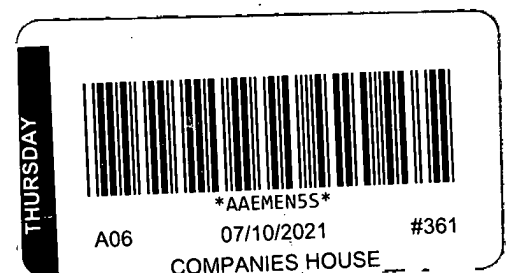


# ROY CASTLE LUNG CANCER FOUNDATION

Roy Castle Lung Cancer Foundation

Report and Accounts

31 December 2020



**Roy Castle Lung Cancer Foundation**

**Report and accounts**

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**Roy Castle Lung Cancer Foundation**  
**Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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**Reference and administrative details**

Charity numbers: England & Wales 1046854 Scotland SC037596  
Company number: 03059425  
Registered Principal Office: Cotton Exchange Building  
Old Hall Street, Liverpool, L3 9LQ

**Directors and Trustees**

The directors of the charitable company (the Charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

**The trustees serving during the year and since the year end were as follows:**

Chairman:	Max Steinberg CBE
Founder and President:	Professor Raymund J Donnelly MBE FRCS
Treasurer and Vice Chair:	Euan Imrie
James E Couton	
David Gilligan	
Anthony Coombs	
Andrew Grange	
Alison Lobb	
Alyson Chadwick	
Mandee Lucas	
Alastair Machray	

**Company secretary**

Paula Chadwick

**Senior Management Team**

Chief Executive:	Paula Chadwick
Deputy Chief Executive/Finance Director & Director of Retail and Fundraising:	Michael Grundy
Medical Director:	Dr Jesme Fox
Prevention, Information & Support:	Lorraine Dallas
Marketing & Communications:	Rachel Avery

**Professional Advisers**

Auditors: RSM UK Audit LLP  
14th Floor  
20 Chapel Street  
Liverpool  
L3 9AG

Bankers: Barclays Bank plc  
Liverpool City Business Centre,  
Lord Street  
Liverpool  
L2 1TD

Investment: Rathbones  
Port of Liverpool Buildings  
Pier Head  
Liverpool  
L3 1NW

Solicitors: Brabners Chaffe Str  t  
Horton House  
Exchange Flags  
Liverpool  
L2 3YL

Jackson Lees  
44/45 Hamilton Square  
Birkenhead  
CH41 5AR

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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#### Foreword by the Chief Executive of Roy Castle Lung Cancer Foundation

Welcome to our Annual Trustees' Report on our activities throughout 2020.

Our charity works for the benefit of lung cancer patients, their families, friends and carers, and everyone affected by lung cancer. With the impact of Covid19 this year has been a particularly challenging year, not only for those we help but in common with many charities, for the Charity itself.

With both lung cancer and Covid19 being respiratory diseases many of our key researchers and medical colleagues reverted to front line duties relating to Covid19. The social limitations implemented to control Covid19 both severely constricted our ability to raise funds with our retail operation closed for much of the year and many of our key fundraising activities cancelled; and curtailed the rollout of the lung cancer screening project.

Ours is the only UK charity wholly dedicated to defeating all types of lung cancer. We take this responsibility very seriously because Lung cancer is the UK's biggest cancer killer in both men and women. Each year it kills almost 36,000 people, [1] which is more than the number killed by breast, pancreatic and prostate cancers combined!

To address this, our charity has a dual function: saving lives and supporting people living with lung cancer.

This is why we focus on the certain key areas of activity that we do:

#### ***Saving lives*** through:

- Research
- Prevention, Support for people seeking to stop using tobacco products, and Information
- The promotion of early detection and screening programmes

#### ***Supporting people living with lung cancer*** by means of

- Information and Support Services

#### ***These activities are not separate and unrelated but intrinsically linked.***

- Our research activities add to the store of information helping patients and their families to better understand the disease and its implications for their lives.
- Our research into early detection links to our crucial work on screening.
- Our Information Centre staff create and update high-quality data-led and patient-reviewed collateral such as leaflets and online content, aided by input from research and prevention projects.
- Our support services include a nurse-led helpline and online forum, as well as patient grants; feedback from these informs and refreshes our information collateral.

While the overall economic climate continued to set challenges for the charity throughout 2020, the situation both financially and operationally, in terms of our ability to deliver some of our charitable objectives has been severely adversely affected by the impact of Covid19. But despite these hindrances we delivered a relatively strong and successful year during which we generated £3,970,586 [2] and spent £4,046,298 [2] to support our vital activities, of which over £1,414,280 [2] was spent still directly on the charitable activities mentioned.

## Roy Castle Lung Cancer Foundation

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Highlights of our year include:

Maintaining financial stability through this extremely worrying period and thus ensuring that we are a sustainable charity and here to support the lung cancer community in the future has been our first priority in 2020, other highlights include:

- We are extremely proud of the Still Here campaign, and the impact of its video and social media content, in maintaining the presence of Lung Cancer during the pandemic, when attention could so easily have been lost. More than half of all lung cancer nurse specialists were either redeployed or unable to work because of Covid19 [3]. The vital role this has played is immeasurable, especially given the overlap in symptoms of Lung Cancer and Covid19 and the potential detrimental impact on Lung cancer detection and treatment.
- Being at the heart of the CEG lung cancer screening programme and the work we have done in driving this forward, both at a strategic level and also, prior to the impact of Covid19, at a grass roots level with community engagement.
- The development of new partnerships and innovative fundraising initiatives, generating the vital income to fund all our charitable activities, needed now more than ever!

We are particularly grateful to the patients and their families who gave so freely of themselves to make our campaigns such a success. We continue to find fresh ways to ensure that lung cancer remains high on the public agenda.

Your donations are the key to our continued success. By investing in our work, you help people whose needs have too often been overlooked. By supporting those living with lung cancer and helping our young people in their efforts to avoid smoking, you are improving the nation's health; both now and for years to come.

I would like to place on record my gratitude to all who help us in our work. In particular I'd like to thank the volunteers and supporters who raise funds for us, those who help at our various events and activities throughout the year, and also those who offer their services to work alongside our professional staff in our retail shops; without their efforts, we could not deliver our objectives.

From people who run marathons, or tackle daunting challenge activities, to those who volunteer their time in our shops, or those who campaign tirelessly to improve the outcome for lung cancer patients and their families – these efforts help us fund world class research projects.

The projects these efforts fund could help us detect lung cancer at the earliest stage when it is possible to treat and cure, which would mean countless lives are saved. There are more details of this work later in this Report.

So, we thank everyone involved, all of these people for their selfless generosity. Thank you for every cake, every run, every walk, every rhumba and every collection bucket filled with coins and notes.

Thank you for giving your time, for giving every month, for giving your hearts and for giving hope.

To deliver on our mission, we must grow!

Whilst these are worrying times for everyone, they are also exciting times. We have plans for further projects to help detect lung cancer earlier. We are seeing the emergence of new therapies to treat more patients. Above all, we are seeing lung cancer and lung cancer patients achieving a much higher public profile. The mainstream UK media are taking notice of the disease in a positive and measured way. This is helping us challenge the stigma that clings to lung cancer and so often adds to the burden for patients and their loved ones.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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As their advocates, their voice, we are proud to represent patients in the decision-making processes of both the National Institute for Health and Care Excellence (NICE) and the Scottish Medicines Consortium (SMC), the bodies responsible for recommending the use of new medicines and treatments within the NHS.

The overall picture for lung cancer is improving and we concentrate on ensuring that the advances being made are not diminished because of Covid19. The charity is proud to be at the heart of these improvements and we have to thank each and every one of you for helping us to help make it happen.

I hope that, like me, you will be inspired by our plans to help people affected by lung cancer to lead longer, better and happier lives.

We cannot - we will not – despite Covid19, pause in our commitment to furthering those improvements because we firmly believe that everyone affected by lung cancer should be able to EXPECT BETTER.



**Paula Chadwick**

#### **Who We Are**

The Roy Castle Lung Cancer Foundation Company Number 03059425 (the Foundation) is a company limited by guarantee governed by its Memorandum and Articles of Association last amended 31st January 2011. The company is registered as a charity with both the Charity Commission in England and Wales (1046854) and the Office of the Scottish Charity Regulator (SC037596).

We exist to raise funds and receive donations for the benefit of lung cancer patients and all affected by the disease. By securing donations, legacies and sponsorship, the charity can make a real difference for patients, their families and those who look after them.

By engaging with thousands of people each year, we have established the charity as the first-call information and support resource for those diagnosed with lung cancer, their families and carers. Our aim is to be the properly representative 'voice' of lung cancer patients in dealing with all areas of health care policy and provision, as well as providing reliable, first-class information and support services.

We would like you to support us in our crucial work so please read on and let us tell you more about ourselves, what we do, what we have achieved and how we go about spending the money so kindly given to us.

#### **Our mission**

As mentioned by our chief executive in her introduction, the charity has a dual focus: saving lives and supporting people living with lung cancer.

To do this, we promote and fund research into the causes, prevention and treatment of lung cancer, we develop and support health promotion programmes designed to prevent the onset of lung cancer, and we provide amenities to improve the quality of life of patients and their relatives.

## Roy Castle Lung Cancer Foundation

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In raising new money and by careful management of our existing funds, the charity provides a public benefit by addressing unmet needs. We do this by making grants to serve lung cancer patients and their families receiving services, by funding research, and by our associated information, support and prevention services.

The trustees confirm that they have paid due regard to the public benefit guidance published by the Charity Commission and Office of the Scottish Charity Regulator. The Foundation refers to the public benefit guidance when reviewing and setting its aims and objectives and in future planning.

When considering where to focus our attention, our corporate trustees' board and particularly the members of the charity's research funding committee have regard to the Charity Commission's guidance on public benefit and what this means for our charity.

#### What We Do

##### *Early Detection and Lung Cancer*

The big news story during 2019 had been the roll out of 'Lung Health Check' in England and 2019 had seen the first stages of implementation of the roll out to the 10 sites in 14 Clinical Commissioning Group (CCG) areas. Around £70m [4] had been earmarked for this work and the Roy Castle Lung Cancer Foundation has been very much involved and at the heart of many of the recommendations with our Comms and Lung Cancer Information and Support teams supporting community engagement. Dr Jesme Fox is a member of the NHSE Task and Finish Group with oversight of implementation and the Lung Cancer Clinical Expert Group Sub-Group on Screening (secretariat provided by RCLCF) is the Clinical Advisory Group for the work.

At the same time in Wales a Clinical Lead for Lung Health Check and a Program Manager had been appointed to scope out the potential for Lung Health Check in Wales, and in Scotland the Roy Castle Lung Cancer Foundation had brought together interested clinicians, with a view to creating a clinical expert group and advising on implementing lung cancer screening in Scotland. This grouping had an agenda to move things forward during 2020 with the implementation of a National Lung Cancer Screening Program our key objective. So, 2020 began with considerable optimism for lung cancer:-

- Early detection was looking positive, with the recent publication of the NELSON Study in the NEJM. Much discussion was ongoing around Lung Cancer Screening and the charity was looking forward to the roll out of the Targeted Lung Health Check (TLHC) Program in England.
- Discussion had started in Wales and Scotland, around the screening agenda. And there was considerable optimism about the implementation of the National Optimal Lung Cancer Pathway (an NHSE initiative) and improvements in diagnosis, treatment and outcomes for patients.

Sadly, the pandemic from March 2020, changed all of this. Lung cancer has been seriously affected.

- Impact of Covid19 on lung cancer patients
  - Lung cancer patients have been amongst the most vulnerable, during this crisis.
  - During each of the waves of pandemic, normal lung cancer services have been cut, with resources deployed to deal with Covid-19.
  - Lung cancer treatment pathways have been altered to reflect the continued risk of infection and the need to ensure patient and staff safety.
  - Patients have been balancing going to the hospital for treatment, with the risk of leaving home isolation.
  - The vast majority of consultations in Primary and Secondary Care are now undertaken by telephone or video consultation. This has marked a real change in the clinician/patient relationship.
  - It is anticipated that the numbers of lung cancer diagnoses will be reduced and there will be a stage shift towards late diagnosis. With the obvious impact on patient outcomes.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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- Impact of Covid19 on early detection of lung cancer
  - Big drop in patients being referred for investigation of a lung cancer diagnosis. Some suggest as much as an 80% drop in referrals, at the height of the first wave. This recovered slightly during the summer/autumn, to around 70% of those expected.
  - With fewer patients, in general, undergoing routine health investigations/procedures, there is a general impression that with fewer CT scans and chest xrays overall, there has been a dramatic fall in incidental findings of lung cancer nodules / early lung cancers. Taken with the above reduction in cancer referrals, there will undoubtedly be a knock-on effect, in late diagnosis.
  - Cancer Screening programs, including the Targeted Lung Health Check program (England), were suspended during the first wave of the pandemic and since the summer (2020), attempts have been made to restart, with some sites able but, many struggling to do so. TLHC roll out has been severely impacted by the pandemic. The protocol for TLHC has been altered to reflect the Covid-19 environment – eg. the Risk Assessment is carried out virtually, rather than face-to-face and there is no Blood Pressure measurement and no Spirometry.
- The impact of Covid19 on Lung Cancer is highlighted in two reports.
  - UK Lung Cancer Coalition report – COVID Matters Report, October 2020.
  - World Economic Forum in partnership with the Lung Ambition Alliance report – Learning Lessons from across Europe: Prioritizing Lung Cancer after Covid-19, January 2021.

#### ***RCLCF funded Nottingham 'Lung Health Check' project***

In partnership with Public Health Nottingham, the charity has funded the roll out of Phase 2 and 3 of this project across 14 GP practices. Phase 3 has now concluded recruitment.

During 2020, we reported on the results, in summary the project to the end of 2019 had scanned 334 people and the findings across the three phases of this project have resulted in 33 people being referred on to the Lung Cancer Pathway, 58 people being referred onto the Nodule Pathway and 88 other incidental findings. Significantly, 60% of the lung cancer diagnosis were at stage 1, which is significantly better and significantly earlier than the national level and indicates the worth that a national screening programme would have in enabling better outcomes for patients.

#### ***Nottingham RCLCF Clinical Research Fellow***

Nottingham University RCLCF Clinical Research Fellow. We have previously funded two CRF's in Nottingham – Dr Emma O'Dowd and Dr Gavin Jones. In August 2020, Dr Helen Morgan became our third. She will focus on expanding the DECLINE project above and undertake more detailed quantitative analysis.

#### ***RCLCF Policy Work***

In responding to the realities of the Covid-19 pandemic, key policy areas in 2020 have been to work with clinicians, patients, health policy, regulatory and others to ensure -

- the continuation of lung cancer diagnostic, treatment and care services, throughout the pandemic
- focus on working towards earlier detection of lung cancer

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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In so doing, the Charity has –

Continued as secretariat for the Lung Cancer Clinical Expert Group (CEG).

- The CEG was started 6 years ago as an advisory group within NHSE, with RCLCF providing the secretariat. During 2020, NHSE indicated that it no longer needed the input of the CEG. However, the members of the Group felt it important to continue. During 2020, we have expanded the membership to include other charities, societies and membership from across the UK.
- During the first wave of the pandemic, in response to the impact on lung cancer services, the CEG produced a Covid19 version of the National Optimal Lung Cancer Pathway and later, a Covid19-Recovery Pathway. This has been endorsed by NICE and is available on the RCLCF website
- The CEG has produced a document for GPs, to help in the differentiation between symptoms associated with Covid19 and with lung cancer. 'How to differentiate lung cancer from Covid19' is available on the RCLCF website, including an infographic.

