



Tenovus Cancer Care

Annual Report & Accounts

For the year ended 31st March 2017

Registered Company No. 00943501

Registered Charity No. 1054015



Report of the Trustees for the year ending 31 March 2017

Chair's Report

It's been another busy and successful year for Tenovus Cancer Care. In the last 12 months we've increased the breadth of our services so we're supporting more people in more communities. We helped 5,003 people, an increase of 6% on the previous year; this is in addition to the thousands of existing clients we continue to support. We're building stronger partnerships with Health Boards across Wales, developing our services to complement NHS care, and working more closely with healthcare professionals. By doing this, we're able to give patients better experiences and the very best care.

Demand for our services has been increasing this year, particularly for our Cancer Support Advisors who carried out 11% more benefits assessments than last year. We helped claim £4.6million worth of benefits (equating to £7.7million annually) on behalf of cancer patients and their loved ones. This is money that was desperately needed and people would have struggled to access without our help.

Our Support Line nurses handled more than 12,500 calls this year. They were at the end of the phone every single day so that anyone worried about cancer had someone to talk to.

In April 2016 we expanded our Sing with Us service and launched two new choirs in Sutton and Chelsea. We now have 19 choirs across Wales and England and support around 1,400 people every week. Being part of our Sing with Us choirs makes a huge difference to our choristers. As well as providing support, it's somewhere for them to have fun, meet new friends, and others in a similar position, and learn something new that really does help them to cope.

Our qualified counsellors are there so no one has to face cancer alone and this year they listened for more than 2,780 hours, supporting people through diagnosis, treatment, bereavement and beyond.

Over the last 12 months we've used our innovative Mobile Support Units to bring cancer treatment and care to even more people. We saw 8,500 visitors and worked in partnership with the NHS to deliver 6,636 chemotherapy and other treatments closer to home. We've also been using our Mobile Support Units to help raise awareness and increase early diagnosis of bowel cancer in Merthyr Tydfil, working in partnership with Cwm Taf Health Board.

We've again funded around £1 million of research through our PhD Studentships and Innovation Grants. We're funding some of the most cutting-edge projects, as well as research that supports people affected by cancer today.

We've lobbied and commented on the Welsh Government's policies around HPV vaccination for boys and the use of e-cigarettes. We've also continued to run our annual quit smoking and sun safety campaigns, working to raise awareness and knowledge around some of the most avoidable cancers.

We couldn't have done any of this without the support and enthusiasm of our wonderful volunteers who continue to drive our organisation. This year they gave 300,000 hours of their time, supporting every part of the charity.

And of course as well as our volunteers we must recognise the fantastic commitment, support and generosity of all our donors and supporters, our Patrons, Trustees and staff. Thanks to you we've been able to support more cancer patients and their loved ones than ever before.

Thank you.

Richard Sims
Chair of the Board of Trustees

Trustees' Report

In this report, we set out the report and accounts of Tenovus Cancer Care for the year 1st April 2016 to 31st March 2017.

As the Board of Trustees we do this under the Companies Act 2006, the Charities Act 2011, and the Statement of Recommended Practice: Accounting by Charities effective January 2015, and applicable accounting standards.

Objectives and Principal Activities of Tenovus Cancer Care

Tenovus Cancer Care works towards a long term vision: a future where fewer people get cancer, and one where everyone will have equal access to excellent treatment and support.

We have referred to the guidance contained in the Charity Commission's "general guidance on public benefit" when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

Our core Mission is to work in partnership to deliver innovative research-led cancer prevention, together with treatment and support in the community, for people with the greatest need – initially in Wales.

What we do:

Our specialist Cancer Support Team (CST) provides both practical and emotional support to cancer patients and their families.

Our Mobile Support Units and free Support Line ensure we can reach cancer patients and their families closer to home.

We fund an outstanding and dynamic programme of cancer research to find improved treatments and preventions.

We raise awareness of the issues faced by cancer patients today.

The strategic aims for the charity are:

- **To provide support and treatment to people with cancer and their loved ones closer to home in unique ways**
- **To represent the needs of people with cancer and their loved ones**
- **To conduct and fund research to improve cancer outcomes and experiences**
- **To work with communities to develop healthy lifestyle programmes**

Achievements & Performance

Cancer Support Services

Tenovus Cancer Care wants to make sure that everyone has access to the best cancer care and support, wherever they live. That's why we provide treatment and support in communities across the country, working closely with the NHS and our partners to make sure we don't duplicate our services, and that every pound raised counts.

With around 19,000 people in Wales diagnosed with cancer each year, and that number on the rise, our cancer support services are understandably at the heart of what we do.

Our dedicated Cancer Support Team (CST) helps people affected by cancer with a range of free services for as long as they are needed. We complement the clinical care that people receive from the NHS by supporting them at diagnosis, through treatment and beyond.

We differ from many other cancer charities as our focus is helping anyone affected by cancer. A cancer diagnosis affects the entire family; that's why we support not just the patient, but also their family and friends. That way we are able to help as many people as possible.

What we achieved in 2016/17

This year our experienced Support Team helped 5,003 new people, an increase of 6% on the previous year. This is in addition to the thousands of existing clients we continue to support.

With more and more people being diagnosed with and surviving cancer, there is even more demand for our vital support services, which is why it's so important that we evaluate and review our services and activities regularly. That way, we can make sure they fit with our strategic aims and meet the needs people affected by cancer across the country.

This year:

• Our nurse-led Support Line handled over 12,500 calls from people affected by cancer

We've been able to help so many people this year because we're the only cancer charity in Wales that operate a Support Line from 8am to 8pm, 365 days a year. The service is completely free and confidential, meaning people affected by cancer can get the information, advice and support they need, when they need it. In addition, the fact that our Support Line is run by experienced nurses means we are also able to answer clinical questions and concerns.

Our Cancer Callback service has also continued to go from strength to strength, giving cancer patients their very own dedicated Support Line nurse who calls them at times that suit them, including evenings, weekends and bank holidays, making it a truly patient-centred service.

We are proud to have continued to expand the delivery of the Cancer Callback service into three Health Boards and this year we called more than 600 patients (up 50% on the previous year), each of whom had an average of six calls during the course of their treatment. This service is supporting many cancer patients who do not have a Clinical Nurse Specialist or may not know who their NHS Key Worker is. Our Callback service continues to fill a vital gap in cancer support, answering patient questions, taking the time to listen, and addressing their concerns. As patient demand continues to rise we plan to grow this service and support even more patients.

Liz and Gordon – Llangunnor

Liz and Gordon live in Carmarthenshire, where they run a Great Dane rescue centre. Liz was diagnosed with breast cancer in 2013 and Gordon was diagnosed with prostate cancer in 2014. They continued to run the rescue centre throughout, and even found time to join our Carmarthen choir.

