

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 2008

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	Victoria Todd
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 2008

The trustees are pleased to present their report, together with the financial statements of the charity, for the year ended 31 December 2008.

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 2008 totalled 3,171.

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 and these were continued in 2008 (146 sessions).

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2008

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. 809 treatments, each of between 30 and 90 minutes duration, were given during the 12 months in question, compared with 692 in the previous 12 months.

The Elaine Gladston Trust provided a grant of £20,000 via Mrs Deborah Pulvernis to allow 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.

In addition the Trust funding has enabled the purchase of another specialist couch for treatment.

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 2008. There was a marked increase in the bookings for massage, yoga, reiki and reflexology which improve the quality of life for our patients.

The group meetings held for young patients, diagnosed between the ages of 20 – 40, in order to address their specific issues were suspended in 2008 due to the break up of the group. It is intended to address this issue in 2009 as more young women are being diagnosed with breast cancer in our catchment area.

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.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2008

Fundraising events

The principal events for the year were concerts at the home of Lady Solti and Smith Square and an event at Floris in central London.

In April, the Helly Bliss Concert took place at St. John's, Smith Square, London SW1 featuring violinist Peter Fisher and pianist Peter Hewitt who presented some of the most beautiful violin music, stunning pyrotechnics and an incredibly exciting new work by eminent British composer Cecilia McDowall written specially for the concert. In addition, guests were invited to hear a pre concert interview in which featured composer Cecilia McDowall was in conversation with BBC Radio 3 presenter Andrew McGregor about her life as a composer and the exciting new work specially written for this event. This event, organised by Helly Bliss, long time friend and supporter of Cancerkin, raised over £5,000.

To mark Breast Cancer Awareness Month in October 2008, Floris, the Royal perfumers, raised just under £2,000 for Cancerkin. They held a party at their flagship store in Jermyn Street, London SW1 on 22nd October at which their perfumer laureate was on hand to demonstrate her bespoke art and guests were entertained with pink refreshments and live entertainment. There was a raffle on the night, with prizes donated by neighbouring stores and all guests received a gift bag. Floris donated 20% of all sales on the night to Cancerkin and in addition, donated 20% of sales from their Night Scented Jasmine fragrance during the entire month of October.

The Pink Ribbon Bridge Cup event was scheduled for 26th October. This has been a regular and successful event for Cancerkin in the past, but regrettably, it had to be cancelled on this occasion. Despite offering to return the funds raised in advance, many of Cancerkin's supporters (both those intending to attend and those unable to attend) kindly donated the money anyway and raised over £1,000 towards Cancerkin's work.

In November, Lady Solti hosted a musical evening for Cancerkin in the studio of her late husband, Sir Georg Solti. Guests gathered for a reception and this was followed by a piano recital by Tamas Vasary and then dinner. There was a significant waiting list for this very popular event and those unable to attend either due to lack of places or who were unable to make it on the night helped to make this a huge financial success. In total, £14,000 was raised and donated to help support the services at Cancerkin and also to fund important research into the new application of treatment at the Royal Free Hospital where so many of our patients have received treatment.

Education

Courses for surgeons on 'Sentinel Node Biopsies in Breast Cancer Patients' were held in the Cancerkin Centre, led by Mr Mo Keshtgar, Royal Free consultant breast surgeon.

Research

In 2008, Cancerkin purchased a radiotherapy machine (Intrabeam) to study the effect of a single dose of intra-operative radiotherapy vs. several weeks of conventional radiotherapy in a multi-centre international (TARGIT) study. This may provide cost effective radiotherapy with potentially better outcome in terms of breast texture and appearance and fewer lung side effects. In addition, this procedure may also save many patients from opting for mastectomy when travelling long distances to a radiotherapy centre is an issue. 15 patients were entered into this study by the end of the year.

Fundraising & PR

A total of £200,000 was raised towards the purchase of the Intrabeam machine. Cancerkin benefited from another £110,000 plus as a result of trust foundation grants, donations and legacies.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2008

Trustees

The trustees, who are also the directors for the purpose of company law, and 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

G Freilich

(Appointed 19 May 2008 and resigned 26 March 2009)

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.

Investment performance

The investment value held by Cancerkin has fallen in the year but this is due to the current economic climate. The capital sum invested by Cancerkin has been preserved.

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.

Risk factors

It is the trustees' view that the charity's reserves should be maintained 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.

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.

ROYAL FREE CANCERKIN BREAST CANCER TRUST

TRUSTEES' REPORT (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2008*

Auditors

A resolution proposing that SPW (UK) LLP be reappointed as auditors of the company has been agreed by the board.

On behalf of the board of trustees

S P Parbhoo

Trustee

Dated: 7 June 2009

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 2008 set out on pages 9 to 15. These accounts have been prepared in accordance with the accounting policies set out on page 11.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its 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 6, 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.

In addition we report to you if, in our opinion, 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 the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 2008 set out on pages 9 to 15. These accounts have been prepared under the accounting policies set out on page 11.