Continued to work as a consultee to NICE (England) to ensure promising new lung cancer therapies are available in the NHS. In 2020, NICE recommended [5]

- Entrectinib (ROS1 positive nsclc)
- Larotrectinib (NTRK positive solid tumours, through the CDF)
- Atezolizumab (with Carbo/Etoposide for untreated extensive stage sclc)
- Entrectinib (NTRK positive solid tumours, through the CDF)
- Osimertinib (untreated EGFR positive)
- Nivolumab (in advanced squamous nsclc, after chemo. - moved from CDF to general NHS commissioning)
- Brigatinib (untreated ALK positive)

Worked with others to ensure the continuity of the National Lung Cancer Audit

- At the end of 2019, the future of the NLCA was uncertain. We brought together a grouping of 17 organisations from across the lung cancer community to highlight the importance of this work. A one year extension was put in place to work on the NLCA data for lung cancer patients diagnosed in 2019 and we understand that the NLCA will be recommissioned from October 2021.
- Covid19 has highlighted the need for high quality clinical data in real time. At the time of writing, the audit team is working on the data for patients diagnosed in 2019 – so, will provide a pre-Covid19 baseline.
- During 2020, the NLCA Report for patients diagnosed in 2018 was published in August 2020. Highlights include [6]
  - 39,754 new patients were diagnosed in 2018
  - Early stage diagnoses increased to 29% (from 26% for 2016 patients)
  - Late stage diagnoses reduced to 49% (from 53% for 2016 patients)
  - 1 year survival in stage III patients increased to 63% (from 45% for 2015 patients)
  - More patients had access to a Lung Cancer Clinical Nurse Specialist – 74% (versus 71% in 2016 patients)

Lung cancer and early detection. With Covid19 impacting heavily on late diagnosis in lung cancer, it is even more vital that lung cancer screening / TLHC is implemented.

- During 2020, the National Screening Committee announced that it will be reviewing the clinical and cost effectiveness of lung cancer screening, with a view to this being undertaken in 2021.
- We have continued to provide input to The NHSE Early Detection Task and Finish Group, which provides oversight of the TLHC program and The NHSE Advisory Group on Lung Cancer Screening.

## **Roy Castle Lung Cancer Foundation**

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#### **RCLCF funded Research**

The Covid19 pandemic has heavily impacted research in general, with clinical trials largely suspended through the initial wave and for those which have restarted, trial design has been altered significantly. Many clinical staff, with Covid19 pressures, have been unable to undertake research. During 2020, we did not undertake an RCLCF open research grant round. For those ongoing research grants and those due to start in 2020, delays have been inevitable and changes to design discussed and agreed.

- The following grants were approved by the Board of Trustees, these were planned to start in 2020, however the timescales for these have been delayed due to Covid19.
  - Methods for prevention and early detection of lung cancer, after Hodgkins Lymphoma (Early Detection) – University of Manchester
  - DECLINE. Decisions against Curative treatment for Lung cancer In eligible patients. (Patient Experience) – University of Nottingham

The charity is confident that its vital research program will recommence in 2021 and looks to the success and track record of its previous projects to provide confidence about future research :-

- 2012 4 Early Detection pilots, 2 Early Detection projects, 2 Patient Experience projects
- 2013 4 Early Detection projects, 1 Patient Experience project
- 2014 3 Early Detection pilots, 1 Early Detection project, 1 PE pilot, 1 Patient Experience project
- 2015 3 Early Detection pilots, 2 Early Detection projects, 1 PE pilot, 1 Patient Experience project
- 2016 2 Early Detection projects, 2 Patient Experience projects
- 2017 1 Early Detection project, 1 Patient Experience project
- 2018 1 Early Detection pilot, 1 Patient Experience pilot
- 2019 1 Early Detection project, 1 Patient Experience project

The In addition the charity has funded the Liverpool Longitudinal Project, a ground breaking long term research project that paved the way for much of the early detection studies that have happened.

The charity has also funded in recent years 2 clinical research fellows through Nottingham and a senior research Fellow at Liverpool University, all of whom are making vital progress in tackling the devastating impact of lung cancer.

#### **Collaboration with the Christie Hospital**

In 2019, together with the Christie Hospital in Manchester. We had agreed to fund an investigation of Docetaxel use called 'Outcomes and tolerability of second line Docetaxel alone or with Nintedinib for nscl'. This project will provide extremely helpful data for future drug appraisals, as 'real world' data on this drug use is not available. Again, the progress of this project has been detrimentally affected by the Covid19 situation and work has been suspended in 2020 and is not envisaged to restart until 2021.

#### **Policy on Research Grant Making**

Our grants policy allows for an extremely robust application process to ensure we only fund the very best science. Applications are offered via an open grants application programme, independently peer reviewed by our own grants committee and then externally peer reviewed by leading experts in the relevant field before being recommended for funding.

#### **Global Lung Cancer Coalition**

The Roy Castle Lung Cancer Foundation continues to be at the heart of the GLCC project and provide it's secretariat. The GLCC project has become a truly global organisation and now includes 42 organisations from 10 countries which the Roy Castle Lung Cancer Foundation is proud to be involved in and drive forward.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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In May 2020, the charity commissioned on behalf of the GLCC a survey on the Impact of COVID-19. The world has and remains gripped by the COVID-19 crisis and the results showed that many organisations are concerned about their future ability to provide pre-COVID services and to employ staff. Some are worried about the very survival of their organisation. The survey was accepted for presentation at the World Conference on Lung Cancer meeting in January 2021. It is planned to repeat the survey during 2021, following the vaccination programme, to better understand what has changed.

Despite the impact of Covid19 during 2020 on the world of Lung cancer, the GLCC project has been able to undertake planned GLCC work for this year and the GLCC would like to thank those who have made this possible including sponsors Amgen, AstraZeneca, Boehringer Ingelheim, BMS, Lilly, Merck, Novartis, Pfizer, Roche, Takeda.

- Patient Experience Survey. Understanding and improving patient experience is a priority for GLCC members. As such, in early 2020 the GLCC undertook a survey of lung cancer patients in different countries. We were pleased to receive 907 responses (17 countries, 13 languages) and this response rate ensures that we will be able to undertake further future patient survey work. The results of the 2020 survey are available on the GLCC website, of interest :-
  - 13% did not know what type of lung cancer they had;
  - 1 in 10 said that they were rarely or never treated with dignity and respect;
  - And nearly 1 in 5 were not as involved in decision making as they would like to be.

So, there is much still to do in these areas. When asked how they would describe themselves, the most popular response was 'living with lung cancer', rather than 'patient' or 'survivor'. This survey work was presented at the World Lung Cancer Conference in January 2021 and will provide a base for a second Patient Experience Survey in 2021.

- Bibliometric Research into the global state of lung cancer research. In 2014, The GLCC commissioned researchers at the Institute of Cancer Policy in London, to undertake some bibliometric research, to map published lung cancer research, across the globe. This type of research involves the quantitative analysis of publications and research activity, using complex bespoke algorithms. The Study:
  - Identified the top 24 countries publishing the most research into lung cancer.
  - Analysed whether research outputs had changed over time.
  - Showed that lung cancer research lagged behind both breast and colorectal cancers in terms of the volume of papers published.
  - Demonstrated that some aspects of the disease and its treatment were under-investigated, such as screening, diagnostics and supportive and palliative care.

In 2019, the GLCC commissioned a second phase to this project carried out in 2020.

The results are now available and encouragingly, shows the volume of lung cancer papers published between 2004 and end of 2018, has increased. The proportion of overall global cancer research dedicated to lung cancer has also increased, though it still lags behind that dedicated to breast cancer. Every country in the top 24 has increased their research output. Some countries – notably China, South Korea, India and Brazil – have risen up the country rankings. Also undertaken at this time was an assessment of who funded this research (government, private, not for profit, industry)? Lung cancer research is funded by many different private and public sources. We published this work in November 2020. *A Report on the Global State of Lung Cancer Research (2004 to 2019)*.

- Social Media and Lung Cancer Survey. Social media has become a very important communications tool. During 2019, we commissioned a survey to understand the 'footprint and feel' of lung cancer content in social media.

The questions we sought to answer were –

- How are individuals across the globe engaging in lung cancer social media content?
- How can global campaigns better reach these people?

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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To properly understand the social media conversation, we analyzed the topics that people were talking about on social media as well as the content that was resonating with people (as determined by the amount of engagement posts and pages we were receiving). For social listening we used brandwatch, a social media monitoring tool which allowed us to scour social platforms across the world to collect content from tens of thousands of users. We were able to analyze Twitter, Instagram, and blog forums in most countries, but analysed separate platforms in China and Russia.

We selected 65 organizations, to produce a robust social media dataset. The data included public posts and uses engagement data (i.e.: likes, comments and shares) to gauge performance and impact. We undertook Social Content Analysis from June 1st 2017 to May 31st 2019. 54,000+ pieces of content were identified, which generated over 2.5million engagements, from the 65 different organisations evaluated.

During 2020, we analysed the data and its implications. Of note, we found that the majority of GLCC members and other lung cancer organisations were generally active on Facebook and Twitter, but had very little activity on Instagram – despite Instagram having the second highest engagement rate. We also note that engagement on Twitter is highest during “awareness” campaigns and events. Also noted is that the majority of organisations use Facebook to share information on studies, research, and info, despite this type of content having some of the lowest engagement on the platform. In April 2020, we published a Report on the findings of this work, together with 8 individual country briefings. This work is available on the GLCC website. We have also produced a 'Hints and Tips on using Social Media' slide deck, which GCC members found of particular use, as the world became 'virtual', during the pandemic.

- Online Lung Cancer Screening Resource. In 2020, with the support of a charitable donation from Pfizer, we created a screening section, as part of the GLCC website. This new online resource brings together, in one place, key publications, case studies, documentation, protocols, interviews with experts and guidance around lung cancer screening. Prior to this, these materials were disparate and often hard to find. GLCC members are keen to see Lung Cancer Screening programs implemented globally. Gathering information in this way provides a resource to support GLCC members in advocating for screening and is also publicly accessible, for anyone to use. We will be expanding on this work during 2021, working towards the global implementation of lung cancer screening.
- Factsheets. We currently have a series of Factsheets, including those on 'Clinical Trials', 'Immunotherapy and Lung Cancer', 'Lung Cancer Screening' and 'Smoking Cessation for Lung Cancer Patients' – these are available for download from the GLCC website in 16 different languages.
- Lung Cancer e-Atlas is an easily accessible source of international lung cancer data, including all WHO countries. This includes incidence, mortality and survival.
- Lung Ambition Alliance (LAA). GLCC is a founding partner in LAA, together with AstraZeneca, Guardant and the IASLC. The LAA is a partnership of diverse organisations, united in the aim to eliminate lung cancer. The Alliance aims to accelerate progress and bring meaningful change for lung cancer patients, by amplifying the expertise of each partner and prioritising meaningful projects which have the potential to further this goal. Of particular note, is the Initiatives in Lung Cancer Care program. All of the work of LAA is available at [www.lungambitionalliance.org](http://www.lungambitionalliance.org).
- Awareness Leaflets. The GLCC has created core materials and provides support for member organisations, including a "Signs and Symptoms Checklist", a website ([www.lungcancercancercoalition.org](http://www.lungcancercancercoalition.org)) to disseminate information. These are available on the website, for download in 13 languages and upon request, print copies are made available. Distribution has continued during 2020.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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- GLCC engagement with Lung Cancer Professionals. The GLCC has established partnerships to maximise global understanding of the burden of lung cancer and the right of patients to effective early detection, better treatment and supportive care. In so doing, since 2003, the GLCC has hosted symposia, at the invitation of the IASLC, during its World Congresses in Lung Cancer.
- Excellence in Lung Cancer Journalism' Awards. Ultimately, the aim of this award scheme is to stimulate more responsible journalism on lung cancer issues. Each member organisation makes their own annual award, either to a journalist for excellence in lung cancer reporting or in running a national submission / judging scheme. This award scheme continued during 2020 although due to the impact of Covid19 it has yet to be presented for that year we are pleased to state the winner for 2020 Mr Bill Simpson.

#### **Patient Support**

It would be fair to say 2020 was a challenging year for us with the onset of Covid19 impacting many areas of how the charity supports patients. Face to face contact with people affected by lung cancer and awareness raising with the community at risk were the areas of work most directly impacted.

Sadly the charity had to suspend our network of Support Groups, Information Days and paused its community activity raising awareness of lung cancer. The biggest challenge was for those facing a lung cancer diagnosis; coping with treatment changes or adapting to shielding advice.

All our services adapted to remote working. The biggest challenge remains for our large-scale supply of information products to hospitals together with the indirect impact on our services of the stress on NHS capacity and its impact on communication with lung teams.

#### **Information**

In 2020 the charity distributed 25,199 information products: to Cancer Information Centres; to Lung Cancer clinics and direct to patients. This is less than the previous year (32,960) which sadly reflects the office closure of 3.5 months due to lock down measures in Scotland.

We also adapted and produced new content online accessible to our patient community. Between March and December, we produced new content on nine topics relating to lung cancer and Covid19. Given the changing policy environment, infection levels and the impact this had on lung cancer services this content was updated with 24 versions in total by the end of the year. Our new Covid19 related information pages had 18,545 unique views. There were 84,959 unique views of our signs and symptoms information, and 49,948 unique views of our treatment pages, evidence we were making an impact in digital information.

#### **Group Support services**

The Charity's face to face groups and Information Days had to be suspended for 2020 and we are unlikely to see much resumption of these services until those with lung cancer are vaccinated, community infection rates reduce, and Lung Cancer Nurses have the capacity to re-establish groups and support events.

We adapted and have introduced a 1-1 Keep in touch support service (Kitss). Staff members make regular calls and offer support and contact to people with lung cancer and their carers. Since the service was set up in late March, we have supported approximately 60 people.

By December we had 42 regularly using the service, of which 3 died, and 12 left the service or were pausing for the time being. 861 calls had been made, with 31 minutes being the average length of call. Approximately 87% of services users had a lung cancer diagnosis and 13% were carers.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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#### **Virtual support – ongoing**

Our online community continue to be an active source of support during 2020. Membership of our lung cancer community grew from 3,906 in January to 4,352 in December. On average we have 439 members who post or comment each month with 16,209 average monthly page views. We added a new "live chat" function with our nursing team but have had variable uptake of this service and are currently reviewing it.

Our Quit Support community continues to offer peer support to people trying to manage tobacco addiction and cancer risk. We have over 14,000 members on this forum.

#### **Virtual support – L-Can Project**

In summer 2020 our bid to the global Lung Ambition Fund was granted, to develop and enhance support via our "L-Can project". \$98,000 was secured for 2 years of service development. The project has several tiers including a patient navigation aid, online and phone support groups and developing trained patient advocates to support others on a 1-1 basis. We appointed Jessica Crowe as the project co-ordinator.

When we made the bid, we had envisaged these services running in tandem with our existing face to face support. For Q1 they are forming a virtual alternative but hopefully we will see them all running at once during the project's life span.

#### **One to One Support - Ask the Nurse service**

The Charity's Ask the Nurse service was directly affected by the impact of Covid19 on our patient community. 2020 was our busiest ever year. We had 1,313 new contacts and 109 ongoing/ repeat contacts with clients (compared to 994 and 44 in 2019). Our biggest area of growth was via the phone, but we also saw increases in people emailing us via the website contact form. The Nursing team have also been managing more complex calls and more distressed clients, a large proportion of whom are unable to reach their lung team and where shielding means family support is more difficult.

#### **Awareness raising and early diagnosis**

Following 5 initial workshops, exhibitions and events in January – February the community engagement of this area of work was effectively paused during Covid19. Our activity and policy and campaigning level continued with ongoing work in the areas where Lung Health Checks were active and continued distribution of our "Lung health and you" publication. The Marketing teams "Still here" campaign provided a valuable digital approach to our awareness raising. We also supported BMS on their "Do it for Yourself" campaign in Greater Manchester and the Northern Cancer Alliance areas which commenced early in December.

#### **Practical Support – patient grants**

Patient grants were reintroduced in 2020. We had to adapt a digital application process following March 2020 lockdown and our level of applications has not reached levels in previous years. We supported 106 people with lung cancer and distributed £15,050.

#### **Partnership working – groups and pharmaceutical partners**

The Charity participates in several groups which aim to improve cancer support and treatment. In 2020 regular engagement took place with: Scottish Cancer Coalition, Cross Party Group on Cancer, Less Survivable Cancer Tasks Force and the United Kingdom Lung Cancer Coalition. We contributed to BTOG and National Lung Cancer Audit meetings pre-lockdown. We contributed to several reports and papers including an MSD sponsored report on the experience of patients and carers of remote consultation during Covid19, with over 100 respondents.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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In 2020 the charity took part in 10 Advisory Boards with a range of pharmaceutical companies. These looked at a range of issues relating to lung cancer awareness, diagnosis and treatment and how people adjust to living with lung cancer. This included online seminars and presentations on the impact of Covid19 on lung cancer treatment for health care professionals, sessions on new treatments in ALK+ disease and discussions on improving primary care engagement in cancer diagnoses.

In addition to the Lung Ambition funding we secured in excess of £50,000 in grants, sponsorships and fees from pharmaceutical companies.

