

Charity Registration No. 1085517

Company Registration No. 4132563 (England and Wales)

ROYAL FREE CANCERKIN BREAST CANCER TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007

ROYAL FREE CANCERKIN BREAST CANCER TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S P Parbhoo Ms S N Freeda Dr D A Mackonochie Mr J Manuel Mr M D Paisner CBE Mrs J S Sanitt Dr G Lloyd Dr J Carrier Mrs J Mishon Ms R Wynberg
Secretary	Mrs G Freilich
Charity number	1085517
Company number	4132563
Registered office	The Cancerkin Centre Royal Free Hospital Pond Street Hampstead NW3 2QG
Auditors	SPW (UK) LLP Chartered Accountants Gable House 239 Regents Park Road London N3 3LF
Bankers	Lloyds TSB Plc Hampstead Branch 40 Rosslyn Hill London NW3 1NL
Solicitors	Berwin Leighton Paisner Adelaide House London Bridge London EC4R 9HA

ROYAL FREE CANCERKIN BREAST CANCER TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Investment advisors

GAM Investments Limited
12 St James's Place
London
SW1A 1NP

ROYAL FREE CANCERKIN BREAST CANCER TRUST

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ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

The trustees are pleased to present their report, together with the financial statements of the charity, for the year ended 31 December 2007.

Legal and administrative information forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the current statutory requirements, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

Constitution

The Royal Free Cancerkin Breast Cancer Trust was incorporated on 29th December 2000 as a company limited by guarantee with the working name 'Cancerkin', company number 4132563, registered in England and Wales. The charity was granted registration by the Charity Commission on 13th March 2001, with the registered charity number 1085517.

Objects of the charity

The trustees possess a wide range of options for acting in support of the work of the Royal Free Hospital and the Royal Free and University College Medical School. Within these options, the trustees decided that the funds of the charity may be expended on any or all of the following:

1. The provision of information, treatment, supportive care and rehabilitation for patients with breast cancer and support for those close to them.
2. To support, undertake and collaborate in research regarding the normal breast, breast cancer and benign conditions.
3. To provide education and training for health professionals, students and volunteers in subjects related to breast cancer, benign breast disease and related problems.
4. To evolve with the changing management of breast cancer and to ensure appropriate and effective use of resources.

Organisation

The board of trustees, currently 10 in number who meet quarterly, administers the charity. Committees are convened to develop projects and special events and the Chief Executive manages the day-to-day operations of the charity.

Investment policy

Under the memorandum and articles of association, the charity has the power to make any investment that the trustees see fit. The trustees have decided to reinvest income from investments in order to rebuild the capital reserve and ensure a solid foundation on which to support the charity's future development.

Patient and family services

These are all provided free of charge, regardless of where the patient is treated. Episodes of care given during the 12 months to 31 December 2007 totalled 3,192.

In order to meet the needs of additional patient referrals, Cancerkin will need to select and train more volunteers which will entail initial training courses of 4 days duration, with further study days.

A pilot series of Pilates classes for breast cancer patients were held in the autumn of 2007. A further innovation was the introduction of the 'Share and Tell' programme and seminars for 2008 have been planned.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

The Lymphoedema Clinic

A significant minority of patients treated for breast cancer will develop this chronic, lifelong problem of lymphoedema of the upper limb, related to their treatment or the cancer itself. Those affected experience a considerable impairment of their physical and psychological wellbeing and quality of life. In view of the paucity of NHS provision for the treatment of these patients, Cancerkin has since 1990, run the only clinic of its kind in the UK specialising in treating breast cancer-related lymphoedema. The clinic is consultant led by a breast surgeon with international expertise in lymphoedema. The technique used is Complex Decongestive Therapy, to the standard practised in renowned continental treatment centres. 692 treatments, each of between 30 and 90 minutes duration, were given during the 12 months in question, compared with 635 in the previous 12 months.