"Tenovus Cancer Care supported both of us. From the very beginning after I had my mastectomy, and the very day Gordon was diagnosed with prostate cancer. They were with us every step of our journey.

It was so reassuring to know that someone was at the other end of the line to answer all the questions we had. We're so busy with the dogs, it was good to know that the nurse would ring us at a time that was convenient. The fact that

she knew all about the problems we were facing, meant she could give us the best advice. I would tell anyone that Tenovus Cancer Care's Callback service is so reassuring."

● **We've helped people affected by cancer access £4.6million worth of benefits (equating to £7.7million annually), an increase of nearly £1.1 million on last year (£1.3million annually)**

At Tenovus Cancer Care we understand the hidden costs of cancer. Research shows that next to pain, worries about money matters are the next biggest concern for cancer patients. The financial impact of a cancer diagnosis can often be high as some patients may have to reduce their work hours or stop working altogether. In addition to this loss in income they may have additional costs, including travel costs to and from hospital or an increase in household bills, such as the cost of energy to heat their homes.

Our dedicated team of Cancer Support Advisors (CSAs) understand the importance of giving our patients the very best advice, and provide an outreach service across Wales in both hospitals and communities. They help cancer patients and their families access advice, whether they are receiving treatment or follow-up care. We helped people maximise their income and access financial support in the form of grants and benefits in 32 different outreach venues or over the phone. This is vitally important in helping us support patients, no matter where they live.

The Government's programme of welfare reform has led to increasingly complex benefits forms that take time and knowledge to complete. Understandably, these can be overwhelming for cancer patients who may be feeling unwell, tired or unable to fully concentrate. This is where we come in.

This year:

- 3,625 assessments were completed by our CSAs, 11% more than in 2015/16 with the total number of applications submitted for the year being 3,766 (also an 11% increase on the previous year). While the benefits and grants we have secured have given patients financial security, we continue to help service users to obtain blue badges to give them independence and freedom and a better quality of life, at a difficult time.
- We successfully retained the Advice Quality Standard and are proud to continue to be the only cancer charity in Wales to hold this accreditation. This is so important as it means our staff are trained to the highest standard and are best placed to help meet the needs of cancer patients and their families.

Gillian - Conwy

"When you're diagnosed with cancer, it's so negative. You feel anger, loss, worry – and you continue to feel those things when you're having scans or waiting for appointments.

"I've used nearly all of Tenovus Cancer Care's services! I'm a member of the choir, I've had financial and employment advice, and I've had counselling. Such an amazing charity, they've played a vital role in my cancer journey, and supported me living with cancer, and they continue to support me.

"I had to stop working when I had my operations and treatment. My activities were really limited. It was such a worrying time for the family, and having to finish work caused a lot of heartache. Dawn, the Cancer Support Advisor was amazing. Truly amazing. She helped me understand what I was entitled to, and how to go about claiming it. She gave brilliant advice about work as well. I've always worked, so it was really hard for me. She continued to help me when I wanted to return to work, how to go about it and what I needed to check with my employers. She made everything so easy, and the best thing is, I know she's there if I need anything."

● **We have seen over 1,400 people each week benefit from singing in one of our 19 Sing with Us choirs**

Singing continues to be a very big part in how we help our patients and their loved ones cope with a diagnosis of cancer. Our choirs stop people feeling isolated and lonely and research shows that singing and being part of our choirs makes an enormous difference; it lifts spirits and it can even help reduce pain and the side effects of treatment.

Our choirs have grown from strength to strength since our first choir was launched in Pontypridd, and we now run 19 choirs in communities across Wales and England.

This year:

- Our Cardiff North choir celebrated its 5th anniversary

- We supported 1,486 cancer patients and those affected by cancer each week. This year our choir membership has grown by 26%, meaning we are regularly supporting more people than ever through this community-based service
- Our choirs continue to raise awareness about Sing With Us and the other Tenovus Cancer Care services through 262 performances at shops, community events and conferences
- In addition to publishing our More than Singing choir research (detailed later in the report), we continued with our choir research and are taking part in a new project in conjunction with Royal College of Music and Imperial College London which looks to build on those earlier findings

Angela - Carmarthen

"When I joined the Carmarthen Sing with Us choir, I felt very low. It felt like a dark cloud had been over me but after the first night, it felt like I could see a ray of sunshine for the first time in over five years. The choir has made me feel so welcome and I felt as if I had known them all my life. Now the sun shines so bright with blue skies in my life."

"My husband has also joined the choir. We look forward to Thursday evenings to see everyone because we know we are going to be coming home with the biggest smiles on our faces. My mum joined the Barry choir and it's lovely when we meet up with the other choirs. It's just like having a family get-together. You know with the Sing with Us choirs you've got a friend to lean on. Thank you."

● Our Mobile Support Units have brought treatment closer to home, giving cancer patients more time with the people they love

Our Mobile Support Units have been bringing treatment and support into the heart of communities for over eight years. This unique service saves people time, stress and the extra costs of travelling to hospital. For cancer patients, fewer miles travelled means more time with the people they love.

This year:

- Working in partnership with the NHS we've helped deliver 6,636 chemotherapy and other treatments closer to home, in communities across the country – 50% more than in 2015/16
- Our Units travelled nearly 33,000 miles
- We welcomed more than 8,500 visitors on board (31% more than last year)
- Our Rapid Access Bowel Cancer Clinic has provided a quick and easy way for members of the public to ask questions about the signs and symptoms of bowel cancer. Since opening, the service has resulted in a decrease in waiting times from 10.5 weeks to 5.9 weeks for routine referrals to be seen at a colorectal clinic. It is unlikely these people would have accessed any services at all without the Mobile Support Unit in their community.

Albert - Cardiff

"I live in Cardiff and I've been going to Tenovus Cancer Care's Mobile Support Unit for my haematology treatment for almost three months."

"I much prefer coming here, it's a lot easier than the hospital. Parking is so much easier, and it's such a nice atmosphere! It's more comfortable too, you just feel more relaxed coming here."

"The nurses are fantastic – they're the same ones that you would see up in the hospital. They have more time to spend with us patients, so they're more relaxed too."

"The big difference between coming here, and going to the hospital is, you come here and you can park right alongside the Unit instead of queuing and paying a small fortune. In the hospital, you can arrive in plenty of time – but if there's no treatment chairs available, you can be waiting for an hour or two. Then when a chair does become available, there might not be a nurse available! What I've found coming to the Mobile Support Unit, the time I would have been queuing in the hospital carpark – I've come in here, had my treatment, and gone home again! It's just fantastic."

"I've been going back and forth to the hospital for the last 18 months, once or twice a week. Since I've started coming here, I feel much better in myself. It takes all the stress out of it."