#### Improving treatment

Changes to treatment included providing access to therapies in different settings where this reduced hospital stays and infection risk. We also participated in the process which led to new immunotherapy and targeted therapies being introduced. This includes additional lines of treatment for ALK and EGFR+ patients as well as new treatments for those with ROS-1 and NTRK driven and small cell lung cancers.

#### Campaigning Communications and Marketing

- **Lung Health Checks**

2020 started very positively, with the team and the charity looking to build on the success and momentum of 2019.

The first priority of the year was in providing marketing and communication support for lung health checks. In 2019, we cemented relationships with Liverpool, Mansfield and Ashfield where we began to develop marketing assets and collateral, as well as managing events in Thurrock and Luton and submitting proposals to Southampton, Corby and Doncaster. The aim in 2020, prior to the impact of Covid19, was to continue and expand our activity to drive uptake of lung health checks and a significant project was commenced with Liverpool CCG.

#### Liverpool Healthy Lung Programme

*"One of the biggest challenges we face in relation to the lung health checks is uptake, with average uptake remaining around 40% of the total invited population. In 2019, Liverpool CCG commissioned Roy Castle Lung Cancer Foundation to improve the communications and engagement approach for the programme. Together, we can save more lives."*  
Rachel Arvanitis, NHS Liverpool Clinical Commissioning Group

The charity acted as the Community Engagement officer, and as such we approached and interacted with members of the general public to determine whether they were eligible for the lung health check. In January 2020, we held a community engagement event in South Liverpool where the Liverpool Healthy Lung Programme was currently recruiting. The purpose of the event was to:

- Promote general lung health within the community.
- Identify those eligible for a lung health check and encourage uptake.

Those eligible were provided with basic details of the lung health check and its benefits, addressing any concerns and answering any questions they had and those ineligible were offered advice to improve lung health and also made aware of lung cancer signs and symptoms. In both cases people were offered an on-site spirometry with the healthy lung nurses.

- The results were extremely promising with engagement of :
  - Engagement – 347 items of literature distributed
  - A social media reach of over 12,000 with a positive engagement rate of 2.5%
  - 35 Spirometry tests performed

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

In addition to the community engagement event, we developed video assets for promotion on social media. We created one full length video with a nurse taking people through the lung health check and four social snippets – animated lungs, female participant (no lung cancer diagnosis), male patient (long time lung cancer survivor) and a nurse.

The adverts were targeted by postcode and age and generated the following reach, clicks and engagement:

ADVERT	REACH	CLICKS	CLICK THRU RATE (CTR)	ENGAGEMENT	COMMENTS / REACTIONS
• Animated lungs	6,092	202	6.2%	5327	52
• Female participant having spirometry	4,592	160	8.2%	4035	32
• Nurse talking head	3,832	183	6.4%	3737	25
• Male patient / lung cancer survivor	3,471	68	5.0%	2480	27

These advertisements ran throughout March 2020. Disappointingly, the pandemic then impacted the project and the charity was unable to formally evaluate the impact of the activity on uptake. However, given the high level of engagement, we have deemed the activity a success and agreed with Liverpool, Halton and Knowsley to repeat the activity once the lung health checks are operational again.

#### • Marketing during the Lockdown

Upon entering the first lockdown and initial peak of the pandemic, our focus naturally switched to supporting both the charity's charitable objectives and income generation activities through the internet, social media and the other distance appropriate vehicles.

#### Supporting Patients

Working with the LCISS team, we quickly developed a Covid19 and lung cancer section on the website which included information and advice on:

- Latest shielding advice
- Covid19 and lung cancer treatments
- Keeping active whilst shielding
- Managing anxiety
- Keep in Touch Support service.

Collectively, these pages were visited over 16,800 times, with nearly 89% unique views. We also developed a regular eShot programme to patients and carers, detailing up-to-date information about the pandemic.

The result of this method proved extremely successful with:

- Over 55% average open rate
- A 30 % click through rate
- And less than a 0.7% unsubscribe rate

#### Supporting Fundraising

The team's other priority was to provide support to the fundraising department as they began to identify new and innovative fundraising opportunities, utilising the various social media platforms and the internet as a vehicle for these ideas.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

The first event was the 30<sup>th</sup> anniversary appeal, which would have in normal circumstance been celebrated with a landmark event. A comprehensive marketing campaign, which included a direct mail and eShot campaign and Facebook fundraiser, was implemented and the appeal was featured across local media, including Granada Reports, several Liverpool-based radio stations, and the Liverpool Echo.

The team supported all of the new virtual fundraising events, including the Easter Run, Spring Trail, Retro Run Series, two Tapathons, Spooky Welly Walk and the Snowman Sketch.

Event	Reach	Registrations
• 60s Retro Run	127,577	613
• 70s Retro Run	484,683	705
• 80s Retro Run	862,727	1149
• 90s Retro Run	770,666	1682
• Christmas Tapathon	72,992	530
• Easter Run	356,313	1713
• Retro Running Series	104,975	497
• Snowman Sketch	179,211	250
• Spooky Welly Walk	320,143	754
• Spring Trail	341,487	42
• Summer Tapathon	508,932	1192
<b>TOTAL</b>	<b>4,129,706</b>	<b>8,022[9]</b>

Work included design and video production and targeted outbound marketing such as social media and Google display ads. The design of the Retro Run medals and tech tops have been a significant driver for registrations and additional fundraising:

- "Just do it for the medal!!"
- "Now there's a medal for your collection!"
- "Oooh is this the top? I love it! Can't wait."
- "The medal is class!!!"

### STILL HERE

The charity's **Still Here** campaign launched in September in response to the significant reduction in lung cancer referral rates due to the Covid19 pandemic.

The impact of Covid19 on cancer has been well documented with referral rates down across the board during the peak of the first wave. However, as the majority of other cancers are now back to near pre-pandemic levels, lung cancer remains way below expected levels.

- It is estimated that at least one third of lung cancer patients have already died since the beginning of the pandemic. Some deaths may have been labelled as Covid19
- During the first wave of pandemic, the risk of a patient dying after lung cancer surgery because they contracted Covid19 around the time of surgery increased from around 2% to up to 40-50 per cent
- Over half (55%) of lung cancer nurse specialist nurses or their team member were re-deployed or unable to work as a result of Covid19[3].

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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The impact is devastating, with many experts fearing it could undo all the progress made within lung cancer over the last few years. Due to this, we made the decision to accelerate and extend our campaign for lung cancer awareness month.

The **Still Here** campaign aimed to raise awareness of lung cancer symptoms and encourage and reassure those with symptoms to contact their GP. To achieve this the campaign centred around four key messages:

- Lung cancer isn't cancelled
- A cough doesn't just mean COVID
- The NHS is open; doctors want to see you if you need them
- Lung cancer can be curable, and you can live well with it.

#### Campaign features

- Launch video
- Still Here poem
- 20 patient stories, incl. 18 videos
- 4 NHS-focused videos
- Digital awareness pack
- Signs and symptoms video

#### Campaign impact

- Over 1.5 million people reached
- Organic engagement (watches, shares, comments, reactions): 48,470
- Over 525,000 views of the Still Here launch video and poem, with 43% of viewers watching until the end
- Media coverage in The Guardian, Daily Express, BBC Music Introducing and BBC Midlands.
- 82% increase web traffic to signs and symptoms webpage

In addition to the above collateral, we also worked with the shadow theatre company and winners of Britain's Got Talent, Attraction, to create a bespoke performance bringing lung cancer out of the shadows to demonstrate the importance of recognising lung cancer symptoms and acting on them. Raising awareness of lung cancer is not easy. It is not something people like to talk, or even think, about, so we need to find new and unique ways to present lung cancer. It was our intention that by showcasing lung cancer in this unique way, more people will watch the beautiful and emotional performance and take on board its vital message.

#### Video impact

- Reached over 2.2 million online
- 42% watched the whole video
- Featured on BBC2
- Estimated 14% of viewers were able to recall the video two days after watching
- In the week following the launch of the video, there were over 6,800 visits to the signs and symptoms webpage, a 1333% increase year-on-year.

This demonstrates that not only are people engaging with the content by watching it in its entirety, but they are also clearly taking on board the messages and, most importantly, taking action. The campaign ran from 15 September and into December. We secured £20,000 from pharmaceutical company, Roche, and had remaining budget left which will allow us to continue to the messages into the new year and the third lockdown to continue to combat the impact of these most unprecedented of times.

## Roy Castle Lung Cancer Foundation

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#### Income generation – Government, Pharmaceutical Sponsorship Retail and Fundraising

All the money raised by the Roy Castle lung Cancer foundation is vital in the charity's pursuit of its goals. A wide variety of means are utilised to raise these funds in order to minimise the risk vulnerability of any one income stream. Every penny raised is used in the best possible way. Every penny matters to the Charity and we value every donation no matter how it is given to us. Great care is taken of our donors and supporters, to build relationships which in turn helps to maintain income for future years.

#### **Government funding during Covid19**

##### Government Support during the Covid19 Pandemic.

Because of the direct impact of the pandemic itself and the as a consequence of restrictions introduced by the government to tackle the pandemic, the government introduced several support schemes for business across the county. The Charity has utilised as much of this support as possible including :

- Furlough support towards furloughed staff wages of £509,816 (2019: £nil)
- Retail Grants Scheme of £322,669 (2019: £nil) [7]

#### Retail

Roy Castle Retail had a disrupted year, suffering two periods of lockdowns during which time the shops had to remain closed, and a period during which they were open and traded reasonably well in the circumstances but during which public confidence was low and there was the continual threat for further lockdowns.

Actual traded retail sales for the year were £1,025,701 (2019: £2,285,864) with several stores performing at record levels prior to the impact of Covid19. The long periods of closure, with the staff on furlough were supported by the £322,669 retail grant scheme (2019: nil) and £350,031 of furlough support (2019: £nil). Despite this support retail made a loss in 2020 of £101,384 (2019: £285,210 profit).

The larger retail stores continued to trade reasonably well when able to open and donations continued to grow when able. During the year we recruited over 1,200 (2019: 4,000) new gift aiders despite the retail being closed for much of the year and through the retail scheme some 27,000 additional supporters have signed for Gift Aid to date.

Great thanks go out to not only our dedicated managers and staff but the army of volunteers that help to make our shops such a great success, we can't wait to get back properly in 2021!

#### Fundraising

Due the impact of the Covid19 pandemic and the effects of the government's restrictions introduced to help tackle it, much of the traditional fundraising avenues were closed to the charity. However the Fundraising Team, and particularly the Community team, proved itself very adapt at creating new and innovative ways of fundraising, especially utilising the various social media platforms to create a series of "virtual" events for our supporters to participate in.

#### **Legacies and Trusts**

The trusts team have had an extremely successful year and a special thank has to go to the team and those organisations that have supported the charity through this very difficult time. From over 90 applications we received over £246,000 (2019: £130k), including 8 new trusts and monies from the National Lottery (£57k) and the Scottish Government Third Sector Fund (£15K) to support the specific hardships of Lung Cancer in the period of the pandemic.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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Legacies had a much tougher year as the pandemic impacted the legal sector and Covid19 restrictions preventing our face to face will clinics. Income in 2020 was £168,315 (2019: £479,412). However, the future looks far more optimistic as we have secured significant legacy pledges both directly and via our Free Will scheme. During 2020 the charity embarked on its first social media campaign to raise the profile of legacies as a vital means of support.

- **Community**

#### Virtual runs

Our creative concepts around our Easter Run and Retro Running Series continued throughout 2020 recruiting and motivating runners. We've built an online community of like minded people who support and encourage each other whilst championing our cause. Roy's Runners has grown from 700 to over 3,000 which gives great opportunity to push places in physical running events once they open back up.

Up to March 2021 we had received a total of:

- 5851 entries in total
- Over £85k in registration fees
- Over £41k in fundraising income
- Total income from the series of events of over £126k

#### Tapathon

To commemorate our Anniversary we created a virtual Tapathon which was a huge success with 1500 people dancing and raising an incredible £50k.

On the back of this success, and a further lockdown, we created a Christmas Tapathon which raised £28k.

- **Individual Giving**

#### Birthday Fundraiser

With our landmark 30<sup>th</sup> Anniversary event cancelled we set up a FaceBook fundraiser appealing for donations to support us and ensure our existence for the next 30 years. We had a great response and raised over £62k.

#### In memoriam fundraising

With restrictions placed on funerals preventing the traditional funeral collections we relaunched our Tribute Funds online platform. During such isolating times Tribute Funds provided a safe and comforting place for supporters to pay tribute to their loved ones and a sense of togetherness, albeit virtually. We created helpful resources to ensure that supporters got the most out of their fund. The result was an increase in online income from £16,175 in 2019 to £40,975 in 2020 and almost doubled the number of funds set up.

- **Events**

#### Spooky Welly Walk

With the devastating news that all events were cancelled we created a virtual Spooky Welly Walk. The plan with our virtual offer was to give our attendees something as close to the event day as possible. We created a story themed craft filled adventure book that supporters could take on their own route and added in some amazing augmented reality photo points bringing our story book to life.

We were very proud of our product but sadly as many private event sites were open during the Halloween period, the market wasn't as receptive to our virtual offer as we would have liked. However, we did receive amazing feedback from supporters, raising over £10,000 and most importantly keeping the concept of the Spooky Welly Walk alive to, hopefully, continue in its traditional physical form in 2021.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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#### Celebrate a Life

Covid19 sadly meant that we had to cancel our annual Christmas Celebrate a Life service which was a huge blow for supporters, especially so for those recently bereaved. 2020 was actually the most important year for this event to take place so we created a virtual event and streamed it through our website. This meant that supporters from across the country could attend and supporters were very grateful for our efforts.

#### Star Awards

Sadly this event, a tribute to those patients, carers, medical staff and supporters also wasn't able to happen because of the restrictions around Covid19 and under current circumstance it is unlikely to happen in 2021. This is a great shame as we owe such a debt of gratitude to everyone for their continued support to improve the situation for those affected by Lung Cancer.

- **Isle of Man**

Since setting the IoM charity up in 2019 we started making real inroads and were concerned that the pandemic would halt our progress and anticipated that income would stop altogether along with all planned activities. However, after the island made the decision to close their borders to all non-residents, they enjoyed 8 months of 'freedom' within the island bubble that allowed us to deliver some fundraising activity and carry on with local support and awareness.

Income for 2020 nearly doubled to £30K (2019: £17k) after an initial estimate of £Nil which came in from a range of areas from events such as the annual Golf day and a theatre production which both brought in around £6k each. We also received income from In Memory giving, Just Giving and Charity of the Year donations that reflected our growing prominence as a respected charity.

- **Corporate Fundraising**

During 2020 the corporate team objective was to both nurture and grow our corporate relationships and despite the impact of Covid19 the team as made some impressive inroads towards this objective. However, it would be unfair to ignore how badly the corporate sector itself has been impacted by Covid19 and the practical opportunities in this field have been limited and the decision was taken to furlough the corporate fundraising team for much of the year. However in 2021, the sector has started to open up again and new initiatives are being explored with positive results.

#### The David May Charity Golf Day

David May, the ex Manchester United Footballer, held a Charity Golf Day at North Manchester Golf Club, and it proved a fabulous day & evening raising over a £18k, a tremendous result in the situation (2019: £17k) and exceeded its target for a second year. Another event is now planned for 2021.

- **Our Funding from the pharmaceutical industry**

As a charity we aim to be transparent about our funding sources, significant income is provided through our relationship with the pharmaceutical industry, and in a year in which our traditional sources of income have reduced it is appropriate to comment on this specifically.

During 2020 the Charity received £496,000 (2019: £309,401) from a variety of pharmaceutical firms, the income was spread across 12 different companies averaging £41k each with the highest individual amount of support being £119k.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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• AMGEN GLOBAL	£30,000
• ASTRA ZENECA UK	£38,226
• Boehringer	£30,742
• E.R. SQUIBB	£30,797
• ELI LILLY CO	£30,000
• JANSSEN	£19,000
• MERCK	£40,300
• NOVARTIS	£32,902
• PFIZER	£119,000
• ROCHE PRODUCTS LTD	£50,600
• TAKEDA PHARMACEUTICAL	£66,462
• VIRGO	£8,000

The above represents in total 12.5% of our total income for 2020 with the largest single pharmaceutical contribution being less than 3% of our total income, given the spread and average size of the contributions there is no impact on our independence or integrity.

Industry is a partner with the NHS, the academic research community and organisations such as our charity which are sometimes described as "patient organisations". The pharmaceutical industry is governed by legal and compliance codes. In the UK the Association of British Pharmaceutical Industry (ABPI) is a body which oversees companies operating in the UK and ensures they follow the code of conduct in their relationship with medics, charities and patient advocates.