The proceeds of a Tea Dance held in June 2006 enabled the setting up of a Lymphoedema Fellowship programme which allowed approximately 2 additional clinics to be held each month in order to reduce the waiting list for new patients and to give some additional treatment to those suffering from severe lymphoedema.

Supportive Care and Rehabilitation

These services consist of one-to-one visits by selected, trained Volunteer Visitors, at the patient's home, in the hospital ward and at the Cancerkin Centre; group meetings to give emotional support and information to patients and relatives; a range of complementary therapies. Currently, these include massage, yoga classes, reflexology and reiki. In addition, art therapy and creative writing therapy successfully introduced during 2006 continued to be popular in 2007. There was a marked increase in the bookings for massage, yoga, reiki and reflexology which improve the quality of life for our patients.

Occasional group meetings are held for young patients, diagnosed between the ages of 20 – 40, in order to address their specific issues.

The Look Good...Feel Better cosmetic makeover programme for women with cancer was introduced in the UK by Cancerkin in 1994. It is currently established in 46 hospitals, hospices and cancer centres throughout the UK and still growing. Monthly sessions continue in the Cancerkin Centre with capacity attendance.

Educational Activities, Publications and Information Technology

In further collaboration with the European School of Oncology in Milan, we held an international course for clinicians on the topic of 'Young Women with Breast Cancer', in the spring of 2007. This was a highly successful programme attracting clinicians from 27 countries.

The Cancerkin newsletter FORUM was completely redesigned and published in October, to coincide with Breast Cancer Awareness Month. In addition, the patient information leaflet 'A world of supportive care' was redesigned and produced simultaneously with the newsletter. The 20th Anniversary Review which highlighted some of our milestones, clinical work and future programmes was published in the spring of 2007.

Preparation and editing of 'Law, Medicine and Ethics,' a compilation of four annual lectures delivered from 2001 to 2004 to commemorate the life and work of the late Lord Jakobovits was completed and the book was published in 2007. The book has been distributed to university libraries, faculties of law, medicine and ethics and similar institutions throughout the UK and Republic of Ireland and Cape Town.

The Cancerkin website was further developed and updated.

Fundraising events

The principal events for the year were the Hyde Park Walk (June), Musical Gala at the Royal Festival Hall (October) and the Wally Walk (December) which raised £133,000.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

The first event in Cancerkin's 20th Anniversary year was the launch of the publication of 'Law, Medicine and Ethics' in February 2007. The formal launch of the £1million Anniversary Appeal was held in April at Goldsmiths Hall, with HRH The Duke of Gloucester as guest of honour. 'Challenge Breast Cancer' - the 4th biennial Cancerkin Hyde Park Walk was held in June 2007 and an Anniversary Gala Concert at the newly refurbished Royal Festival Hall took place in October 2007.

Education

Courses for surgeons on 'Sentinel Node Biopsies in Breast Cancer Patients' were held in the Cancerkin Centre, led by the newly appointed Royal Free breast surgeon consultant, in the autumn of 2007.

A third collaborative course with the European School of Oncology is in discussion.

Research

The Intrabeam-intra-operative radiotherapy machine was delivered by Zeiss and was assessed by the radiotherapy department physicists and clinicians in 2007. Suitable patients with breast cancer will be treated at the Royal Free Hospital with intra-operative radiotherapy in the TARGIT international trial from 2008. Cancerkin is committed to raise funds for the purchase of the Intrabeam machine for this research programme which may have great potential benefit for the majority of breast cancer patients.

Fundraising & PR

The £1million Anniversary Appeal will continue, with concentration on developing trust and corporate support, together with a variety of events and activities.

Trustees

The trustees, who are also the directors for the purpose of company law, who served during the year were:

S P Parbhoo
S N Freeda
D A Mackonochie
J Manuel
M D Paisner CBE
J S Sanitt
G Lloyd
J Carrier
J Mishon
R Wynberg

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of it winding up.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum of £280,000, which is the level equivalent to one year's running costs for the charity. This is accumulated from fundraising events and activities, unsolicited donations, grants and legacies.