● Our counsellors listened for 2,780 hours

Our team of dedicated counsellors, all of whom are accredited practitioners with the British Association of Counselling and Psychotherapy, are here to listen so that no-one has to cope with cancer alone. Our counsellors offer emotional support, not just to patients, but to the whole family, unlike the NHS and many other cancer charities. Our service is completely free and makes a real difference, helping people to adapt to living with a cancer diagnosis in their family, reducing stress, anxiety and depression, and helping them cope with the illness.

This year:

- In addition to listening for over 2,780 hours, our counsellors supported 700 clients across the year
- We helped people affected by cancer maintain a sense of control in their lives; helped them to make decisions, look after themselves and their families, and have a better quality of life

Christine – Talygarn

"My husband John was diagnosed with bowel cancer in May 2014. It was a situation that you don't ever imagine having to live through. By the time he was diagnosed, the cancer had progressed to metastasis in his liver. All this was only discovered because his Warfarin levels had gone haywire.

"He was a very strong, loving man and as the months progressed so did his illness. He lost his fight at the end of November.

"As you can imagine, his death has left a huge void and sadness in my life – I feel that if I cried forever I could never lose the heaviness and sadness I feel.

"I began counselling with Sally at Tenovus Cancer Care and it was my lifeline during such a sad period of my life. I was able to give voice to my worst thoughts – thoughts I couldn't share with my children. I looked forward to my sessions and without exception, always felt better. My counsellor guided me through some of my darkest moments. I was always impressed by how much she remembered of previous sessions. Words cannot fully convey the whole benefit, as so much of it is emotional. Simply thank you."

Aims for 2017/18

- Deliver services to both new and existing clients making sure every person has access to all our services
- Continue to deliver a professional, nurse-led Support Line and further develop the Cancer Callback service
- Provide financial and practical support to ensure clients receive welfare advice and the benefits they are entitled to
- Help people affected by cancer through our Sing with Us choirs
- Deliver treatments closer to home on our Mobile Support Units in partnership with the NHS
- Provide emotional support to patients and their loved ones in unique ways

Pushing for change...supporting cancer patients in other ways

Today there are around 130,000 people living with cancer in Wales, and 2.5million people across the UK. The reality is that we are an ageing population and to address these growing numbers, we need to develop cancer services to support people in a fair and effective way.

We are passionate about representing the needs of cancer patients and their loved ones - being a voice to champion their cause. In this way, we hope to change the cancer care system for the better. Our dedicated Policy Team work hard to partner with other influential organisations and inform Government thinking and policy, making sure the patient voice is heard.

We are very proud of being able to help cancer patients beyond the support we offer through our cancer support services.

This year:

❶ **We've worked with key organisations and taken part in Government consultations to represent the needs of cancer patients across the country**

- We have continued to lead on lobbying activity to introduce a vaccination programme for boys against human papillomavirus (HPV). This is something we feel is very important as the vaccine is already available to girls, and evidence shows it would dramatically reduce the chances of men developing a range of cancers if the programme was extended. The Welsh Government's introduction of the vaccination programme to gay men was a welcome step, but this does not go far enough which is why we will continue to lobby Government to vaccinate boys at school in exactly the same way that girls are currently vaccinated
- Tenovus Cancer Care continues to be an active member of the Wales Cancer Alliance, using this platform to scrutinise the development of Welsh Government policy and shape the future development of cancer delivery plans. In this role we can really make sure the needs of cancer patients and their families are put at the heart of Government policy
- We also responded to Government consultations so that we could make sure the interests of cancer patients were made clear to policy decision makers. This included the Public Health (Wales) Bill

❷ **We've listened to what cancer patients want**

We continue to invest in research to improve our services. When we commission or take part in research, involving patients is vital if cancer services are going to evolve to best meet the needs of current and future patients and their families. In 2016/17, after speaking to over 1,200 cancer patients, Tenovus Cancer Care funded two research projects through the Health Technology Challenge, directly addressing issues they highlighted. This included CANINE – an 'app' to ensure patients who have to attend outpatient appointments have the freedom to use all of the hospital facilities without the stress of thinking they have missed their appointment. The second project addressed the concern of heightened susceptibility of foodborne illness following chemotherapy by producing and evaluating food well-being interventions for patients.

❸ **We've made sure that the patient/public voice is represented in Tenovus Cancer Care's activities around research, development and evaluation**

We have changed the way we recruit into our Research Advisory Group (RAG), broadening the group in terms of prior expertise and experience whilst keeping the core theme of the group being a 'lay audience' at its heart. This is a really positive step as it will allow for greater depth and breadth of discussion when deciding on funding allocation. In addition, our research network has continued to be developed with over 240 people affected by cancer now enrolled on the database. They've been given the opportunity to take part in research, with activities ranging from sense-checking information sheets, to being full participants in research addressing issues around cancer.

Aims for 2017/18

- ❶ Work with key organisations in Wales, the UK and Europe to represent the needs of cancer patients and their families in Wales
- ❷ Take part in Welsh Government and UK Government consultations regarding policies that could affect people affected by cancer in Wales. Monitor the Welsh Government to ensure that they are delivering on their manifesto commitments regarding cancer, health promotion and the support of patients and their families
- ❸ Make sure that the public/patient voice is represented in Tenovus Cancer Care's activities around research, development and evaluation

A future without cancer

The Tenovus Institute for Cancer Research, based at the University Hospital of Wales, was opened by HRH Princess Margaret on the 14th April 1967. Since then, the Institute has made a number of cancer discoveries, from finding that the contraceptive pill was particularly effective at halting the growth of certain breast cancers (Tamoxifen), to playing a key role in the research and clinical trials that led to the drug Zoladex - a common therapy for both breast and prostate cancer patients today. We have found new ways to diagnose cancer, better ways to treat it, while making life easier for people living with cancer.

While we've already done so much to help cancer patients around the world, our work goes on; not just in the lab, but in the community too.

● **We continued to fund PhD studentship research projects in labs across Wales**

We have a proud history of supporting successive generations of cancer researchers, and over the past five decades we have supported over 250 PhD students. We currently have PhD studentship research projects in Cardiff, Swansea and Bangor Universities and fund around £1million of research that will really help to create a future without cancer.

● **We approved funding for further iGrant projects which look to address the needs of cancer patients in the community**

Our Innovation Grants scheme selects and funds a number of high-quality research projects that make a real difference to people affected by cancer today. The scheme identifies research projects that provide practical solutions to the issues faced by cancer patients and their families.

This year our RAG, which includes people who have experience of cancer, received 41 'Expressions of Interest'. These were reviewed by the Group and a panel of experts, who recommended six new projects for funding, which will start on 1 April 2017. With a total investment of over £157,126 we are looking forward to seeing the practical benefits this research will bring cancer patients in the future.