We believe our integrity comes from having the voices of people affected by lung cancer at the heart of what we do, driving our strategic priorities. Whilst we recognise the benefit of our relationship with pharmaceutical companies, we maintain our independence. Our strategic priorities and our view on lung cancer treatments are shaped by clinical research, consulting with patients and carers, and understanding the best option with input from our medical advisors. This is overseen by our Board of Trustees.

#### Areas of collaboration, shared interest and funding:

- Advisory Boards

Pharmaceutical companies frequently run Advisory Boards as a way of gathering knowledge about a health condition, how it impacts on those affected and how the diagnosis and treatment services operate. As a charity we are asked to attend (virtually or face to face) such events and share our understanding. We are also on occasion asked to identify patients and carers who would be willing to participate in such meetings or respond to questionnaires to inform these meetings.

Companies will generally offer an "honorarium" or payment for time spent for attendance and participation in Advisory Boards. They will also reimburse the cost of any travel and overnight accommodation required depending on the location and length of the meeting. We consider this to be good practice acknowledging the time and resources charities and patients need to contribute to such meetings.

- Sponsorship and Grant funding

Pharmaceutical companies offer charities and health agencies funding for specific purposes. This will depend on the company's strategy and its approach to Corporate Social Responsibility. This term is used to describe any organisation's policies on giving back to the community and society through funding, voluntary activities, and awareness campaigns.

As a charity we are dependent on public donations, our retail stores, events income, and trust funding to support our activities. We also seek funding from corporate partners, including pharmaceutical companies active in the UK who have an interest in lung cancer, as a way of covering the costs of our services, research and administration costs. We accept and request sponsorship for specific purposes to maintain our services and research.

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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- Drug development and availability

We are a stakeholder consulted by National Institute for Clinical Excellence and Scottish Medicines Consortium about licensing and use of medicines and other treatments for lung cancer in the UK. We make submissions on new treatments based on feedback from the patient community, evidence from trials and input from clinical advisors. Information may be gathered from a range of sources and include some evidence from pharmaceutical company trials.

Our input to medicines approval is independent of pharmaceutical influence. We will receive information from the approving body and relevant information from the pharmaceutical company submission. This is not part of any sponsored or funded activity. We may on occasion receive expenses or honorarium from the commissioning body for participating in meetings.

- Joint working

We work as part of a number of umbrella groups to campaign for improvements in lung cancer diagnosis and treatment. These groups include: The United Kingdom Lung Cancer Coalition, the Less Survivable Cancers Taskforce. Some of these groups contain industry (pharmaceutical) partners. We will work on specific projects, including on awareness raising, in collaboration with these groups and partners where it is the most effective way of achieving shared goals.

#### Volunteers

Despite the effects of Covid19 the Charity has significant support from volunteers. Sadly the opportunities available for volunteers to be as involved following the introduction of the Government's Covid19 regulations and various lockdowns has been greatly diminished. We are pleased to say that we have maintained contact with the vast majority of our volunteers and that, when able again, they are keen to continue supporting us. We retain a pool of over 500 'active' volunteers who would, in normal circumstances regularly support our shops, administration and fundraising activities and of these, more than 300 volunteers support our shop managers across the Merseyside and Cheshire area.

We have developed and maintained partnerships with several external organisations, raising the profile of the charity as well as developing new potential volunteers and expanding links with several corporate partners.

We hope to offer our volunteers the opportunity to achieve free qualifications in customer service, retail and leadership through Derby College again following the resolution of the Covid19 situation.

In total, we estimate that our volunteers contribute more than fifty thousand hours of their time per year, which is worth over £100,000 (2019: £400,000).

#### Structure Governance and Management Governing document

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice Applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019)".

The Accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying to FRS102 rather than the version of Statement of Recommended Practice which is referred to in the Regulations, but which has since been withdrawn.

#### Appointment of trustees

Roy Castle Lung Cancer Foundation (RCLCF) recognises that an effective board of trustees is essential if the charity is to succeed in achieving its objectives. The board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the Foundation's activities, to enable them to carry out their role and to represent the charity at meetings and other events.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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Using a balance of skills and geography, trustee vacancies should be advertised; however, existing trustees and employees are encouraged to put forward names for consideration. The potential trustee will complete a skill matrix and have an induction period of three months before formal appointment by members by ordinary resolution.

Trustees will serve for a three-year period before being eligible for re-election. Unless there are specific and special circumstances no trustee shall serve for more than three consecutive periods. The Chair and deputy Chair shall stand for re-election at each annual meeting. A trustee will be appointed to liaise with the Finance Director to discuss financial issues and be responsible for advising the Board of Trustees on financial matters. The charity has an indemnity provision in place for directors. Key management personnel include the senior management team. Remuneration in relation to key management is benchmarked against comparable roles and organisations and then authorised by the board of trustees.

#### **Trustee induction and training**

All potential trustees receive an introductory pack about the Foundation and the duties and responsibilities of a trustee. They will also have an induction program which will include visiting Foundation sites and meeting staff in all the core areas of work and the appointment of an existing trustee as a mentor. Ongoing training has been provided on the roles and responsibilities of Trustees with a charity, this was provided before the pandemic by external providers free of charge. Post covid, provisions will be reintroduced.

#### **Organisation**

The board of trustees administers the Foundation and comprises of eleven members that meet bi-monthly. The board has established four formally constituted committees, each with specific terms of reference and functions; Audit, Employment, Grants and Nominations and Roy Castle Retail as a trading retail subsidiary has a separate board of suitably experienced members with a direct link via common membership to the main charity board. The final decision on all matters remains with the board.

During the Covid19 period the Board of Trustees has continued to hold regular board of Trustee Meetings utilising virtual meeting software to ensure meetings could continue and remain Covid19 safe.

In addition to the main board meetings a steering group of key Trustees including members of the Audit and Retail boards met on a weekly basis together with the CEO and Deputy CEO to monitor the situation and help navigate the charity through the difficult Covid19 restricted period. This group continues to meet on a biweekly basis into 2021 to date and will continue until the end of the Covid19 pandemic.

During non-Covid19 times the below sub committees meet on a regular basis, however the above provisions have taken precedence during 2020.

The Finance and Audit Committee supports the Chief Executive and the Finance Director in preparing for the annual financial statements audit.

The Employment Committee is responsible for approval of pay and conditions of staff and Chief Executive and resolution on health and safety issues.

The Scientific Grants Committee is responsible for considering all applications for grants and making recommendations to the Board. The committee also monitors the performance of all external research activities and reports to the Board.

The Grants Committee did not meet during 2020 and no grants application process was run. Again the direct effects of the pandemic together with the overlap of Covid19 and the lung cancer medical community would have meant this was, for 2020, a futile exercise. We anticipate that this will recommence towards the end of 2021.

The Nominations Committee is responsible for the recruitment and training of new trustees; this is convened ad hoc rather than as a formal committee.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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The Chief Executive is appointed by the trustees to be responsible for the executive management and its day to day direction in line with the strategic plan.

#### **Grant making policy**

The Foundation's mission is to beat lung cancer by funding innovative world-class research. Our aim through research into Early Detection and Patient Experience is to make a significant impact on lung cancer for the benefit of patients. Scientific excellence and relevance to lung cancer are the key principles which will guide the foundation's research.

The Foundation's key research objectives are:

- To build the talent pool in lung cancer research of the highest quality, in the UK and the Republic of Ireland.
- To encourage scientific innovation.
- To make every effort to engage in scientific and public dialogue and encourage scientists to communicate and collaborate with each other and ensure that the results are disseminated in an easy format to the general public.
- To ensure that research translates into benefits for patients as quickly and effectively as possible.

Awards are provided for pilot grants and project grants in universities, medical schools/teaching hospitals and research institutes within the UK and Ireland.

Grants will be made in support of the research project including salaries, minor equipment and consumables costs. The Foundation will not directly employ staff on grants awarded for research projects.

The Foundation will only undertake the funding of research that has been peer reviewed through its Grants Committee process. Details of how to apply for grants and scholarships, together with the relevant forms, are available by contacting our registered principal office.

#### **Financial appraisal and review**

##### ***Related parties***

Roy Castle Retail Ltd was established on 27 July 1998 to operate as a trading retail company to raise funds for charitable purposes. The company result for the year was a loss of £101,384 before Gift Aiding profits to the charity (2019: £239,646 profit) and the company made a gift aid payment of £nil to the charity (2019: £239,646).

Roy Castle Trading Ltd was established on 19 January 2000 to operate as a trading promotional company to raise funds for charitable purposes. The company result for the year was a £26,433 profit (2019: £248,946) before a gift aid payment to the Charity of £3,223 (2019: £248,946).

Cut Films Ltd was established on 13<sup>th</sup> July 2010 originally as a trading subsidiary of Cut Films Project Ltd ownership transferred to the Roy Castle Lung Cancer Foundation in November 2018. The company result for the year was a profit of £54,185 (2019: £8,542 loss) before a gift aid payment to the Charity of £nil (2019: £nil).

Whilst both Roy Castle Retail and Cut Films Ltd are currently in deficit following the effects of the pandemic in 2020, Retail trade following the easing of the lockdowns and other government measures to tackle Covid19 has been strong, it is envisaged that Retail will return to profit in 2021 and begin to erode the deficit created during the pandemic. Cut Films Ltd will resume trading when the environment within schools and the educational system allow us to safely recommence the programme, this will probably not be until 2022.

### ***Financial Review Summary***

The Charity, as a group, made a small deficit during 2020 of £58,104 [8] (2019: £105,830 surplus).

This was a tremendous result despite the difficult economic environment during the Covid19 pandemic and is due to innovative income generation, a reduction in costs, and utilising what government Covid19 financial support packages were available to us whilst attempting to maintain our determination to deliver on our charitable objectives under these difficult circumstances. Thus, we have largely maintained our non-research charitable spend while progressing towards our longer-term gains and objectives. Sadly our spend on research has reduced as the lung cancer research community was largely redirect towards supporting the Covid19 response.

### ***Income and funding***

Total income for the Group decreased to £3,970,586 [8] for the year (2019: £4,805,338) due to the impact of Covid19 on our retail and fundraising activities.

Legacy income was significantly reduced in 2020 due to the impact of Covid19 on the legal profession, falling to £168,315 [8] (2019: £479,412). Other voluntary donations also fell slightly to £490,353 [8] from £527,520 in 2020 as did in memoriam donations to £169,265 [8] from £187,012, this type of personal, individual support remained a key income stream and is a testament to our great donor care and personal touch.

Sponsorship income in 2020 increased because of increased pharma support during the pandemic to £487,343 [8] from £384,219.

Retail was closed for much of 2020 however during the period it was open the stores performed well as did our online shops. Retail benefited from several forms of government support including both furlough support towards the staff salaries and retail grants however because of the forced closures it generated a reduced gross profit £943,458 [7] (2019: £2,160,610), however the overall result for the years was a loss of £101,384 [7] (2019: £239,646 profit)

Gift aid on donations for 2020 fell to £84,676 [8] (2019: £213,994) due to the impact of Covid19 on our retail operation.

### ***Expenditure***

Overall expenditure for the year was £4,046,298 [8] (2019: £4,815,615) showing significant cost saving against previous years as activity was reduced due to the impact of Covid19 and the government restrictions surrounding it.

Total charitable expenditure for 2020 was £1,414,280 [8] (2019: £2,008,418), again due to the impact of Covid19 mainly on the research sector.

Research expenditure was £568,258 [8] in 2020 (2019: £1,100,961), with direct charitable research grants of £78,584 [8] (2019: £401,430).

Funding for many of our research projects was delayed as the research was suspended, however some of our research was able to continue such as the GLCC Bibliometric Project being undertaken by Kings College, our support for the Clinical Research Fellowship at the University of Nottingham during the pandemic also continued and our Liverpool funded project donated PPE equipment to the medical efforts against Covid19.

### ***Investments***

The Charity holds £1,049,672 [8] (2019: £1,166,509) in listed investments that generated an income of £28,195 [8] in the year (2019: £33,184). The Markets were initially very volatile during the pandemic however they responded well towards the end of the year and during 2020 there was a £17,608 [8]

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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profit (2019: £116,107 profit) on revaluation of investments held.

Rathbones, an independent stockbroker, manages the investments within defined areas. The stockbrokers have been instructed not to invest in tobacco-related companies and other socially unacceptable companies. The current investment policy of the trustees is to hold a large proportion of surplus assets of the Foundation in cash and near cash to ensure a stable platform for the organisation's continued activities.

#### Reserves

The trustees have adopted a reserves policy which they consider appropriate to ensure the continued ability of the Foundation to meet its objectives and the specific nature of its obligations in relation to long term research in the form of grants.

The charity monitors its reserves policy based on the obligations noted above compared to free reserves and overall liquid assets.

##### a) Free reserves

The level of Free Reserves, as defined by the Charity Commission, are the unrestricted funds available for spending and are therefore traditionally calculated by taking the total unrestricted funds of the charity and deducting any balances not available for spending. As all investments held by the charity are in reality liquid and readily converted immediately into cash to spend these have been included in the calculation for the Charities Reserves' policy. The Charity's free reserves are therefore unrestricted reserves less tangible fixed assets.

- The level of free reserves held calculated on this basis are £195,563 (2019: £533,326)

To hold sufficient funds to cover

- all future outstanding research grant obligations, to secure the safety of our vital research work
- three months general none self-financing charity expenditure

On the above basis the charity's required free reserves are £533,167 (2019: £536,949), however the trustees are comfortable that they hold sufficient reserves to meet their immediate obligations because of the structure and stated purpose of their restricted funds.

In 2021 the charity is planned to run at a minimum loss during the ongoing Covid19 emergency, in order to avoid further reducing its reserves. Following the easing of the effects of Covid on society, the Charity will plan to increase income levels again whilst managing costs in order to rebuild the level of reserves to a more acceptable level.

##### b) Liquid assets and cash

As a second control the trustees also monitor the level of cash and investments held against a longer term view of the charity's potential commitments, and the value of the company.

To hold sufficient funds to cover

- all future outstanding research grant obligations, to secure the safety of our vital research work
- three months general none self-financing charity expenditure
- a reasonable provision for any potential redundancies based on length of service
- the full outstanding length of none self-financing property costs

Required on the above basis, the resources required are calculated as £1,128,693 (2018: £1,046,369) and the charity currently holds £1,718,258 in cash and investments (2019: £1,553,694).

#### Going Concern Position

Like all of the Charity sector and indeed the broader overall economy, the Roy Castle Lung Cancer

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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Foundation has been adversely affected by the effects of the Covid19 pandemic and the actions that have had to be implemented by the government from March 2020 to tackle the issue.

Key fundraising events have had to be cancelled, the value of investments have been fluctuated, shops have been closed and general donations through normal channels have been depressed.

However, the Group has taken prudent actions to protect itself in this period of uncertainty and minimise the negative impact of the Covid19 pandemic on the Group. The Group has created both innovative and new social media events and virtual fundraising activities to compensate for the drop in income from traditional sources and events.

The Group has taken advantage of every form of government support available to it and will continue to do so :-

- The Group received over £509,000 in furlough payments through the CJRS in 2020 and in 2021 (to July 2021) over £250,000
  - every member of the retail staff bar one was furloughed, together with a proportion of staff from all other teams and departments, up to a total of 99 members of staff at any one time. This has allowed us to still cover all departments and operate the Group whilst significantly reducing the net cost of employment during the key period.
- The Group has received over £310,000 in 2020 from the various Covid19 related retail grants through local council support backed by the government and in 2021 a further £81,000.
- The Group applied for and received in October a £200,000 CBIL loan backed by the Government.
- This money is to act as insurance policy to protect the Group's investments, allowing the level of working capital to be maintained without the necessity to crystallise any potential losses in the Group's longer term investments and reserves should the need arise at a point when the stock market is depressed. If no longer deemed as required by November 2021 the loan will be repaid.
- Whilst the Group has attempted to minimise the effect of Covid19 on job losses there have sadly been some five redundancies made as direct result of Covid19, the effect of the saving here have been supplemented by further staff losses through natural churn and in shortened working hours and voluntary pay cuts.
- As previously stated, many of the medical and research staff working on our vital lung cancer research have been pulled back onto the medical front line, some research projects have been paused this created significant savings in expenditure.

As well as the above adjustments to the Group's cost structure, over 2020 the Group has proved itself successful in generating new and innovative income streams to replace some of the more traditional methods of raising donations. During 2021 work will continue to expand these events and integrate these into our non-virtual events when they are allowed to recommence.