This policy is reviewed annually by the trustees.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

Risk factors

It is forecast that the level of free reserves (i.e. funds not tied up in Fixed Assets, designated or restricted funds) will increase during 2008 following the launch of the charity's 20th Anniversary Appeal. However, the expansions of Cancerkin services to meet additional patients referred by a second consultant breast surgeon at the Royal Free and Whittington Hospitals will require funding for an additional staff member. In addition, Cancerkin is committed to £204,120 for the purchase of intra-operative radiotherapy equipment to support the Royal Free Hospital Breast Unit's participation in the international TARGIT research programme.

It is the trustees' view that the charity's reserves should be increased in order to ensure continuing security and flexibility, should it be required to support unforeseen challenges and to ensure the maintenance and development of Cancerkin's future work.

The charity's activities are under constant review and the trustees monitor progress at each meeting. It continues to be the trustees' intention to build up the investment fund which was significantly depleted by the building and purchase of the Cancerkin Centre and its subsequent extension and refurbishment.

Related parties

While the charity is independent and serves patients with breast cancer, their relatives and people at risk of the disease regardless of where they may be treated, it maintains a strong link with the Royal Free Hospital and the Royal Free and University College London Medical School of Medicine, from which it benefits from expert scientific and clinical contribution to a number of Cancerkin programmes.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that SPW (UK) LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of trustees



S P Parbhoo

Trustee

Dated: 16 June 2008

ROYAL FREE CANCERKIN BREAST CANCER TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ROYAL FREE CANCERKIN BREAST CANCER TRUST

We have audited the accounts of Royal Free Cancerkin Breast Cancer Trust for the year ended 31 December 2007 set out on pages 8 to 14. These accounts have been prepared under the accounting policies set out on page 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 5, the trustees, who are also the directors of Royal Free Cancerkin Breast Cancer Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

ROYAL FREE CANCERKIN BREAST CANCER TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ROYAL FREE CANCERKIN BREAST CANCER TRUST

Opinion

We have audited the accounts of Royal Free Cancerkin Breast Cancer Trust for the year ended 31 December 2007 set out on pages 8 to 14. These accounts have been prepared under the accounting policies set out on page 10.

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 December 2007 and of its incoming resources and application of resources in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the accounts.



SPW (UK) LLP

Chartered Accountants

Registered Auditor

Chartered Accountants

Gable House

239 Regents Park Road

London

N3 3LF

Dated:

16 June 2008

ROYAL FREE CANCERIN BREAST CANCER TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 £	2006 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	116,835	49,232
Investment income	3	5,717	8,812
		<u>122,552</u>	<u>58,044</u>
Incoming resources from charitable activities.	4	159,278	63,450
Other incoming resources	5	-	132
		<u>281,830</u>	<u>121,626</u>
<u>Resources expended</u>			
6			
Costs of generating funds			
Fundraising and publicity costs		61,261	50,455
		<u>220,569</u>	<u>71,171</u>
Net incoming resources available			
Total charitable expenditure		243,509	176,059
		<u>304,770</u>	<u>226,514</u>
Net expenditure for the year/ Net outgoing resources			
		(22,940)	(104,888)
Other recognised gains and losses			
Gains on investment assets		18,333	21,630
		<u>(4,607)</u>	<u>(83,258)</u>
Net movement in funds			
Fund balances at 1 January 2007		1,394,499	1,477,757
		<u>1,389,892</u>	<u>1,394,499</u>
Fund balances at 31 December 2007			