● **We approved funding for five KESS projects**

The Knowledge Economy Skills Scholarships (KESS) is a major European Convergence programme led by Bangor University on behalf of the Welsh higher education sector. KESS offers collaborative research projects (Research Masters and PhD) linked with a local company partner. As a KESS company partner Tenovus Cancer Care has partnered on five KESS studentships and in doing this we have prioritised projects which will help us meet our charitable aims.

● **We developed partnerships to share and learn best practice in research, while avoiding duplication of effort**

As one of Wales' largest cancer research funders we are able to work with other organisations to make sure the very best cancer research projects are supported. Working in partnership helps to make sure money, time and resources are best used.

This year we worked in partnership to promote our research to key stakeholders, patients and the public through the National Cancer Research Institute's (NCRI) Patient Public Involvement Steering Group. We also remain an active member of the Association of Medical Research Charities (AMRC).

● **We raised awareness of our work by communicating our research successes far and wide**

To raise awareness of our work and highlight the difference we make to people affected by cancer, it's important for us to communicate our research activity as widely as possible, particularly to our supporters and the research community.

Our Research Engagement Officer helps to raise the profile of our research amongst our supporters, academics and the general public including schools.

To help promote the vital research we fund, we maintained a Tenovus Cancer Care research presence at conferences to highlight our research and to promote funding opportunities we had available. In addition to promoting our research online and to the public through the media and other engagement activities, we also gave communications training to all our funded PhD students, and supported their attendance at national conferences so they too can raise awareness of our research and the wider charity.

● **We continued to focus on the reporting and evaluation of our research, to assess its impact and make sure it best meets the needs of cancer patients**

It's so important that we use the money we receive to fund excellent research that meets the needs of cancer patients and their loved ones.

To achieve this, we require all our grant holders to sign terms and conditions so that we can make sure projects proceed as planned. We also use specialist online reporting tools to collect information, which is then reviewed by one of our independent scientific committees and our Research and Patient Services Committee, allowing us to accurately assess the impact of the research we fund.

● **Made sure Tenovus Cancer Care's services really help our clients**

As with our research, it's important that Tenovus Cancer Care services are robustly evaluated to ensure they meet the needs of the clients who access them. As we offer a range of support services, we use an equally varied set of evaluation tools and methods to scrutinise them and make sure our support is the very best it can be. In addition, patients, family members and professionals are all sampled so that we evaluate based on feedback from all the groups that might potentially access our services.

In the last 12 months, we have again surveyed many of our own services to measure satisfaction and areas for improvement, which will help guide our services in 2017/18.

○ **Sing with Us choirs**

At the start of 2016/17 we published our More than Singing choir research. This research study with the Royal College of Music in London looked to see if singing in a Sing with Us choir had measurable biological effects. We took saliva samples from 194 choir members, before and after a rehearsal. After just one hour of singing we could measure a reduction in the stress hormone cortisol and changes in a range of biological markers of immunity and inflammation. These exciting results have now been published in a peer reviewed journal and received large interest and worldwide media coverage. All our research to date complements what we have previously found, and shows that singing in a choir is not just a fun activity for people affected by cancer; it can provide real support and has significant benefits.

Following the success of the More than Singing research, a new two year research project was launched between the Charity and the Royal Marsden Hospital. The aim of this research is to take a more in-depth approach to the More than Singing research, studying specific groups of people affected by cancer and measuring the benefits to these groups. The first year of this has been a real success, with a great number of participants enrolling through the Chelsea and Sutton Sing with Us choirs. All the data will be analysed and evaluated in the coming months – the first preliminary results are expected late in 2017/18.

○ **Counselling**

We used the internationally recognised research tool, Core 10, to measure the impact of our counselling service on cancer patients. The results showed that all our clients benefitted from receiving our free counselling, making an improvement over the course of their treatment. Findings indicate that counselling accelerates improvements in the 'moderate' and 'moderate/severe' categories whilst initiating improvements in the 'severe' group.

○ **Mobile Support Units**

Research was undertaken to determine the potential engagement and impact of a 'drop-in' mobile unit service in various locations. Interviews were carried out with participants in various locations including hospitals, sites our mobile units currently attend and shops. Findings reported that over 70% of participants gave a positive indication towards visiting a Mobile Support Unit. Suggestions were given for improving the service, including providing more information in advance while appreciating the need to be a reactive service.

We also evaluated a pilot study of delivering chemotherapy to haematology patients on the Unit. A mixture of questionnaires and semi-structured interviews were used to determine acceptability, impact, and difference made to the users. All this feedback is essential if we are to make sure our services best meet our clients' needs.

Aims for 2017/18

- Continue with our iGrant scheme, select and fund a number of high quality research projects that can be translated into public and patient benefit
- Further develop partnerships in funding and promoting research
- Increase awareness of all internally and externally funded Tenovus Cancer Care research activity
- Make sure all Tenovus Cancer Care services are properly evaluated

Prevention is better than the cure

At Tenovus Cancer Care we are passionate about developing realistic cancer prevention and healthy lifestyle programmes.

Research shows that around 40% of all diagnosed cancers in the UK could be prevented by simple changes to lifestyle; Wales has one of the highest incidences of cancer and some of the poorest survival rates in Europe. These cases of cancer are often caused by environmental factors such as smoking, poor diet and lack of exercise, excessive alcohol consumption and UV exposure.

Unfortunately these behaviours are highly prevalent across Wales, resulting in a poorer population health profile. This is why we work so hard in communities across the country to help people to reduce their risk of cancer.

This year:

- **We ran health promotion programmes focussing on the areas of greatest need, so that we can help the most people**

Targeting preventable cancers in some of the poorest communities across the country, our programmes have empowered individuals to access services to change their behaviours and help reduce their risk of cancer.

- Skin cancer is the most common cancer in the UK, and using a tanning bed can increase the risk of malignant melanoma by 60%. Our sun awareness campaign 'Here Comes the Sun' focused on sharing information on the importance and use of sun cream, and raising awareness of appropriate application.

We followed up a sample to determine whether our campaign made a difference, and nearly 67% reported they had made a positive behaviour change. This is a really encouraging step in helping to reduce the future incidence of skin cancer.

Our sun safety campaign was supported by our Sun Cream Van and a team of dedicated sun safety advisors who, armed with sun cream samples, were able to give out advice and information on beaches, and at community and larger national events. Our charity shops and community pharmacies were also used as a base to have these important conversations with customers.

As a result of this health promotion we had over 2,300 sun safety conversations. This is really important as these people now have a greater awareness of the importance of lifestyle on minimising the risk of developing skin cancer and additionally, are more aware of the symptoms which will help with early diagnosis.