- These have included a range of new virtual and social media events generating over £140,000 including:-
  - A series of retro virtual runs based on music decades
  - Virtual quizzes
  - Tapathons - social media tap dancing events
- The Group was also been successful in obtaining around £125,000 of emergency funding from trusts and the National Lottery to help support our charitable activities during the Covid19 period which, with both diseases being respiratory, has had a direct effect on some of our work

As a result, after taking advantage of the government support, reducing costs and the successful implementation of new fundraising streams during 2020, and flowing these through to 2021, the Group is now budgeted to generate an estimated deficit of circa £100,000 in 2021.

Prior to the end of the furlough scheme, staff had already volunteered to a reduction of hours for 2021 which will create a saving of £150,000 against previous years, the extension of the furlough scheme will help to soften the impact of this on staff. Following the emergence of the pandemic in 2020 the Group performed a robust re-forecast for the year and estimated a deficit of a similar scale in 2020. As a result of this and other actions the budget for 2021 shows a similar position to the forecast 2020 outturn.

The actual results for 2020 were slightly better than that reforecast figure, providing confidence that the 2021 budgeting process and results predicted are also robust.

The initial forecast for 2022 sees a slight improvement as public confidence improves, the retail market re-establishes itself and our more traditional means of generating income become more available to us. The Group is currently forecasting a deficit in 2022 of £50,000 (after increased research grant expenditure) and based on the current forecast GDP growth of 5.6% as an indicator of income levels and increased costs following the predicted 2022 RPI figure of 2%, before returning to a breakeven position in 2023.

The Trustees have reviewed this position and as such the trustees have decided that this is sustainable in the circumstances and that there is no going concern risk to the Group or charity.

### **Risk management**

The trustees have a risk management strategy to assess business risks and to mitigate those risks. The strategy comprises:

- a regular review of risks the Charity may face, prioritising them in terms of potential impact and likelihood of occurrence and
- systems controls, internal checks and procedures to mitigate those risks identified in the plan and to minimise the potential impact on the Charity.

The trustees have identified the principal risks to the charity are a significant decrease in income through reduced legacies, public fundraising a change in retail trends and the cancellation of contracts with PCTs. We believe that these business risks would be effectively managed by restructuring existing resources and maintaining appropriate accessible cash reserves.

An event on the scale of the Covid19 pandemic had not been envisaged prior to 2020 but the above actions have proved adequate at the time of the Trustees' report (September 2021) in successfully managing the situation and ensuring the future of the charity.

### **Plans for future periods**

#### **Screening**

- The Targeted Lung Health Check programme in England post pandemic is progressing again and there are now 17 of the 23 CCG areas active (as at May 2021), with the rest scheduled to commence in the summer of 2021. Planning is also underway for an additional 15 – 20 CCG sites next year. The Charity has been a key catalyst for this initiative pre Covid19 and aims to be at the heart of this expansion and to offer every assistance in the roll out of the programme.
  - Marketing is planning support for Liverpool, Halton and Knowsley and the programme in Liverpool is set to restart at the end of May 2021, with first scans expected to commence from 5th July. All the marketing plans have now been finalised and will include social media and local outdoor advertising. We will also be coordinating a media day and are hoping to host another community engagement event when the mobile scanning unit is in situ, restrictions permitting of course.

## **Roy Castle Lung Cancer Foundation**

### **Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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- The programme in Mansfield and Ashfield launched spring 2021 and is utilising the content we produced for it, it has an initial uptake rate of 68%. The Charity has also had similar interest from several other areas, including Hull and Salford about on how we can support them with their specific obstacles and audience and we are planning on extending this support further across the country.
- We are also looking at how we can support a Lung Health pilot in both Scotland and Wales.

#### **Research**

- Towards the end of 2021 and into 2022 we will be planning on re-establishing our vital lung cancer research programme as both the research community and the charity are better able to operate in this sector.
  - Existing research programmes will either have restarted or be in position to
  - A new round of grant applications undertaken in 2021, an additional £120k has been forecast to be spent on research in 2022
- Funding will continue for our Doctorial Research fellow in Nottingham and the Post Doctorial post we support at the university of Liverpool.

#### **Patient support**

- The charity is planning to ensure that the delivery of patient grants are returned to pre Covid19 levels.
- Further development of our various distance support operations, help lines and information and support services.
- It is hoped that when appropriate and safe the charity can consider the reintroduction of face to face and physical meetings and support groups.

#### **Funding the above**

- In order to fund our future objectives, the charity will need to increase its level of funding and therefore increase its income over both the immediate future (12-18months) and in the longer term. However the charity does not believe that between now and the end of 2022, likely to still be a period of uncertainty in the post Covid19 era, is a time for taking dramatic risks or altering the course of the charity and as such the fundraising, retail and support functions will remain very much the same, looking for organic growth and where possible cost savings and efficiencies rather than dramatic changes.
- Further development on online income streams combining these with re-emerging real and physical events will happen.
- Our online retail offer will be redeveloped, and our logistics operation will be streamlined.
- Retail, as a whole, will continue to move in a direction towards a larger, furniture based footprint platform but there will be no planned new shops until we are confident in the social and economic confidence required to support expansion, this is not now envisaged to be before 2023.

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of The Roy Castle Lung Cancer Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## Roy Castle Lung Cancer Foundation

### Trustees' Consolidated Annual Report for the year ended 31 December 2020

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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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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;
- 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 group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Statement as to disclosure of information to auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

#### Auditors

The auditors, RSM UK Audit LLP, have indicated their willingness to continue in office.

#### Staff

We would like to pay tribute to the staff of the Foundation who continue to show considerable enthusiasm and commitment.

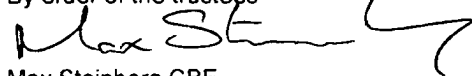
#### Partners and supporters

We would like to record a sincere thanks to all our partners and supporters who have helped the Charity in any way this year.

#### Small Company Provisions

This report has been prepared in accordance with the provisions applicable for companies entitled to the small companies exemption.

By order of the trustees



Max Steinberg CBE  
Chairman

20 September 2021

**Roy Castle Lung Cancer Foundation**

**Trustees' Consolidated Annual Report for the year ended 31 December 2020**

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Date:

**References:**

- [1] <https://www.cancerresearchuk.org/health-professional/cancer-statistics/statistics-by-cancer-type/lung-cancer>
- [2] Page 37 of the 2020 financial statements
- [3] Covid-19 Matters, UK Lung Cancer Coalition (UKLCC) <https://www.uklcc.org.uk/wp-content/uploads/2020/10/UKLCC-COVID-19-Matters-Report-Oct-2020.pdf>
- [4] Covid-19 Matters, UK Lung Cancer Coalition (UKLCC)
- [5] <https://www.nice.org.uk/>
- [6] <https://www.rcplondon.ac.uk/projects/outputs/nlca-annual-report-2018>
- [7] Roy Castle Retail Ltd available via Companies House <https://beta.companieshouse.gov.uk/company/03604677>
- [8] Pages 37-74 of the 2020 financial statements

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION**

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**Opinion**

We have audited the financial statements of Roy Castle Lung Cancer Foundation the 'parent charitable company' and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2020; and of the group's and the parent charitable company's incoming resources and application of resources, including their 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 Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis for opinion**

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION**

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misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matter prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report prepared for the purposes of company law and included within the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- sufficient, adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report included within the trustees' annual report and from the requirements to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on pages 30-31 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment law (including pensions). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities

The group audit engagement team identified the risk of management override of controls and cash income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantively sample testing cash income.

## Roy Castle Lung Cancer Foundation

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

Anna Spencer-Gray (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
20 Chapel Street  
Liverpool  
L3 9AG

Date: 21 September 2021

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Roy Castle Lung Cancer Foundation**

**Statement of Financial Activities for the year ended 31 December 2020**

<b>Consolidated</b>					
	<b>Notes</b>	<b>Unrestricted Funds 2020 £</b>	<b>Restricted Funds 2020 £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	10	1,021,123	684,741	1,705,864	2,053,059
Charitable activities	11	1,512	35,000	36,512	8,209
Other trading activities	12	1,323,553	-	1,323,553	2,699,657
Investments	13	32,237	-	32,237	38,387
Other	14	871,118	1,302	872,420	6,026
<b>Total income</b>		<b>3,249,543</b>	<b>721,043</b>	<b>3,970,586</b>	<b>4,805,338</b>
<b>Expenditure on:</b>					
Raising funds	15	2,559,637	72,381	2,632,018	2,807,197
Charitable activities	16	1,088,993	325,287	1,414,280	2,008,418
<b>Total expenditure</b>		<b>3,648,630</b>	<b>397,668</b>	<b>4,046,298</b>	<b>4,815,615</b>
Net gains on investments	27	17,608	-	17,608	116,107
<b>Net (expenditure)/income</b>		<b>(381,479)</b>	<b>323,375</b>	<b>(58,104)</b>	<b>105,830</b>
Net movement in funds		(381,479)	323,375	(58,104)	105,830
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		<b>722,707</b>	<b>473,652</b>	<b>1,196,359</b>	<b>1,090,529</b>
<b>Total funds carried forward</b>		<b>341,228</b>	<b>797,027</b>	<b>1,138,255</b>	<b>1,196,359</b>

All gains and losses recognised in the year are included above.

All activities derive from continuing operations.

The notes on pages 45 to 74 form an integral part of these financial statements.

**Roy Castle Lung Cancer Foundation**

**Statement of Financial Activities for the year ended 31 December 2020**

**Charity Only**

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Donations & Legacies	18	967,188	684,741	1,651,929	2,452,549
Charitable activities	19	1,512	35,000	36,512	8,209
Other trading activities	20	275,877	-	275,877	96,114
Investments	21	33,072	-	33,072	39,762
Other	22	198,418	1,302	199,720	6,026
<b>Total income</b>		<b>1,476,067</b>	<b>721,043</b>	<b>2,197,110</b>	<b>2,602,660</b>
<b>Expenditure on:</b>					
Raising funds	23	724,972	72,381	797,353	650,148
Charitable activities	24	1,163,009	325,287	1,488,296	1,954,246
<b>Total expenditure</b>		<b>1,887,981</b>	<b>397,668</b>	<b>2,285,649</b>	<b>2,604,394</b>
Net gains on investments	27	17,608	-	17,608	116,107
<b>Net (expenditure)/income</b>		<b>(394,306)</b>	<b>323,375</b>	<b>(70,931)</b>	<b>114,373</b>
Net movement in funds		(394,306)	323,375	(70,931)	114,373
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		<b>820,796</b>	<b>433,446</b>	<b>1,254,242</b>	<b>1,139,869</b>
<b>Total funds carried forward</b>		<b>426,490</b>	<b>756,821</b>	<b>1,183,311</b>	<b>1,254,242</b>

All activities derive from continuing operations.

All gains and losses recognised in the year are included above.

The notes on pages 45 to 74 form an integral part of these financial statements.

## Consolidated Balance Sheet as at 31 December 2020

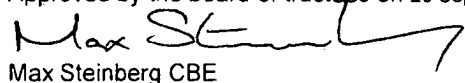
	Notes	£	2020	£	£	2019	£
<b>Fixed assets</b>							
Tangible assets	28			145,665			188,881
Investments held as fixed assets	29			1,049,672			1,166,512
<b>Total fixed assets</b>				<b>1,195,337</b>			<b>1,355,393</b>
<b>Current assets</b>							
Stocks	31	82,906			92,293		
Debtors	32	409,493			471,044		
Cash at bank and in hand		668,586			387,694		
<b>Total current assets</b>		<b>1,160,985</b>			<b>951,031</b>		
<b>Creditors: amounts falling due within one year</b>	33	<b>(1,028,067)</b>			<b>(1,110,065)</b>		
<b>Net current assets/(liabilities)</b>				<b>132,918</b>			<b>(159,034)</b>
<b>Total assets less current liabilities</b>				<b>1,328,255</b>			<b>1,196,359</b>
<b>Creditors: amounts falling due over one year</b>	34	<b>(190,000)</b>			<b>-</b>		
				<b>(190,000)</b>			<b>-</b>
<b>The total net assets of the group</b>				<b>1,138,255</b>			<b>1,196,359</b>
<b>The total net assets of the group are funded by the funds of the charity, as follows:-</b>							
<b>Restricted funds</b>							
Restricted Revenue Funds	40			797,027			473,652
<b>Unrestricted Funds</b>							
Unrestricted Revenue Funds	40			341,228			722,207
<b>Total group funds</b>				<b>1,138,255</b>			<b>1,196,359</b>

The Trustees have prepared the group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustees Investment (Scotland) Act 2005.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the board of trustees on 20 September 2021 and signed on their behalf by:



Max Steinberg CBE

Trustee

The notes on pages 45 to 74 form an integral part of these financial statements.

## Charity Only Balance Sheet as at 31 December 2020

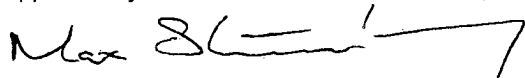
	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	28		39,883		60,563
Investments held as fixed assets	29		1,179,267		1,296,107
<b>Total fixed assets</b>			<u>1,219,150</u>		<u>1,356,670</u>
<b>Current assets</b>					
Stocks	31	13,769		12,722	
Debtors	32	475,601		627,765	
Cash at bank and in hand		528,062		244,589	
<b>Total current assets</b>		<u>1,017,432</u>		<u>885,076</u>	
<b>Creditors: amounts falling due within one year</b>	33	<u>(863,271)</u>		<u>(987,504)</u>	
<b>Net current assets/(liabilities)</b>			<u>154,161</u>		<u>(102,428)</u>
<b>Total assets less current liabilities</b>			<u>1,373,311</u>		<u>1,254,242</u>
<b>Creditors: amounts falling due over one year</b>	34	<u>(190,000)</u>		-	
			<u>(190,000)</u>		-
<b>The total net assets of the charity</b>			<u><u>1,183,311</u></u>		<u><u>1,254,242</u></u>
<b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>					
<b>Restricted funds</b>					
Restricted Revenue Funds	40		756,821		433,446
<b>Unrestricted Funds</b>					
Unrestricted Revenue Funds	40		426,490		820,796
<b>Total charity funds</b>			<u><u>1,183,311</u></u>		<u><u>1,254,242</u></u>

The Trustees have prepared the group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustees Investment (Scotland) Act 2005.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the board of trustees on 20 September 2021 and signed on their behalf by:



Max Steinberg CBE

Trustee

The notes on pages 45 to 74 form an integral part of these financial statements.

**Roy Castle Lung Cancer Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities as shown below	(70,686)	(78,870)
<b>Cash flows from investing activities</b>		
Interest received	442	4,777
Dividends received	28,195	33,184
Other investment income, including rents from investments	3,600	1,336
Purchase of property, plant and equipment	(15,107)	(97,581)
Receipts from sale of tangible fixed assets	-	1,092
Proceeds from sales of investments	178,387	95,156
Purchase of investments	(85,020)	(156,036)
Increase in cash held for investment	41,081	28,816
<b>Net cash used in investing activities</b>	151,578	(86,256)
<b>Cash flows from financing activities</b>		
Proceeds of new short-term borrowings	10,000	-
Proceeds of new long-term borrowings	190,000	-
<b>Net cash used in financing activities</b>	200,000	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	280,892	(165,126)
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net cash at 1 January 2020	387,694	552,820
Increase in cash in the period	280,892	(165,126)
Cash inflow from increase in debt financing	(200,000)	-
<b>Net cash at 31 December 2020</b>	468,586	387,694
	2020 £	2019 £
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net (expenditure)/income shown in the Statement of Financial Activities	(58,104)	105,830
<b>Adjustments for :-</b>		
Depreciation charges	58,323	66,083
Net change on investment assets	(17,608)	(116,107)
Dividends, interest and rents from investments	(32,237)	(39,297)
Decrease/(increase) in stocks	9,387	(12,084)
Decrease/(increase) in debtors	61,551	(68,109)
Decrease in creditors	(91,998)	(15,186)
<b>Net cash used in operating activities</b>	(70,686)	(78,870)

**Roy Castle Lung Cancer Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2020**

---

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand at for the year ended 31 December 2020	668,586	387,694
Loans for the year ended 31 December 2020	(200,000)	-
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>468,586</b>	<b>387,694</b>
	<hr/>	<hr/>

**Roy Castle Lung Cancer Foundation**

**Notes to the Consolidated Accounts for the year ended 31 December 2020**

	2020 £	2019 £
<b>Cash flows used in operating activities</b>		
Net cash used in operating activities as shown below	(81,227)	(28,038)
<b>Cash flows used in investing activities</b>		
Interest received	1,277	4,777
Dividends received	28,195	33,184
Other investment income, including rents from investments	3,600	1,800
Purchase of property, plant and equipment	(2,820)	(29,366)
Proceeds from sales of investments	219,468	123,972
Purchase of investments	(85,020)	(153,036)
<b>Net cash used in investing activities</b>	164,700	(18,669)
<b>Cash flows from financing activities</b>		
Net movement in short term borrowings	10,000	-
Net movement in long term borrowings	190,000	-
<b>Net cash used in financing activities</b>	200,000	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	283,473	(43,707)
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net cash at 1 January 2020	244,589	288,296
Increase in cash in the period	283,473	(43,707)
Cash inflow from increase in debt financing	(200,000)	-
<b>Net cash at 31 December 2020</b>	328,062	244,589
	2020 £	2019 £
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net (expenditure)/income shown in the Statement of Financial Activities	(70,931)	114,373
<b>Adjustments for:-</b>		
Depreciation charges	23,500	25,457
Net change on investment assets	(17,608)	(116,107)
Dividends, interest and rents from investments	(33,072)	(39,761)
Decrease/(Increase) in stocks	(1,047)	(4,651)
Decrease/(Increase) in debtors	152,164	(263,413)
(Decrease)/Increase in creditors	(134,233)	259,064
<b>Net cash used by operating activities</b>	(81,227)	(25,038)

**Roy Castle Lung Cancer Foundation**

**Notes to the Consolidated Accounts for the year ended 31 December 2020**

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	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand at for the year ended 31 December 2020	528,062	244,589
Loans for the year ended 31 December 2020	(200,000)	-
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>328,062</b>	<b>244,589</b>
	<hr/> <hr/>	<hr/> <hr/>

## 1 Accounting policies

### *Policies relating to the production of the accounts.*

#### **Basis of preparation and accounting convention**

These consolidated accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and the Companies Act 2006.