- 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 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided 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: 7 June 2009

ROYAL FREE CANCERKIN BREAST CANCER TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
<u>Incoming resources from generated funds</u>			
Trust and foundation grants, donations and legacies	2	336,681	116,835
Investment income	3	7,578	5,717
		<hr/>	<hr/>
		344,259	122,552
Incoming resources from charitable activities	4	19,414	159,278
		<hr/>	<hr/>
Total incoming resources		363,673	281,830
		<hr/>	<hr/>
<u>Resources expended</u>			
Costs of generating funds			
Fundraising and publicity costs	5	17,963	61,261
		<hr/>	<hr/>
Net incoming resources available		345,710	220,569
		<hr/>	<hr/>
Total charitable expenditure	5	189,619	243,509
		<hr/>	<hr/>
Total resources expended		207,582	304,770
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		156,091	(22,940)
		<hr/>	<hr/>
Other recognised gains and losses (Losses)/gains on investment assets		(55,733)	18,333
		<hr/>	<hr/>
Net movement in funds		100,358	(4,607)
		<hr/>	<hr/>
Fund balances at 1 January 2008		1,389,892	1,394,499
		<hr/>	<hr/>
Fund balances at 31 December 2008		1,490,250	1,389,892
		<hr/> <hr/>	<hr/> <hr/>

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 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	8		912,014		921,115
Current assets					
Debtors and other assets	9	204,914		219,331	
Investments		281,969		515,460	
Cash at bank and in hand		127,401		1,735	
			<u>614,284</u>		<u>736,526</u>
Creditors: amounts falling due within one year	10	<u>(36,048)</u>		<u>(267,749)</u>	
Net current assets			<u>578,236</u>		<u>468,777</u>
Total assets less current liabilities			<u>1,490,250</u>		<u>1,389,892</u>
Income funds					
Restricted funds	11	199,496		-	
Unrestricted funds		<u>1,290,754</u>		<u>1,389,892</u>	
			<u>1,490,250</u>		<u>1,389,892</u>

The accounts were approved by the Board on 7 June 2009

Mr S P Parbhoo
Trustee

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

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.

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1.3 Resources expended

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

Charitable expenditure includes all administrative costs relating 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

1.4 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.

1.5 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.

1.6 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 2008

2 Trust and foundation grants, donations and legacies

	2008 £	2007 £
Trust and foundation grants	303,049	64,985
Legacies, donations and gifts	33,632	51,850
	<u>336,681</u>	<u>116,835</u>

3 Investment income

	2008 £	2007 £
Interest receivable	<u>7,578</u>	<u>5,717</u>

4 Incoming resources from charitable activities

	2008 £	2007 £
Event income and fundraising	17,283	147,488
Other charitable income	2,131	11,600
Tea Dance	-	190
	<u>19,414</u>	<u>159,278</u>

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2008 £	Total 2007 £
Costs of generating funds					
Fundraising and publicity	<u>4,687</u>	<u>-</u>	<u>13,276</u>	<u>17,963</u>	<u>61,261</u>
Charitable expenditure:					
Patient services, education and administration	<u>155,409</u>	<u>11,877</u>	<u>22,333</u>	<u>189,619</u>	<u>243,509</u>
	<u><u>160,096</u></u>	<u><u>11,877</u></u>	<u><u>35,609</u></u>	<u><u>207,582</u></u>	<u><u>304,770</u></u>

Patient services, education and administration costs includes payments to auditors of £2,875 (2007 - £2,938) for audit fees.

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2008 Number	2007 Number
Administrative and fundraising	<u>3</u>	<u>5</u>
Employment costs	2008	2007
	£	£
Wages and salaries	<u><u>155,409</u></u>	<u><u>161,300</u></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 2008

8 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2008	1,013,331	2,933	1,016,264
Additions	-	2,776	2,776
At 31 December 2008	1,013,331	5,709	1,019,040
Depreciation			
At 1 January 2008	94,224	925	95,149
Charge for the year	10,681	1,196	11,877
At 31 December 2008	104,905	2,121	107,026
Net book value			
At 31 December 2008	908,426	3,588	912,014
At 31 December 2007	919,107	2,008	921,115

All assets are held for charity use.

9 Debtors and other assets

	2008	2007
	£	£
Other assets	199,496	204,120
Other debtors	3,665	13,188
Prepayments and accrued income	1,753	2,023
	204,914	219,331

Included in other assets is an amount of £199,496 which is the cost of an intra-operative radiotherapy machine purchased by Cancerkin. It is intended that this machine will be donated by Cancerkin to the Royal Free Hospital. There is a difference between this sum and the 2007 figure of £204,120 because the final purchase price was discounted.

10 Creditors: amounts falling due within one year

	2008	2007
	£	£
Other creditors	-	204,120
Accruals	36,048	63,629
	36,048	267,749

ROYAL FREE CANCERKIN BREAST CANCER TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

11 Restricted funds

The restricted funds of £199,496 are for the Intra-operative radiotherapy machine purchased by Cancerkin.