- We also focused on helping people to quit smoking, as it's the biggest cause of preventable ill health in Wales. Nineteen per cent of the Welsh population still smoke, so we developed our 'Quit with Us' programme to help people kick the habit

This year we worked in partnership with a large pharmacy chain in South Wales to pilot the effectiveness of distributing free sample packs of Nicotine Replacement Therapy (NRT) to smokers interested in quitting. Twenty three pharmacies participated in the project. During this campaign, we spoke to over 300 participants, with 85% indicating that they wished to attempt to quit smoking. Follow-up calls were made to a sample of those participants, of which over three quarters had made a total or partial attempt as a result of the campaign.

❖ **Our Health Check increased awareness of common cancer symptoms and risk factors**

We've continued to develop our Tenovus Cancer Care Health Check, our online and community intervention that we specifically developed to target cancer risk lifestyle behaviours in disadvantaged communities. It sits alongside our health promotion programmes and forms a part of our integrated approach to positively impacting people's health and well-being.

The Health Check provides personalised, action-orientated information, and encourages people to adopt healthy behaviours including spotting early signs and symptoms of cancer, taking up screening, and adopting lifestyle changes.

In 2016/17, we completed the second phase of the Health Check in partnership with Cardiff University and evaluated its effectiveness with community groups and local residents. The results of this feasibility study showed that the Health Check was an acceptable method of increasing knowledge and awareness, and was particularly successful in raising awareness of vague symptoms, such as weight loss, as an indicator of cancer. This research was successful in securing additional funding from Yorkshire Cancer Research with the ambition to start phase three in 2017/18. The purpose of phase three would be to robustly test the effectiveness of the Health Check using a random control trial model.

❖ **Raise public awareness of the growing link between obesity and cancer**

The links between cancer and obesity are well documented and it is estimated that more than one in 20 cancers are linked to being overweight or obese. In Wales, 58% of adults were classified as overweight or obese. In response to this challenge we have started a pilot weight management project in Glynneath with funding from the Maesgwynn and Selar community funds. The project called 'Foodwise for Life' is an eight week structured programme which utilises evidence based approaches to weight management. The programme was designed and evaluated by Public Health Wales, but is delivered in Glynneath by trained people supported by our staff. We are in the process of training more staff to deliver more courses in other areas. The aim of the course is not only to lose weight in those eight weeks, but provide participants with the skills to continue to lose weight and allow them to make permanent changes to their diet. Beth, one of our participants said:

"I have been able to plan meals in a healthy way abiding by the 'Foodwise' measurements. I have introduced exercise into my daily routine and have used these skills to help my family too."

❖ **We've worked with partner organisations to promote positive health behaviours with hard to reach or high risk groups**

There are many excellent groups and organisations currently supporting people to make healthier lifestyle choices across Wales. At Tenovus Cancer Care we aim not to duplicate existing activity and, wherever possible, we seek out constructive partnerships to deliver effective messages or interventions into the heart of the community.

This year we are proud to have worked with a large number of partner organisations in communities across the country, including Stop Smoking Wales, Communities First, Local Health Boards, GP surgeries, Community Pharmacy Wales, schools, colleges and local council events teams. Working in partnership is a really effective way to spread the word and reach as many people as possible.

Aims for 2017/18

- ❖ Conduct health promotion programmes with a focus on areas of greatest need
- ❖ Co-ordinate the training, monitoring and evaluation of the Tenovus Cancer Care Health Check
- ❖ Work across all teams to promote healthy living, cancer prevention and early detection
- ❖ Develop a new campaign that highlights the impact of exercise on preventing cancer and helping people get better outcomes when they are diagnosed with cancer
- ❖ Work with partner organisations to promote positive health behaviours with hard to reach or high risk groups

Raising money so we can support more people and fund vital cancer research

After another challenging year for the third sector and negative media coverage around the way charities operate, it was good to see public confidence in the sector beginning to rise again.

Our total income fell slightly this year but, thanks to the continued generosity of our donors and the hard work of our volunteers and staff, we raised over £9million. The fall in income was due to a decrease in legacy income, which is by its nature unpredictable and many factors outside our control affect this vital area of our total income.

We carried out a full review of all our income generation activities and will, during 2017/18, implement a three year plan to increase our income whilst reducing costs. This will generate more net income for the charity, ensuring the long term sustainability of our vital work in the community.

Our key aims for the year were:

➊ Continue to increase the number of weekly lines in our lottery

We grew the new lottery lines by 1,010 and, as a result, our gross income increased by 30%. Recruitment of new players was challenging but, recognising the importance of this regular income, we will be partnering with a new not-for-profit lottery provider which will see our return from each line increase to 75p. In Autumn 2017 we will launch a lottery recruitment drive.

➋ Source further funding for existing and new project development from trusts and statutory services

We secured a grant of £102K over three years from the St James Place Foundation in support of our nurse-led Cancer Callback service. Walk the Walk generously provided £115K towards the core costs of one of our Mobile Support Units. The Welsh Assembly Government continued supporting our Frontline Services with funding of £205K and we also secured a one year grant of £142K for Debt Advice from the Money Advice Service.

In January 2017 we began an appeal to raise funds for a new, state-of-the-art Mobile Support Unit and we are grateful to a number of trusts who have pledged their support, including the Fairwood Trust and Walk the Walk. We are confident that we will achieve our target next year and look forward to the new Unit being operational in 2018.

➌ Increase our Retail profit margin to help support our cancer support services and research

Gross income from our shops fell slightly during the year, but by controlling our costs the surplus increased by 1%.

➍ Continue to grow income from community activity

We did, and will continue to, focus on our roots in the community and thanks to the ongoing support of many people, groups and organisations we saw a growth in community income of 13% compared to the previous year.

➎ Review, develop and grow our Lovelight memorial activity

This activity is much more than just raising funds; it enables people affected by cancer to come together to remember and celebrate the life of someone dear to them. We increased the number of concerts held from six last year to 20 this year, and we plan to grow this number next year. The total raised from these concerts grew to £32K (2016: £20K).

➏ Grow our Friends of Tenovus Cancer Care groups to achieve more income

Friends of Tenovus Cancer Care groups have been an important part of our community activity since the first group was established some 50 years ago in Southampton. Last year we developed groups in four new areas of Wales and England, increasing the total number of groups to 29 who collectively raised an amazing £123K.

Next year we will focus on the development of groups in new areas, with our target being to open ten new groups during the year. This will help raise vital funds and raise the awareness of the charity in the communities we seek to support.

Aims for 2017/18

The year will begin with us having completed a full review of all income generation activities to increase the net income raised, to ensure the future of our vital services in the community and long term sustainability of the charity. The final outcome of the review will be implemented during the autumn of 2017 and as a result, over the next three years we will increase our net income and increase cost effectiveness, leading to an improved return on investment.