Roy Castle Lung Cancer Foundation meets the definition of a public benefit entity under FRS102.

The registered office and principal place of business is Cotton Exchange, Old Hall Street, Liverpool, England, L3 9LQ.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results, assets and liabilities of the subsidiaries are consolidated on a line by line basis.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

#### **Control of members of the group and transfer of funds**

The parent charity has concluded that control exists over its subsidiaries for the following reasons: - They are either a wholly owned subsidiary with directors appointed by the Roy Castle Lung Cancer Foundation or a charity and company limited by guarantee and controlled by trustees appointed by the Roy Castle Lung Cancer Foundation.

#### **Legal Status**

The Charity is a company limited by guarantee, has no share capital and is governed by its Memorandum and Articles of Association. The liability of each member in the event of winding up is £10. The company is registered as a charity with both the Charity Commission and the Office of the Scottish Charity Regulator.

#### **Going Concern**

Like all of the Charity sector and indeed the broader overall economy, the Roy Castle Lung Cancer Foundation has been adversely affected by the effects of the Covid19 pandemic and the actions that have had to be implemented by the government from March 2020 to tackle the issue.

Key fundraising events have had to be cancelled, the value of investments have been fluctuated, shops have been closed and general donations through normal channels have been depressed.

However, the Group has taken prudent actions to protect itself in this period of uncertainty and minimise the negative impact of the Covid19 pandemic on the Group. The Group has created both innovative and new social media events and virtual fundraising activities to compensate for the drop in income from traditional sources and events.

The Group, has taken advantage of every form of government support available to it and will continue do so :-

**1 Accounting policies (continued)**

- The Group received over £509,000 in furlough payments through the CJRS in 2020 and in 2021 (to July 2021) over £250,000
  - every member of the retail staff bar one was furloughed, together with a proportion of staff from all other teams and departments, up to a total of 99 members of staff at any one time. This has allowed us to still cover all departments and operate the Group whilst significantly reducing the net cost of employment during the key period.
- The Group has received over £310,000 in 2020 from the various Covid19 related retail grants through local council support backed by the government and in 2021 a further £81,000.
- The Group applied for and received in October a £200,000 CBIL loan backed by the Government.
- This money is to act as insurance policy to protect the Group's investments, allowing the level of working capital to be maintained without the necessity to crystallise any potential losses in the Group's longer term investments and reserves should the need arise at a point when the stock market is depressed. If no longer deemed as required by November 2021 the loan will be repaid.
- Whilst the Group has attempted to minimise the effect of Covid19 on job losses there have sadly been some five redundancies made as direct result of Covid19, the effect of the saving here have been supplemented by further staff losses through natural churn and in shortened working hours and voluntary pay cuts.
- As previously stated, many of the medical and research staff working on our vital lung cancer research have been pulled back onto the medical front line, some research projects have been paused this created significant savings in expenditure.

As well as the above adjustments to the Group's cost structure, over 2020 the Group has proved itself successful in generating new and innovative income streams to replace some of the more traditional methods of raising donations. During 2021 work will continue to expand these events and integrate these in to our non-virtual events when they are allowed to recommence.

- These have included a range of new virtual and social media events generating over £140,000 including :-
  - A series of retro virtual runs based on music decades
  - Virtual quizzes
  - Tapathons - social media tap dancing events
- The Group was also been successful in obtaining around £125,000 of emergency funding from trusts and the National Lottery to help support our charitable activities during the Covid19 period which, with both diseases being respiratory, has had a direct effect on some of our work

As a result, after taking advantage of the government support, reducing costs and the successfully implementation of new fundraising streams during 2020, and flowing these through to 2021, the Group is now budgeted to generate an estimated deficit of circa £100,000 in 2021.

Prior to the end of the furlough scheme, staff had already volunteered to a reduction of hours for 2021 which will create a saving of £150,000 against previous years, the extension of the furlough scheme will help to soften the impact of this on staff. Following the emergence of the pandemic in 2020 the Group performed a robust re-forecast for the year and estimated a deficit of a similar scale in 2020. As a result of this and other actions the budget for 2021 shows a similar position to the forecast 2020 outturn.

The actual results for 2020 were slightly better than that reforecast figure, providing confidence that the 2021 budgeting process and results predicted are also robust.

**1 Accounting policies (continued)**

The initial forecast for 2022 sees a slight improvement as public confidence improves, the retail market re-establishes itself and our more traditional means of generating income become more available to us. The Group is currently forecasting a deficit in 2022 of £50,000 (after increased research grant expenditure) and based on the current forecast GDP growth of 5.6% as an indicator of income levels and increased costs following the predicted 2022 RPI figure of 2%, before returning to a breakeven position in 2023.

The Trustees have reviewed this position and as such the trustees have decided that this is sustainable in the circumstances and that there is no going concern risk to the Group or charity. The financial statements have been prepared on the going concern basis for the Group and charity.

**Policies relating to categories of income and income recognition.**

**a) Accounting for deferred income and income received in advance**

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income.

Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

**b) Income from legacies**

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

**1 Accounting policies (continued)**

Where there is any doubt that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities.

**c) Donated goods, facilities and services**

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

It is deemed impracticable to measure the fair value of goods donated for resale and that costs of valuation outweigh the benefits, as a consequence the value of donated goods are recognised as income when sold.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

**Policies relating to expenditure on goods and services provided to the charity.**

**a) Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

**b) Allocating costs to activities**

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is:-

**c) Direct Staff Cost** - Directly allocated on the basis of time spent in connection with any particular activity.

**d) Indirect Staffing** - on a per capita basis, based on the number of people employed within any particular activity. Indirect staff costs are allocated as follows:

- Directors and CEO, estimated time spent on operational activities
- Finance, estimated time spent on governance and remaining costs allocated on number of full-time equivalent (FTE) staff
- HR, allocated on number of full-time equivalent (FTE) staff excluding research staff
- Office services and IT, allocated on number of full-time equivalent (FTE) staff

**e) Premises related costs** - on a per capita basis, based on the number of people employed within any particular activity.

**1 Accounting policies (continued)**

**f) Non-specific support costs** - on a per capita basis, based on the number of people employed within any particular activity.

**g) Estimation techniques** used in apportioning costs are based on FTE time spent on activities.

**h) Volunteers**

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 7 and the strategic report.

**Policies relating to assets, liabilities and provisions and other matters.**

**a) Fixed Asset Investments**

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period.

Fixed asset investments in unlisted equities are shown at the balance sheet date at cost and subsequently measured at cost less any accumulated impairment losses, a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in the Statement of Financial Activities.

**b) Tangible fixed assets**

Fixed assets costing more than £500 are capitalised and valued at historic cost except for items individually below threshold but included in a project whose overall cost is greater than £500.

Tangible fixed assets are measured at their original cost value. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Leasehold premises	over the length of the lease
Fixtures and Fittings	over the length of the lease
Research, office and computer equipment	between 10% and 25%

**c) Stocks and work in progress**

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donated items sourced from both individuals and organisations are not included in the financial statements until they are sold.

**d) Debtors**

Debtors are measured at their recoverable amounts at the balance sheet date.

**1 Accounting policies (continued)**

**e) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their transaction amount.

**f) Financial instruments including cash and bank balances**

The charity only 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 their settlement value. Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

All financial assets and liabilities are measured at cost.

**g) Leasing**

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

**h) Pensions - defined contribution schemes**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The assets of the scheme are held separately from those of the company.

**i) Charitable commitments**

Commitments that are legally binding on the trustees are accounted for as a resource expended in the SOFA. Where the intention of financial support is not binding on the trustees, such intentions are not accrued for but are disclosed separately in a note to the accounts.

**j) Branch Offices**

The Charity carries out some activities through offices that use the same name as the Charity, raise funds for the Charity and receive support from the Charity through advice and publicity materials. All transactions are accounted for gross in the accounts and all assets and liabilities are included in the Charity's balance sheet.

**k) Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**l) Consolidation**

Roy Castle Retail Ltd (Company number 03604677), Roy Castle Trading Ltd (Company number 03909935), and Cut Films Limited (Company number 07313137) are controlled by the Roy Castle Lung Cancer Foundation and are consolidated in these accounts on a line by line basis.

**1 Accounting policies (continued)**

**m) Government Grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

***Estimate of Dilapidation Accrual:***

Dilapidations are accrued for on the basis of historical costs incurred as a proportion of rental values paid and realistic expectation following an internal review of the property. These assumptions are reviewed on an annual basis. No accruals were released in 2020 (2019: £55K) with a balance of £68k remaining in accruals as at 31 December 2020 (2019: £45k). This £68k provision is made up of £12.5k in relation to head office and £56.5k in relation to the shops.

***Recoverability of group Debts:***

Group debt is reviewed annually and any amounts deemed irrecoverable are provided for in the Charity only accounts. At 31 December 2020, intercompany debtors due to the charity from Cut Films Limited have been written down to £nil on the basis of the subsidiary's unlikely ability to repay these amounts.

***Estimate of Stock Loss Accrual:***

Stock Losses are accrued for and estimated for on basis the of the level of stock losses and markdowns historically experienced in the business. The provision is accrued for on a straight line basis over the year and actual losses set off against the provision following physical stock checks. There was a balance of £9.2k accrued as at December 2020 (2019: £14k).

**3 Liability to taxation**

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

Value Added Tax is recoverable by Roy Castle Retail Ltd and Cut Films Ltd, it is therefore not reported or included in the costs or income figures of these companies or consolidated into the group accounts.

**4 Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 5 Net (expenditure)/income before tax in the financial year for the group

	2020 £	2019 £
The net income/(expenditure) before tax in the financial year is stated after charging:-		
Depreciation of fixed assets	58,323	66,083
Operating leases	596,558	547,916
	<u>58,323</u>	<u>66,083</u>
<b>Fees payable to the group's auditor:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>For audit services</b>		
Audit of the financial statements of the group and charity	28,875	19,250
	<u>28,875</u>	<u>19,250</u>
	<b>28,875</b>	<b>19,250</b>
	<u>28,875</u>	<u>19,250</u>
Taxation compliance services	2,750	3,975
All other non-audit services	11,550	7,725
	<u>15,644</u>	<u>11,700</u>
	<b>15,644</b>	<b>11,700</b>
	<u>15,644</u>	<u>11,700</u>

6 Interest payable	2020 £	2019 £
Bank interest payable	807	757
	<u>807</u>	<u>757</u>
	<b>807</b>	<b>757</b>
	<u>807</u>	<u>757</u>

### 7 The contribution of volunteers

The Charity has significant support from volunteers in all our activities, currently we have 526 registered with us (2019: 525) and they regularly support us in the Foundation's shops, community engagement work, administration and Fundraising. In total the contribution of volunteers the in 2020 has been adversely affected by both Covid19 and the government restrictions to tackle the pandemic meaning that the hours able to be contributed have been materially curtailed in 2020 to 8,262 (2019: 51,975) which is the equivalent of 4.7 people (2019: 29).

The charity does not recognise in financial terms in the accounts the valuable contribution of our volunteers.

### 8 Staff costs and emoluments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Gross salaries	1,955,953	2,049,547	1,097,639	1,106,621
Employer's National Insurance	130,122	140,612	92,203	95,891
Employer's Pension	45,462	46,129	32,470	32,514
	<u>2,131,537</u>	<u>2,236,288</u>	<u>1,222,312</u>	<u>1,235,026</u>

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 8 Staff costs and emoluments (continued)

The average number of staff deployed in different activities in the group in the year was:-

	2020 £	2019 £
Engaged on charitable activities	18	25
Engaged on fundraising activities	19	16
Engaged on management and administration	13	10
Engaged on retail activities	77	86
	<u>127</u>	<u>138</u>

The average number of staff in charity only in the year was 50 (2019: 49).

The number of employees whose emoluments including taxable benefits but excluding employer's pension contributions fall into the following bands were :-

	2020 £	2019 £
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-
(Group and charity)	<u>1</u>	<u>1</u>

	2020 £	2019 £
Chief Executive Officer/ Highest paid employee		
The remuneration in the year was	70,725	69,000
Pension contributions paid by the employer	4,390	4,235
<b>Total remuneration package included in total salaries above</b>	<u><b>75,115</b></u>	<u><b>73,235</b></u>

### 9 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

Trustees were reimbursed expenses incurred which amounted to £507 (2019: £1,574) in relation to travel expenses.

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

10	Donations and Legacies - Consolidated	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
	<b>Donations and gifts from individuals</b>				
	Donations	9,491	-	9,491	13,771
	Individual Giving	374,074	1,662	375,736	397,593
	Payroll Giving	105,126	-	105,126	115,886
		<u>488,691</u>	<u>1,662</u>	<u>490,353</u>	<u>527,250</u>
	<b>Legacies receivable</b>				
	Legacies receivable	168,315	-	168,315	479,412
		<u>657,006</u>	<u>1,663</u>	<u>658,668</u>	<u>1,006,662</u>
	<b>Revenue grants and donations from non-public bodies</b>				
	Corporate Grants	59,604	-	59,604	131,294
	Trusts	34,375	211,933	246,308	129,878
		<u>93,979</u>	<u>211,933</u>	<u>305,912</u>	<u>261,172</u>
	<b>Sponsorship</b>				
	Pause for Hope	-	1,293	1,293	5,872
	Sponsorship	16,937	469,113	486,050	378,347
		<u>16,937</u>	<u>470,406</u>	<u>487,343</u>	<u>384,219</u>
	<b>In Memoriam</b>				
	In Memoriam	168,525	740	169,265	187,012
		<u>168,525</u>	<u>740</u>	<u>169,265</u>	<u>187,012</u>
	<b>Gift Aid on Donations</b>				
	Gift Aid on Donations	84,676	-	84,676	213,994
		<u>84,676</u>	<u>-</u>	<u>84,676</u>	<u>213,994</u>
	<b>Total Donations and Legacies – Consolidated</b>	<b><u>1,021,123</u></b>	<b><u>684,741</u></b>	<b><u>1,705,864</u></b>	<b><u>2,053,059</u></b>

Of the 2019 income, £1,559,382 was unrestricted and £493,677 was restricted.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 11 Income from charitable activities - Consolidated

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Charitable income from funders</b>				
Community engagement	1,512	35,000	36,512	36,512
	<u>1,512</u>	<u>35,000</u>	<u>36,512</u>	<u>36,512</u>
<b>Reimbursement</b>				
Minor reimbursed expenses and honoraria	-	-	-	8,209
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,209</u>
<b>Total income from charitable activities</b>	<u><u>1,512</u></u>	<u><u>35,000</u></u>	<u><u>36,512</u></u>	<u><u>8,209</u></u>

Total income from charitable activities of £36,512 split by activity is split by £8,209 (2019: £8,209) research and £36,512 (2019: £Nil) prevention. Of the 2019 income, £8,209 was unrestricted and £Nil was restricted.