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

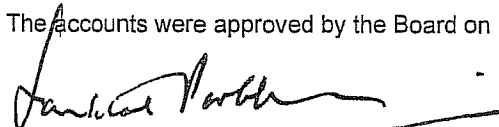
ROYAL FREE CANCERKIN BREAST CANCER TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007		2006	
		£	£	£	£
Fixed assets					
Tangible assets	9		921,115		930,120
Current assets					
Other assets	10	204,120		-	
Debtors	10	15,211		3,834	
Investments		515,460		411,411	
Cash at bank and in hand		1,735		76,348	
			736,526		491,593
Creditors: amounts falling due within one year	11	(267,749)		(27,214)	
Net current assets			468,777		464,379
Total assets less current liabilities			1,389,892		1,394,499
Unrestricted funds					
General funds			1,185,772		1,394,499
Designated funds	12		204,120		-
			1,389,892		1,394,499

The accounts were approved by the Board on 16 June 2008



Mr S P Parbhoo
Trustee

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

1.2 Incoming resources

Incoming resources represents the total income receivable during the year comprising donations, gifts, publications and investment income.

The costs include expenses relating to the running of charitable programmes, services and events including staff costs directly attributable to each activity.

Administrative costs relate to the management of the charity's assets, organisation administration and compliance with constitutional and statutory requirements. Included within the administration costs are 15% of the staff salaries which is believed to be the proportion of time spent running the charitable and fund raising events.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

1.4 Investments

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.5 Accumulated funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

2 Donations and legacies

	2007 £	2006 £
Donations and gifts	64,985	39,232
Legacies and trusts	51,850	10,000
	<u>116,835</u>	<u>49,232</u>

3 Investment income

	2007 £	2006 £
Interest receivable	<u>5,717</u>	<u>8,812</u>

4 Incoming resources from charitable activities.

	2007 £	2006 £
Event income and fundraising	147,488	12,533
Other charitable income	11,600	4,303
Tea Dance	190	46,614
	<u>159,278</u>	<u>63,450</u>

5 Other incoming resources

	Total 2007 £	Total 2006 £
Other income	<u>-</u>	<u>132</u>

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2007 £	Total 2006 £
Costs of generating funds					
Fundraising and publicity	28,644	-	32,617	61,261	50,455
Charitable expenditure:					
Patient services, education and administration	161,300	11,350	70,859	243,509	176,059
	<u>160,690</u>	<u>11,350</u>	<u>55,033</u>	<u>304,770</u>	<u>226,514</u>

Patient services, education and administration costs includes payments to the auditors of £2,938 (2006 - £3,375) for audit fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. No trustees received any reimbursed expenses during the year

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2007 Number	2006 Number
Administrative and fundraising	<u>5</u>	<u>5</u>
Employment costs	2007	2006
	£	£
Wages and salaries	<u>161,300</u>	<u>131,766</u>

There were no employees whose annual emoluments were £60,000 or more.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

9 Tangible fixed assets	Land and buildings £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 January 2007	1,013,331	585	1,013,916
Additions	-	2,348	2,348
At 31 December 2007	1,013,331	2,933	1,016,264
Depreciation			
At 1 January 2007	83,543	256	83,799
Charge for the year	10,681	669	11,350
At 31 December 2007	94,224	925	95,149
Net book value			
At 31 December 2007	919,107	2,008	921,115
At 31 December 2006	929,788	332	930,120

All assets are held for charity use.

10 Debtors and other assets	2007 £	2006 £
Other assets	204,120	-
Other debtors	13,188	1,588
Prepayments and accrued income	2,023	2,246
	219,331	3,834

Included in other assets is an amount of £204,120 which is the cost of an intra-operative radiotherapy machine being purchased by Cancerkin. Ownership does not pass to Cancerkin until the cost is paid in full to the manufacturer, at which time the machine will be donated by Cancerkin to the Royal Free Hospital. Payment and donation of the machine is expected to occur during 2008.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

11 Creditors: amounts falling due within one year	2007	2006
	£	£
Other creditors	204,120	-
Accruals	63,629	27,214
	<u>267,749</u>	<u>27,214</u>

12 Designated funds

Designated funds represent the amount payable by Cancerkin for the intra-operative radiotherapy machine.