The key aims for 2017/18 are to:

- Increase the number of weekly lines in our lottery through a targeted recruitment campaign and improve the profitability by partnering with a new not-for-profit lottery provider
- Complete a capital appeal (Closer to Home Appeal) to raise £1million to fund a new Mobile Support Unit, the largest of its type in the world, along with the associated running costs bringing vital treatments to more people
- Further grow and develop our activities in the community through a new campaign, "Light up the Night"
- Grow our Friends of Tenovus Cancer Care groups in Wales and England by a further ten groups
- Increase the net profitability of our Retail operations in order to provide additional funds to support Research and Services
- Restructure Income Generation to reduce total costs whilst increasing total income to provide enhanced return on our investment

Raising awareness of what we do

Increasing awareness of who we are and what we do is essential in helping us to support more people, raise the profile of our research and volunteering programme, and raise money. A strong brand with authentic and engaging content is key to that awareness.

This year we've used multiple communication channels to reach our stakeholders, combining traditional and digital channels to reach the broadest audience possible, while presenting the charity in a balanced way.

This year:

- **We continued to embed the refreshed Tenovus Cancer Care brand, achieving greater consistency and increasing awareness of what we do**

The work to embed our brand across multiple channels and applications continues. Throughout the year we've strengthened and challenged our brand with a variety of campaigns and events. In particular, the Viva Las Vegas Ball and our Euro 2016 wristband campaign in partnership with the Football Association of Wales saw us adapt the brand to work alongside others, whilst still keeping our visual identity and tone of voice recognisable.

In January we updated the branding at our space at Velindre Cancer Centre which provides services to 1.5 million people every year. This will allow our new brand to reach more people we could potentially help through our support services.

In December we received the results of the Celtic Charity Awareness Monitor, a piece of independent market research which gave our unprompted awareness at 8%*. This is an increase from our previous research (5%). It also gave our promoted awareness at 71%, compared to 52% in 2015, although it's important to note that two different market research companies were used to conduct the surveys. We have commissioned a repeat of this research in 2017/18 and will get the results in July 2017.

**Base: 1,000 adults 16+, Wales / Source: Celtic Charity Awareness Monitor, Apr-May 16, nfpSynergy*

- **Support the wider charity to help it achieve its objectives, whilst making sure the charity's work is presented in a balanced way**

The Marketing and Communications department works with teams across the organisation to help them achieve their objectives. As well as direct support, the team offers advice and expertise on a range of communication, PR and digital activity.

An example of the way the team supports the wider objectives of the charity is the success of the More than Singing campaign. The team supported the objectives of the research, support services, and fundraising teams through an integrated public relations campaign which resulted in global awareness of the work of the charity.

- **We focused on developing the organisation's digital (including website, social media) and offline marketing and communications channels, using them in an integrated way to support our strategic aims**

Stories allow us to talk about our work and activities in an authentic and engaging way. Our Storyteller has continued to collect stories from across the organisation and produced a range of digital content which has been shared online, across social media, in the press, at events and in print. Stories were also a vital way of helping us highlight supporter journeys through the organisation, and in helping staff and volunteers understand the impact of their work.

We've also introduced a quarterly magazine, Chat with Us, which goes to our shop staff and volunteers, Friends of Tenovus Cancer Care groups, and Sing with Us choristers. The aim of the magazine is to share details of our campaigns, services and events with the people who support us, raising awareness of the range of activities the charity undertakes. This will make our stakeholders feel more engaged with the wider organisation.

- **We grew our audience and increased engagement across a range of channels, so more people know who we are, what we do and the difference we make**

This year the number of visits to our website grew by 30%, with a 16% increase in people looking at information on our cancer support services. We also saw our online single donations rise by 24% in number and 36% in value.

Social media referrals to our website increased by 42% as we continued to develop the use of social media as part of our campaigns, as well as a means of sharing stories and content, starting conversations and promoting our ongoing activity.

We increased our media reach by an impressive 25% through key campaigns, impactful stories and positioning ourselves as a go-to voice for comment on cancer issues. Our More than Singing campaign was the most successful PR campaign the charity has ever run, with an estimated global reach of 100million. As well as receiving national broadcast coverage on, among others, BBC Breakfast and BBC World Service, the story also received coverage in key trade media, including Scientific American and Nursing Times.

We achieved regular coverage in the regional and national Welsh media as well as articles in the Daily Mail, The Sun and the Guardian. This is really important as it positions the charity as the voice of cancer patients and raises awareness of the charity and the support we offer cancer patients and their loved ones.

Aims for 2017/18

- Continue to embed the refreshed Tenovus Cancer Care brand, including through our 75th anniversary plans and the community activities, making sure the charity is portrayed in a clear, consistent and on-brand way with the aim of increasing unprompted awareness of the charity
- Support the rest of the organisation and help them achieve their objectives, while making sure the charity's work is presented in a balanced way
- Continue to develop and use stories in an authentic and engaging way, to show the impact of our work and the difference we make to the lives of cancer patients and their loved ones
- Continue to develop and implement internal communications so that staff are aware of the charity's news and activities, and feel valued and part of the organisation

- Develop and manage Tenovus Cancer Care's external stakeholder communications, and support the Charity to make sure it's GDPR compliant by May 2018

Our people

At Tenovus Cancer Care we want to make sure that our staff and volunteers are happy, motivated and best able to support people affected by cancer.

The charity has five values which shape our culture and influence how we act as individuals and as an organisation. The values – supportive, respectful, bold, creative and inspiring – are something we try and embody on a daily basis. This is clearly demonstrated by the fact that our staff not only do the job they are employed to do, but also get involved in out-of-hours volunteering. It's a real team effort.

- **Continue to make sure we have the right staff and volunteers in the right places, so that we can provide the best service to our customers, clients and their loved ones**

Throughout the year we have increased the use of digital platforms to advertise our opportunities, increasing the use of videos and stories to successfully attract and engage with a wider range of people.

We employ 265 staff and have a network of 2,013 volunteers (an increase of 20% on last year). Our volunteers contributed over 300,000 hours of their time, a combined total of over 34 years. During the year more than 750 people started volunteering with us, with 69% of these being new supporters to the charity. As of March 2017, 1,262 of our volunteers were helping in our shops.

- **Develop our staff and volunteers to make sure they have the right skills, knowledge and expertise to do the best they can**

To make sure our staff are able to perform effectively we've provided a wide range of training and development courses, including networking, presentation skills, project management, managing people, Welsh language training, taking effective photographs, and volunteer training. We've provided this training free of charge through developing in-house workshops, utilising support from our Trustees and supporters, and using existing grants earmarked for training for the benefit of the whole organisation.