### 12 Income from other, non-charitable, trading activities - Consolidated

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Trading activities to raise funds	8,528	-	8,528	30,490
Income from fundraising events	322,698	-	322,698	501,302
Income from the sale of donated and brought in goods	983,668	-	983,668	2,160,630
Sponsorships and social lotteries which cannot be considered pure donations	8,659	-	8,659	7,235
	<u>1,323,553</u>	<u>-</u>	<u>1,323,553</u>	<u>2,699,657</u>

Total income from other non-charitable, trading activities split by activity is split by £339,885 (2019: £539,027) fundraising and £983,668 (2019: £2,160,630) sales of donated and related goods. All of the 2019 income was unrestricted.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 13 Investment income - Consolidated

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Property Rental Income	3,600	-	3,600	1,337
Dividend Income	28,195	-	28,195	33,184
Bank Interest Receivable	442	-	422	3,866
	<b>32,237</b>	<b>-</b>	<b>32,237</b>	<b>38,386</b>

All of 2019 income was unrestricted.

### 14 Other - Consolidated

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Consultancy and advice	24,396	1,302	25,698	6,026
Coronavirus grant income	834,285	-	834,285	-
Other income	12,437	-	12,437	-
	<b>871,118</b>	<b>1,302</b>	<b>872,420</b>	<b>6,026</b>

Of the 2019 income, £5,625 was unrestricted and £401 was restricted.

Government grants in relation to the Coronavirus Job Retention Scheme amounting to £510,059 were receivable in the year in relation to employees who were put on furlough. Other government grants of £1,558 relating to the interest free benefit incurred on a Coronavirus Business Interruption Loan and £322,668 relating to Covid19 Local Restrictions Support Grants from Local Authorities were received by the Group in the year.

### 15 Expenditure on raising funds and costs of investment management - Consolidated

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Cost of fundraising activities	37,139	12,500	49,639	39,527
Marketing & advertising of fundraising	56,118	25,526	81,644	16,999
Costs of seeking donations, grants and legacies	144	-	144	362
Cost of operating social lotteries	1,508	-	1,508	1,558
Costs of staging fundraising events	104,539	12,392	116,931	112,685
Costs of charity shop selling goods	1,799,763	-	1,799,763	2,036,418
Gross wages and salaries - fundraising activities	393,384	5,787	399,171	406,483
Other Direct Costs - fundraising Activities	162,924	15,921	178,845	177,609
Staff Training & Welfare - fundraising Activities	2,324	-	2,324	3,533
Travel and Subsistence - fundraising Activities	1,794	256	2,050	12,023
	<b>2,559,637</b>	<b>72,381</b>	<b>2,632,018</b>	<b>2,807,197</b>

Of the 2019 expenditure £2,807,197 was unrestricted.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 16 Expenditure on charitable activities - Consolidated

	Note	Staff Costs 2020 £	Other 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Direct spending</b>					
Restricted		43,839	157,284	201,123	295,957
Unrestricted		229,281	57,971	287,252	400,734
		<u>273,120</u>	<u>215,255</u>	<u>488,375</u>	<u>696,691</u>
<b>Grant funding</b>					
Organisation grants	26	-	78,584	78,584	401,430
Staff costs		29,800	-	29,800	31,679
		<u>29,800</u>	<u>78,584</u>	<u>108,384</u>	<u>433,109</u>
<b>Support costs (all unrestricted)</b>					
Staff costs		569,823	-	569,823	596,453
Premises costs		-	82,273	82,273	63,492
Legal and professional costs		-	13,164	13,164	35,205
Financial		-	45,882	45,882	41,739
Other		-	32,050	32,050	105,729
		<u>569,823</u>	<u>173,369</u>	<u>743,192</u>	<u>842,618</u>
<b>Governance costs:</b>					
Audit fees		-	42,495	42,495	23,100
Accountancy fees		-	31,834	31,834	12,900
		<u>872,743</u>	<u>541,537</u>	<u>1,414,280</u>	<u>2,008,418</u>

Of the £1,414,280 (2019: £2,008,418) expenditure £325,287 (2019: £516,308) related to restricted funds and was all categorised as other expenditure.

Included within financial costs of £45,882 is a £15,068 amount repayable by HMRC in relation to corporation tax in Roy Castle Retail Limited.

2020 audit fees include £13,260 in related to 2019 fees that were not accrued for in 2019.

### 17 Summary of charitable costs by activity - Consolidated

	Direct costs	Support costs	Grant funding of activities	Governance	Total 2020	Total 2019
Research	165,567	267,549	108,384	26,758	568,258	1,100,961
Support	321,448	193,230	-	19,326	534,004	570,675
Prevention	1,360	282,413	-	28,245	312,018	336,782
	<u>488,375</u>	<u>743,192</u>	<u>108,384</u>	<u>74,329</u>	<u>1,414,280</u>	<u>2,008,418</u>

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

**18 Donations and Legacies - Charity only**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Donations and gifts from individuals</b>				
Donations	2,000	-	2,000	-
Individual Giving	374,072	1,663	375,735	397,593
Payroll Giving	105,126	-	105,126	115,886
	<u>481,198</u>	<u>1,663</u>	<u>482,861</u>	<u>513,479</u>
<b>Legacies receivable</b>				
Legacies receivable	168,315	-	168,315	479,412
	<u>168,315</u>	<u>-</u>	<u>168,315</u>	<u>479,412</u>
<b>Revenue grants and donations from non-public bodies</b>				
Corporate Grants	59,604	-	59,604	131,294
Trusts	34,375	211,933	246,308	129,878
	<u>93,979</u>	<u>211,933</u>	<u>305,912</u>	<u>261,172</u>
<b>Sponsorship</b>				
Pause for Hope	-	1,293	1,293	5,872
Sponsorships	13,437	469,113	482,550	371,756
	<u>13,437</u>	<u>470,406</u>	<u>483,843</u>	<u>377,369</u>
<b>In Memoriam</b>				
In Memoriam	166,237	740	166,977	183,474
	<u>166,237</u>	<u>740</u>	<u>166,977</u>	<u>183,474</u>
<b>Gift Aid on Donations</b>				
Gift Aid on Donations	44,021	-	44,021	637,643
	<u>44,021</u>	<u>-</u>	<u>44,021</u>	<u>637,643</u>
<b>Total Donations and Legacies - Charity</b>	<u><u>967,187</u></u>	<u><u>684,742</u></u>	<u><u>1,651,929</u></u>	<u><u>2,452,549</u></u>

Of the 2019 income, £1,958,872 was unrestricted and £493,677 was restricted.

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

19 Income from charitable activities - Charity only

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
<b>Charitable income from funders</b>				
Community engagement	1,512	35,000	36,512	-
	<u>1,512</u>	<u>35,000</u>	<u>36,512</u>	<u>-</u>
<b>Reimbursement</b>				
Minor reimbursed expenses and honoraria	-	-	-	8,209
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,209</u>
<b>Total income from charitable activities</b>	<u><b>1,512</b></u>	<u><b>35,000</b></u>	<u><b>36,512</b></u>	<u><b>8,209</b></u>

Total income from charitable activities all related to prevention. All of 2019 income was unrestricted.

20 Income from other, non-charitable, trading activities - Charity only

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income from fundraising events	267,293	-	267,293	89,726
Sponsorships and social lotteries which cannot be considered pure donations	8,584	-	8,584	6,388
	<u>275,877</u>	<u>-</u>	<u>275,877</u>	<u>96,114</u>

Total income from other non-charitable, trading activity split by activity all related to fundraising activities. All of the 2019 income was unrestricted.

21 Investment income - Charity Only

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Property Rental Income	3,600	-	3,600	1,801
Dividend Income	28,195	-	28,195	33,184
Bank Interest Receivable	1,277	-	1,277	4,777
	<u>33,072</u>	<u>-</u>	<u>33,072</u>	<u>39,762</u>

All of 2019 income was unrestricted.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 22 Other - Charity

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Consultancy and advice	24,396	1,302	25,698	6,026
Coronavirus grant income	161,585	-	161,585	-
Other income	12,437	-	12,437	-
	<b>198,418</b>	<b>1,302</b>	<b>199,720</b>	<b>6,026</b>

Of the £6,026 of 2019 income, £401 was restricted and £5,625 was unrestricted.

Government grants in relation to the Coronavirus Job Retention Scheme amounting to £160,027 were receivable in the year in relation to employees who were put on furlough. Other government grants of £1,558 relating to the interest free benefit incurred on a Coronavirus Business Interruption Loan were received by the Group in the year.

### 23 Expenditure on raising funds and costs of investment management - Charity only

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Cost of fundraising activities	18,526	12,500	31,026	16,210
Marketing & advertising of fundraising	56,118	25,525	81,643	16,999
Costs of seeking donations, grants and legacies	144	-	144	362
Cost of operating social lotteries	1,508	-	1,508	1,558
Costs of staging fundraising events	93,912	12,392	106,304	23,641
Gross wages and salaries - fundraising activities	393,383	5,787	399,170	406,483
Other Direct Costs - Fundraising Activities	157,263	15,921	173,184	169,339
Staff Training & Welfare - Fundraising Activities	2,324	-	2,324	3,533
Travel and Subsistence - Fundraising Activities	1,794	256	2,050	12,023
	<b>724,972</b>	<b>72,381</b>	<b>797,353</b>	<b>650,148</b>

All of the 2019 expenditure was unrestricted.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 24 Expenditure on charitable activities - Charity

	Note	Staff costs 2020 £	Other 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Direct spending</b>					
Restricted		43,839	157,284	201,123	295,957
Unrestricted		229,281	56,611	285,892	393,434
		<u>273,120</u>	<u>213,895</u>	<u>487,015</u>	<u>689,391</u>
<b>Grant funding</b>					
Organisation grants	26	-	78,584	78,584	401,430
Staff costs		29,800	-	29,800	31,679
		<u>29,800</u>	<u>78,584</u>	<u>108,384</u>	<u>433,109</u>
<b>Support costs</b>					
Staff costs		569,823	-	569,823	596,453
Premises costs		-	82,273	82,273	63,492
Legal and professional costs		-	13,164	13,164	35,205
Depreciation/interest		-	25,880	25,880	867
Other - admin		-	136,731	136,731	105,729
		<u>569,823</u>	<u>258,048</u>	<u>827,871</u>	<u>801,746</u>
<b>Governance costs:</b>					
Audit fees		42,495	-	42,495	19,250
Accountancy fees		22,531	-	22,531	10,750
		<u>937,769</u>	<u>550,527</u>	<u>1,488,296</u>	<u>1,954,246</u>

Of the £1,488,296 (2019: £1,954,246) expenditure £325,287 (2019: £516,308) related to restricted funds and was categorised as other expenditure.

### 25 Summary of charitable costs by activity – Charity only

	Direct costs	Support costs	Grant funding of activities	Governance	Total 2020	Total 2019
Research	165,567	298,034	108,384	23,409	595,394	1,084,361
Support	321,448	215,246	-	16,907	553,601	557,980
Prevention	-	314,591	-	24,710	339,301	311,905
	<u>487,015</u>	<u>827,871</u>	<u>108,384</u>	<u>65,036</u>	<u>1,488,296</u>	<u>1,954,246</u>

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 26 Breakdown of Grants to organisations

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
University of Liverpool	-	2,500	2,500	39,234
University College London	-	-	-	145,566
Community Engagement Research Programme	-	6,249	6,249	-
University of Nottingham	14,044	-	14,044	49,874
Leeds	-	-	-	24,991
Manchester Cancer Research Centre	9,600	191	9,791	-
Wessex Cancer Alliance & Southampton	-	-	-	65,000
Bibliometric Research	-	26,000	26,000	26,000
Social Media Research	- 20,000	20,000	50,765	
	<b>23,644</b>	<b>59,940</b>	<b>78,584</b>	<b>401,430</b>

In 2019 £195,478 was unrestricted and £205,952 was restricted.

### 27 Investment gains

Group	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Listed investments – Realised gains	34,523	-	34,523	24,489
Listed investments – Unrealised (losses)/gains	(16,915)	-	(16,915)	91,618
<b>Total realised and unrealised gains</b>	<b>17,608</b>	<b>-</b>	<b>17,608</b>	<b>116,107</b>

All the gains on investments in 2019 were unrestricted.

Charity Only	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Listed investments – Realised gains	34,523	-	34,523	24,489
Listed investments – Unrealised (losses)/gains	(16,915)	-	(16,915)	91,618
<b>Total realised and unrealised gains</b>	<b>17,608</b>	<b>-</b>	<b>17,608</b>	<b>116,107</b>

All the gains on investments in 2019 were unrestricted.

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

28 Tangible fixed assets

Group	Leasehold land and buildings £	Fixtures and fittings £	Research office and computer equipment £	Group total £
<b>Cost</b>				
At 1 January 2020	589,981	309,216	469,671	1,368,868
Additions	392	10,944	3,771	15,107
<b>At 31 December 2020</b>	<b>590,373</b>	<b>320,160</b>	<b>473,442</b>	<b>1,383,975</b>
<b>Depreciation</b>				
At 1 January 2020	557,714	212,333	409,940	1,179,987
Charge for the year	5,590	24,868	27,865	58,323
<b>At 31 December 2020</b>	<b>563,304</b>	<b>237,201</b>	<b>437,805</b>	<b>1,238,310</b>
<b>Net book value</b>				
At 31 December 2020	27,069	82,959	35,637	145,665
At 31 December 2019	32,267	96,883	59,731	188,881
<b>Charity Only</b>				
<b>Cost</b>				
At 1 January 2020	6,783	43,844	341,394	392,021
Additions	-	-	2,820	2,820
<b>At 31 December 2020</b>	<b>6,783</b>	<b>43,844</b>	<b>344,214</b>	<b>394,841</b>
<b>Depreciation</b>				
At 1 January 2020	3,522	26,048	301,888	331,458
Charge for the year	785	6,110	16,605	23,500
<b>At 31 December 2020</b>	<b>4,307</b>	<b>32,158</b>	<b>318,493</b>	<b>354,958</b>
<b>Net book value</b>				
At 31 December 2020	2,476	11,686	25,721	39,883
At 31 December 2019	3,261	17,796	39,506	60,563

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 29 Investments held as fixed assets by the Parent Company

	Investments in Subsidiary undertakings £	Listed investments £	Total £
<b>Carrying values of investments</b>			
At 1 January 2020	129,595	1,166,512	1,296,107
Additions	-	85,020	85,020
Cash movement	-	(41,081)	(41,081)
Disposals	-	(143,864)	(143,864)
Revaluation at 31 December 2020	-	(16,915)	(16,915)
<b>At 31 December 2020</b>	<b>129,595</b>	<b>1,049,672</b>	<b>1,179,267</b>

### Analysis between historical cost and revaluation based on market value

Investments as above historical cost	129,595	786,766	1,016,201
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### Analysis of types of investments:

	2020	2019
Cash	82,822	123,901
Listed investments	966,850	1,042,611
	<b>1,049,672</b>	<b>1,166,512</b>

### Analysis of investments in subsidiary undertakings by the Parent Company, The Roy Castle Lung Cancer Foundation

	Included at Historical cost, less write down £
Loans to group undertakings	129,592
Equity investment in group undertakings	3
	<b>129,595</b>
<b>Analysis of equity investments:</b>	
Investments cost	3
	<b>3</b>

The company holds 20% or more of the share capital of the following companies:

Company	Shares held Class	Direct %
Cut Films Limited	Ordinary	100
Roy Castle Retail Limited	Ordinary	100
Roy Castle Trading Limited	Ordinary	100

## Roy Castle Lung Cancer Foundation

### Notes to the Consolidated Accounts for the year ended 31 December 2020

#### 30 Subsidiary companies

The Charity has three wholly owned subsidiaries:

##### Three trading Subsidiaries

Roy Castle Retail Ltd - Company number: 03604677  
 Roy Castle Trading Ltd - Company number: 03909935  
 Cut Films Ltd – Company number 07313137

##### Principle Activities

Retail Charity Shops  
 Charity and Charitable Events  
 Provision of Charity Youth Projects

Where liability is limited by shareholding the amount of the holding company's investment in each subsidiary is £2, which represents 100% of the issued ordinary share capital of each subsidiary. In all cases the subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

All companies are incorporated in England and Wales and are exempt from audit.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company and donates its entire taxable trading profit to the holding company by way of gift aid.

#### A summary of the financial statements of the subsidiaries is:-

	2020 £	2019 £
<b>Assets and Funds</b>		
Aggregate amount of assets	584,930	628,425
Aggregate amounts of liabilities	(910,2131)	(929,637)
Aggregate amount of funds	<u>(325,201)</u>	<u>(301,212)</u>
<b>Profit and Loss</b>		
Turnover net of VAT	1,084,576	2,704,205
Expenses net of VAT	(1,119,575)	(2,208,175)
<b>Net profit for the year before tax</b>	<u>(34,999)</u>	<u>496,030</u>
Interest Paid	(835)	(911)
Gift Aid Payments made to holding company	(3,223)	(534,156)
<b>Net loss for the year after tax and gift aid</b>	<u><u>(39,057)</u></u>	<u><u>(39,037)</u></u>
	<b>Note</b>	
	2020 £	2019 £
Restricted funds retained within charitable subsidiaries	40	
	<u>40,208</u>	<u>40,208</u>

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

31	Stock	Group		Charity Only	
		2020 £	2019 £	2020 £	2019 £
	Stocks	82,906	92,293	13,769	12,722
		<u>82,906</u>	<u>92,293</u>	<u>13,769</u>	<u>12,722</u>

Costs of stock included in the statement of financial activities amounted to £74,200 (2019: £100,802).

Stock includes an impairment provision of £9,223 (2019: £14,234).

### Analysis of the value of stock by activity

Activity	Group		Charity Only	
	2020 £	2019 £	2020 £	2019 £
Fundraising activities	13,769	12,722	13,769	12,722
Stocks for Sales of donated and related Goods	69,137	79,571	-	-
	<u>82,906</u>	<u>92,293</u>	<u>13,769</u>	<u>12,722</u>

32	Debtors	Group		Charity Only	
		2020 £	2019 £	2020 £	2019 £
	Trade debtors	93,423	78,997	44,162	20,513
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	-	273,868	425,235
	Prepayments and accrued income	254,283	354,916	134,243	167,569
	Other debtors	61,787	37,131	23,328	14,448
		<u>409,493</u>	<u>471,044</u>	<u>475,601</u>	<u>627,765</u>

The intercompany balances of £73,514 (2019: £nil) have been impaired in Charity only.

A provision for bad debts of £3,035 (2019: £3,305) was included against trade debtors.

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 33 Creditors: amounts falling due within one year

	Note	Group		Charity Only	
		2020 £	2019 £	2020 £	2019 £
Trade creditors		113,148	192,526	80,509	154,463
Accruals and deferred income	35	384,965	233,884	267,882	147,031
PAYE, NIC VAT and other taxes		41,319	45,767	41,319	45,767
Bank loan		10,000	-	10,000	-
Other creditors		478,635	637,888	463,561	640,245
		<u>1,028,067</u>	<u>1,110,065</u>	<u>863,271</u>	<u>987,506</u>

The is a debenture in place dated 11 April 2001 in Roy Castle Retail Limited over leasehold property of the company by Barclays Bank plc.

There is a cross guarantee between Roy Castle Retail Limited and Roy Castle Lung Foundation that relates to a loan of £129k.

The amount of bank loans repayable included in creditors due within one year relates to a Coronavirus Business Interruption Loan received in the year.

### 34 Creditors: amounts falling due within more than one year

	Group		Charity Only	
	2020 £	2019 £	2020 £	2019 £
Bank loan	190,000	-	190,000	-
	<u>190,000</u>	<u>-</u>	<u>190,000</u>	<u>-</u>

The amount of bank loans repayable included in creditors due more than one year relates to a Coronavirus Business Interruption Loan received in the year. Interest is charged at 2.99% over base and the loan is secured with a fixed and floating debenture over all assets of the Charity. The amount due after five years is £30,000 (2019: £nil).

### 35 Deferred income

	Group 2020 £	Charity only 2020 £
Brought forward	31,960	31,960
Deferred in the year	96,031	96,031
Amounts released in the year	(31,960)	(31,960)
Carried forward	<u>96,031</u>	<u>96,031</u>

£66,031 of the deferred income relates income received for the Charity's LCam Project but relates to 2021 and 2022. £30,000 of the income deferred in the year relates to income for GLCC that was received from Amgen relating to 2021 sponsorship.

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

36 Analysis of changes in net cash

Group	01/01/2020 £	Cash flows £	Market value movements £	31/12/2020 £
<b>Net Cash</b>				
Cash at bank and in hand	387,694	280,892	-	668,586
	<u>387,694</u>	<u>280,892</u>	<u>-</u>	<u>668,586</u>
<b>Debt</b>				
Debts falling due within one year	-	(10,000)	-	(10,000)
Debts falling due after one year	-	(190,000)	-	(190,000)
	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
<b>Net debt</b>	<u>387,694</u>	<u>80,892</u>	<u>-</u>	<u>468,586</u>

Charity	01/01/2020 £	Cash flows £	Market value movements £	31/12/2020 £
<b>Net Cash</b>				
Cash at bank and in hand	244,589	283,473	-	528,062
	<u>244,589</u>	<u>283,473</u>	<u>-</u>	<u>528,062</u>
<b>Debt</b>				
Debts falling due within one year	-	(10,000)	-	(10,000)
Debts falling due after one year	-	(190,000)	-	(190,000)
	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
<b>Net debt</b>	<u>244,589</u>	<u>83,473</u>	<u>-</u>	<u>328,062</u>

## Roy Castle Lung Cancer Foundation

### Notes to the Consolidated Accounts for the year ended 31 December 2020

#### 37 Charitable commitments not recognised as provisions or commitments in the accounts

The charity operates an open grants process for Research Grants, some grant applications extend beyond one year, however the charity has an annual review policy for grants that extend beyond one year, with the ability to terminate the grant should it not meet its objectives. Grant costs are accrued in the accounts up to the review date of each grant as this forms the contractual obligation.

There is £257,841 (2019: £190,983) of awards that are contingent on the grants meeting their criteria that would then fall across the next two subsequent years accounts.

At the year end the group had total outstanding commitments under non-cancellable operating leases as set out below:	2020 £	2019 £
Operating leases which expire:		
within one year	580,058	531,416
within two to five years	1,352,594	1,411,373
in over five years	324,000	475,750
	<u>2,256,652</u>	<u>2,418,539</u>
At the year end the charity had total outstanding commitments under non-cancellable operating leases as set out below:	2020 £	2019 £
Operating leases which expire:		
within one year	75,508	67,616
within two to five years	159,694	187,848
	<u>235,202</u>	<u>255,464</u>

#### 38 Related party transactions

The senior management team as identified in the Trustees Annual Report received a total of £294,912 in salaries (2019: £307,313).

Balances held with subsidiary companies of Roy Castle Lung Cancer Foundation in the year were as follows:

	2020 £	2019 £
Included in debtors:	273,868	425,235
Included in creditors:	-	-
Interest charged on balances:	<u>835</u>	<u>911</u>

The movement in the amount due to the charity relates to amounts advanced in the year of £1,291,278 (2019: £2,080,018), amounts credited in the year of £1,369,132 (2019: £2,151,379) and amounts written off of £73,514 (2019: £nil).

#### 39 Related party transactions with Trustees

Transactions of £12,127 (2019: £20,952) occurred in the year with a close family member (Mr Robert Chadwick) of one of the trustees, Paula Chadwick (Chief Executive of the Charity), these transactions were in respect of work carried out in the shops (£11,767) and work done in Head Office related to Covid-19 (£360). No balance was outstanding at the year end (2019: £Nil).

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

40 Particulars of how particular funds are represented by assets and liabilities

<b>Group</b>			
<b>At 31 December 2020</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	145,665	-	145,665
Fixed asset investments	1,049,672	-	1,049,672
Current Assets	363,958	797,027	1,160,985
Current Liabilities	(1,028,067)	-	(1,028,067)
Non-current Liabilities	(190,000)	-	(190,000)
	<b>341,228</b>	<b>797,027</b>	<b>1,138,255</b>

<b>Charity</b>			
<b>At 31 December 2020</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	39,883	-	39,883
Fixed asset investments	1,179,267	-	1,179,267
Current Assets	260,611	756,821	1,017,432
Current Liabilities	(863,271)	-	(863,271)
Non-current Liabilities	(190,000)	-	(190,000)
	<b>426,490</b>	<b>756,821</b>	<b>1,183,311</b>

<b>Group</b>			
<b>At 31 December 2019</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	188,881	-	188,881
Fixed asset investments	1,166,512	-	1,166,512
Current Assets	477,379	473,652	951,031
Current Liabilities	(1,110,065)	-	(1,110,065)
	<b>722,707</b>	<b>473,652</b>	<b>1,196,359</b>

<b>Charity</b>			
<b>At 31 December 2019</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	60,563	-	60,563
Fixed asset investments	1,296,107	-	1,296,107
Current Assets	451,630	433,446	885,076
Current Liabilities	(987,504)	-	(987,504)
	<b>820,796</b>	<b>433,446</b>	<b>1,254,242</b>

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

41 Change in total funds over the year as shown in Note 40, analysed by individual funds

Group	Funds brought forward 2020 £	Income £	Expenditure £	Funds carried forward 2020 £
<b>Unrestricted and designated funds:-</b>				
Group Unrestricted Funds	722,707	3,249,543	(3,631,022)	341,228
<b>Total unrestricted and designated funds</b>	<b>722,707</b>	<b>3,249,543</b>	<b>(3,631,022)</b>	<b>341,228</b>
<b>Charity Restricted Funds</b>				
Sundry RCF Restricted Reserves	186,992	328,278	(183,728)	331,542
GLCC	246,998	392,765	(213,940)	425,823
Boehringer Ingelheim Awareness Project	(546)	-	-	(546)
<b>Subsidiary Restricted Funds</b>				
Cut Films Restricted Reserves	40,208	-	-	40,208
<b>Total restricted funds</b>	<b>473,652</b>	<b>721,043</b>	<b>(397,668)</b>	<b>797,027</b>
<b>Total Group Funds</b>	<b>1,196,359</b>	<b>3,970,586</b>	<b>(4,028,690)</b>	<b>1,138,255</b>

Included in the expenditure above are gains on investments of £17,608 in unrestricted funds.

**Restricted Funds**

Boehringer Ingelheim Awareness Project	To fund lung cancer awareness for individuals
Cut Films Restricted Reserves	To stimulate discussion amongst young people about the issue of smoking.
Sundry RCF Restricted Reserves	To fund lung cancer research for individuals
GLCC	To fund lung cancer research for individuals

Charity only	Funds brought forward 2020 £	Income £	Expenditure £	Funds carried forward 2020 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	820,796	1,476,067	(1,870,373)	426,490
<b>Total unrestricted and designated funds</b>	<b>820,796</b>	<b>1,476,067</b>	<b>(1,870,373)</b>	<b>426,490</b>
<b>RCF Restricted funds:-</b>				
Research - GLCC	246,998	392,765	(213,940)	425,823
Research - others	186,448	328,278	(183,728)	330,998
<b>Total restricted funds</b>	<b>433,446</b>	<b>721,043</b>	<b>(397,668)</b>	<b>756,821</b>
<b>Total Charity Funds</b>	<b>1,254,242</b>	<b>2,197,110</b>	<b>(2,268,041)</b>	<b>1,183,311</b>

Included in the expenditure above are gains on investments of £17,608 in unrestricted funds.

**41 Change in total funds over the year as shown in Note 39, analysed by individual funds (continued)**

Group	Funds brought forward 2019 £	Income £	Expenditure £	Funds carried forward 2019 £
<b>Unrestricted and designated funds:-</b>				
Group Unrestricted Funds	594,647	4,311,260	(4,183,200)	722,707
<b>Total unrestricted and designated funds</b>	<b>594,647</b>	<b>4,311,260</b>	<b>(4,183,200)</b>	<b>722,707</b>
<b>Charity Restricted Funds</b>				
Sundry RCF Restricted Reserves	147,946	216,322	(177,276)	186,992
GLCC	308,274	277,756	(339,032)	246,998
Boehringer Ingelheim Awareness Project	(546)	-	-	(546)
<b>Subsidiary Restricted Funds</b>				
Cut Films Restricted Reserves	40,208	-	-	40,208
<b>Total restricted funds</b>	<b>495,882</b>	<b>494,078</b>	<b>(516,308)</b>	<b>473,652</b>
<b>Total Group Funds</b>	<b>1,090,529</b>	<b>4,805,338</b>	<b>(4,699,508)</b>	<b>1,196,359</b>

Included in the expenditure above are gains on investments of £116,107 in unrestricted funds.

**Restricted Funds**

Boehringer Ingelheim Awareness Project  
Cut Films Restricted Reserves

To fund lung cancer awareness for individuals  
To stimulate discussion amongst young people about the issue of smoking.

Sundry RCF Restricted Reserves  
GLCC

To fund lung cancer research for individuals  
To fund lung cancer research for individuals

**Charity only**

	Funds brought forward 2019 £	Income £	Expenditure £	Funds carried forward 2019 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	684,193	2,108,582	(1,971,979)	820,796
<b>Total unrestricted and designated funds</b>	<b>684,193</b>	<b>2,108,582</b>	<b>(1,971,979)</b>	<b>820,796</b>
<b>RCF Restricted funds:-</b>				
Research - GLCC	308,274	277,756	(339,032)	246,998
Research - others	147,402	216,322	(177,276)	186,448
<b>Total restricted funds</b>	<b>455,676</b>	<b>494,078</b>	<b>(516,308)</b>	<b>433,446</b>
<b>Total Charity Funds</b>	<b>1,139,869</b>	<b>2,602,660</b>	<b>(2,488,287)</b>	<b>1,254,242</b>

Included in the expenditure above are gains on investments of £116,107 in unrestricted funds.

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2020

42 Change in total funds over the year

Group	Income 2020 £	Expenditure 2020 £	Gains & Losses 2020 £	Movement in funds 2020 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	3,249,543	(3,648,630)	17,608	(381,479)
<b>Restricted funds:-</b>				
Restricted Reserves	721,043	(397,668)	-	323,375
	<u>3,970,586</u>	<u>(4,046,298)</u>	<u>17,608</u>	<u>(58,104)</u>

Change in total funds over the year

Charity only	Income 2020 £	Expenditure 2020 £	Gains & Losses 2020 £	Movement in funds 2020 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	1,476,067	(1,887,981)	17,608	(394,306)
<b>Restricted funds:-</b>				
Restricted Reserves	721,043	(397,668)	-	323,375
	<u>2,197,110</u>	<u>(2,285,649)</u>	<u>17,608</u>	<u>(70,931)</u>

Group	Income 2019 £	Expenditure 2019 £	Gains & Losses 2019 £	Movement in funds 2019 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	4,311,260	(4,299,307)	116,107	128,060
<b>Restricted funds:-</b>				
Restricted Reserves	494,078	(516,308)	-	(22,230)
	<u>4,805,338</u>	<u>(4,815,615)</u>	<u>116,107</u>	<u>105,830</u>

Charity only	Income 2019 £	Expenditure 2019 £	Gains & Losses 2019 £	Movement in funds 2019 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	2,108,582	(2,088,086)	116,107	136,603
<b>Restricted funds:-</b>				
Restricted Reserves	494,078	(516,308)	-	(22,230)
	<u>2,602,660</u>	<u>(2,604,394)</u>	<u>116,107</u>	<u>114,373</u>

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2020

### 43 The purposes for which the funds as detailed in note 40 are held by the charity are:-

#### *Unrestricted and designated funds:-*

Unrestricted revenue funds                      These funds are held for the meeting the general objectives of the charity, and to provide reserves for future activities, and subject to charity legislation, are free from all restrictions on their use.

#### *Restricted funds:-*

Sundry RCF Restricted Reserves                      These funds are held for meeting specific objectives of the charity as specified by the donor, and to provide reserves for future suitable activities subject to charity legislation and subject to the restrictions placed on them by individual donors.

GLCC                      These funds are held for meeting specific objectives of the charity as specified by the donor, and to provide reserves for future suitable activities subject to charity legislation and subject to the restrictions placed on them by individual donors.

44 Financial instruments	2020 £	Group 2019 £	Charity 2020 £	2019 £
<b>Carrying amount of financial assets</b>				
Financial instruments measured at fair value	1,049,672	1,166,509	1,179,267	1,296,109

### 45 Ultimate controlling party

The Roy Castle Lung Cancer Foundation is the ultimate controlling party and is under the control of its legal members.