We identified funding in England that allowed us to offer support to complete a Retail NVQ or a BTEC in Customer Service for volunteers in our English shops. This incentive has meant we have increased the time people have given to volunteer in our shops, developed more highly skilled volunteers and provided training that will help our volunteers find employment. In the first six months this gave us an additional 1,095 hours of volunteering, with volunteers telling us that they have increased their confidence in customer service and visual merchandising, learnt more about our procedures and developed skills that have helped us raise even more money.

Josh - Pontyclun

"My time at Tenovus Cancer Care has been incredibly valuable to me. I originally started out as a retail volunteer at the charity's Pontypridd store, but in the last four years, working at Tenovus Cancer Care has encouraged me to grow and develop my skills in so many areas. As well as gaining retail and management experience from working with numerous retail stores at the charity, volunteering for the charity also gave me the confidence to study Business & Management at Aberystwyth University.

"Volunteering with Tenovus Cancer Care for events also meant that I was able to build up my experience in photography and join the Aberture Photography Society as Vice President for the 2015/2016 academic year, something I would never have been able to do if it wasn't for the experience I gained from working with Tenovus Cancer Care."

- **Continue to look after the health and well-being of our staff and volunteers, and recognise the contribution they make to the organisation**

We have made sure we have the right tools and guidance to thank the people who make what we do possible and ensure volunteers feel valued, motivated and appreciated. The long-term benefits will be higher levels of retention, a

culture of recognition and success, higher engagement and ultimately an even better experience for the people we support.

We also held our annual Volunteer Awards celebration at a sponsored event in Cardiff in October. There are seven awards; five based on our values, and a young and a group category. The event received significant media coverage and was attended by many guests with whom we hope to see further levels of engagement in the future. This event is so important as it allows us to recognise and thank our volunteers who do such great work to support cancer patients and their families, at no cost to the charity.

Over the course of the year we have provided our people with information and activities to improve their health and well-being. This has included free health checks, nutritional advice, smoking cessation advice, physical challenges and mindfulness sessions. We've also worked with Time to Change to help raise awareness of mental health issues.

● **Increase the number of volunteering opportunities across the organisation**

We have seen the number of opportunities for volunteers across the organisation increase over the year, allowing us to fund research, raise money and deliver our services to support people affected by cancer. We've developed a strategy that aims to help us involve even more volunteers in our activities, creating more roles and more opportunities. We have seen the number of requests for volunteer roles increase from an average of 10 per month in 2014/15 to nearly 30 a month and we expect this to rise over the coming year.

We've provided internship placements in three departments; People and Development, Cancer Support and Income Generation. Our interns gave us around 900 hours of volunteering between them. As well as providing them with key skills and development they worked on specific projects that allowed us to take new areas of work forward.

Aims for 2017/18:

- Increase volunteering opportunities and volunteer hours across the charity but with particular focus on our Research and Support services and our shops
- Develop innovative, accessible and cost effective ways to recruit and select volunteers and staff
- Develop a recognition/non-financial rewards scheme that recognises the contribution of people to the charity, enhances engagement and celebrates success

Financial Review and Results for the Year

As in all years, the charity received its income from a wide range of sources, with its total income dipping slightly this year by £0.3m predominately due to a fall in legacy income. The charity still achieved income of £9.0m (£9.3m 2016). Its expenditure achieved £10m in line with its strategy and operational plans (£10.6m in 2016), Charitable expenditure for the year amounted to £3.8m and was pretty consistent with the previous year (£3.9m 2016) £9.1m of the expenditure was sourced from the Unrestricted Income and Reserves, whilst £0.9m was supported from Restricted Funds.

At the year end, including unrealised movements in its investments, the charity is reporting retained reserves totalling £5.25m reflecting a net reduction of £0.57m from last year. The balance going forward comprises £0.8m in restricted reserves to be spent on specific purposes specified by the donors and £4.45m in unrestricted reserves, of which the Trustees have internally budgeted use for specific purposes of £0.73m. The remainder of the unrestricted reserves in the general fund are sufficient for the charity's reserve policy (pg. 25). The purpose and level of these reserves are reviewed by the Trustees annually.

This usage of reserves in a controlled and tightly monitored way has reduced the cash funds available to the charity, but it managed its cash flow proactively and operated throughout the year within its agreed overdraft of £0.5m secured on its investments. At the year end the charity was operating within its agreed overdraft.

The Consolidated Statement of Financial Activities (SOFA) set out on page 28, shows that during the financial period the gross income raised was £9.0m (2016: £9.3m) and expenditure on charitable activities £3.82m (2016: £3.98m).

After taking into account realised and unrealised gains on investments the result for the year ended March 2017 was a loss of £0.53m (2016: £1.70m).

The Group reserves stood at £5.25m (2016: £5.78m) at the year ended 31 March 2017. During the financial year the Trustees have reviewed the charity's reserves policy in-line with best practice and in order to secure the furtherance of the charity and its objects.

Risk

The charity has detailed organisational and departmental risk registers which are reviewed monthly by the Senior Management Team and quarterly by the Audit Committee and the Board. Significant new risks are brought to the attention of the Audit Committee and the Board as necessary to ensure they are being actively managed. The risk assessment process identified the following major risks:

- Potential failure to support cancer patients, their families and fund research in the way we have laid out in our vision, mission and strategy

To manage this risk we have a three year strategy. Progress against each element is reported to Trustees quarterly. As part of the strategy, objectives are set for each team and monitored monthly by Senior Management. All service delivery is evaluated and results fed back into the strategic planning process.

- Potential inability to attract, recruit and retain the right staff and volunteers for key roles within the organisation

Our recruitment and selection process has been developed to reflect our values and to optimise selection of the very best people to help us deliver our strategic aims. Each employee has a training and development plan which reflects their responsibilities and enables them to deliver their work to the highest standards. We monitor retention levels monthly and exit interviews are routine and feedback from these is discussed within the relevant team.

- Potential failure to safeguard our data in line with Data Protection

We have a Data Protection Officer in post who reviews, manages and trains staff and volunteers in line with all aspects of Data Protection, as well as ensuring that all third party agreements are compliant.

We value our donors and the people we help on a day-to-day basis and we ensure that their information is safe, by continually reviewing our security systems.

- Potential inability to demonstrate the impact of our work to all our stakeholders

To demonstrate our impact, we maintain close relationships with NHS professionals, the scientific community, politicians, policy makers, advocacy groups, patients, their carers and families and the wider general public. Recent developments include recruitment of a Storyteller and Research Engagement Officer. Included in our messages to stakeholders are testimonials, often on video, research publications, presentations at conferences, and invited

performances by our choirs.

- Potential lack of public awareness of our charity, our contribution to communities and what we do

We promote a comprehensive schedule of activities and events delivered across all communities, via the media, our website, social media, our shop windows, television documentaries and newsletters. Our brand refresh has enabled us to define who we are and what we deliver.

- Potential failure to secure adequate sustainable income to enable us to deliver our mission

A donor retention plan is in place to look after the people who give to us in time or money. We have also invested in our lottery together with a legacy campaign to achieve longer term sustainable income for the charity. We have developed new corporate partnerships, initiated new events and grown our government sourced funding.

Plans for future periods

The Trustees have agreed to continue to support several highly successful projects such as Sing With Us, after their external financing has come to an end. The funding needed will have to come from cost savings, and reserves, although we will strive to increase our income as well, so as a result we have changed our projections for the coming years in line with reviewing our strategy. In addition we have achieved cost savings across all teams and will continue to do so to ensure that we are fit for purpose.

Of course the political situation with the UK exiting the European Union and the uncertainty of what the relationship will be could have a financial effect on the charity.

Legal and Administrative Information

Tenovus Cancer Care is a Company Limited by Guarantee (Company Number 00943501) and a Registered Charity (Number 1054015)

Committees & Trustee Membership

| Committees & Trustees | Board | Audit, Risk & Governance | Finance & General Purposes | Fundraising & Marketing | Research & Patient Services | Recruitment & Selection | Remuneration | Scientific Advisory Sub Committee | Psychosocial Research Advisory Sub Committee | Research Advisory Group |
|---|-------|--------------------------|----------------------------|-------------------------|-----------------------------|-------------------------|--------------|-----------------------------------|--|-------------------------|
| Richard Sims (Chairman) | • | | | | | • | • | | | |
| Prof John Lazarus (Vice Chair) | • | | | | • | • | | | | |
| Wyn Mears | • | | • | • | | | | | | |
| Fiona Peel OBE (Resigned 4 th July 2017) | • | | • | | • | • | • | | | |
| Nigel Williams | • | • | • | | | | | | | |
| Iestyn Morris | • | | • | | | | | | | |
| Melanie Goward | • | | • | | • | | | | | |
| Michael Borrill (Appointed 6 th December 2016) | • | • | | | | | | | | |
| Simon Evans | • | | | • | • | | | | | |
| Paula Kathrens | • | | | • | | | | | | |
| Anne-Marie Koukourava (Appointed 6 th December 2016) | | | | • | | | | | | |
| Ieuan Griffiths (Resigned 21 st October 2016) | | • | • | | | | | | | |
| Geraint Williams | • | | | | • | | | | | |
| Ann Marie Procter | • | | | | • | | | | | |
| Deborah Fitzsimmons | • | | | | • | | | | | |
| Dr Antonia Wigley (co-opted) | | | | | • | | | | | |
| Rob Petersen (co-opted) | | | | • | | | | | | |
| Andrew Morgan (co-opted) | | | | • | | | | | | |
| Ralph Vaughan (co-opted) | | | | • | | | | | | |

| Sub Committees & Members | Board | Audit, Risk & Governance | Finance & General Purposes | Fundraising & Marketing | Research & Patient Services | Recruitment & Selection | Remuneration | Scientific Advisory Sub Committee | Psychosocial Research Advisory Sub Committee | Research Advisory Group |
|-------------------------------|-------|--------------------------|----------------------------|-------------------------|-----------------------------|-------------------------|--------------|-----------------------------------|--|-------------------------|
| Dr Charlotte Bevan | | | | | | | | • | | |
| Professor Colin Cooper | | | | | | | | • | | |
| Dr Robert Clarke | | | | | | | | • | | |
| Dr Doug Winton | | | | | | | | • | | |
| Dr Miranda Armstrong | | | | | | | | | • | |
| Professor Mari Lloyd-Williams | | | | | | | | | • | |
| Professor Christine Ingleton | | | | | | | | | • | |
| Professor Eila Watson | | | | | | | | | • | |
| Professor Leslie Walker | | | | | | | | | • | |
| Helun Ford | | | | | | | | | | • |
| Laura Osborne | | | | | | | | | | • |
| Jan Rymer | | | | | | | | | | • |
| Alan Dimery | | | | | | | | | | • |
| Barbara George | | | | | | | | | | • |
| Allyson Bergin-Jones | | | | | | | | | | • |
| David Morrey | | | | | | | | | | • |
| Lynfa Maeir | | | | | | | | | | • |
| Lesley Radley | | | | | | | | | | • |
| Jayne Griffiths | | | | | | | | | | • |
| Mary Webb | | | | | | | | | | • |
| Ann Kellaway | | | | | | | | | | • |
| Rachelle Barlow | | | | | | | | | | • |

Royal Patron

HRH The Princess Royal

Patrons

Rob Brydon
Carl Edwards
Aled Davies
Wynne Evans
Catrin Finch
Connie Fisher
Dafydd James
Lawrence and Jackie Llewelyn-Bowen
Sian Lloyd
Rupert Moon
Nigel Owens
Kai Owens
Leona Vaughan
Sam Warburton

Senior Management Team

Chief Executive -Claudia McVie
Director of Finance & Operation - Elizabeth Wilson FCCA
Director of Income Generation –Terry Osborn
Director of Research & Support – Rhian Edwards

| | |
|--|---|
| | Director of Marketing & Communications - James Powell Director of People & Development - Julie Rees |
| Company Secretary | Elizabeth Wilson FCCA |
| Principal Address and Registered Office | Gleider House Ty Glas Road Cardiff, CF14 5BD |
| Principal Professional Advisors External Auditors | Broomfield & Alexander Limited Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff, CF23 8AB |
| Solicitors | Blake Morgan LLP 1-9 Central Square Cardiff, CF10 1AU |
| Bankers | HSBC Bank plc 56 Queen Street Cardiff, CF10 4PX |
| Investment Advisors | Barclays Wealth 2nd Floor, Windsor Court, 1-3 Windsor Place, Cardiff, CF10 3BX |

Governance and Management

Tenovus Cancer Care was originally established as an unincorporated organisation in 1943, and is now a company limited by guarantee (No. 00943501). Tenovus Cancer Care is registered as a charity with the Charity Commission (No. 1054015). Our registered office is as shown on page 21. We are governed by a Memorandum and an Articles of Association that were adopted on 3rd December 1968 and amended on 19th March 1996 and 16th March 2009.

Our Trustees and senior executives are listed on pages 19 & 20.

Subsidiary Undertakings

Tenovus Cancer Care has two wholly owned subsidiaries, Tenovus Trading Limited and Tenovus Health Limited. Both companies share their registered office with Tenovus Cancer Care.

Tenovus Trading Limited conducts trading activities, in greetings cards and other purchased goods for sale in Tenovus Cancer Care shops and at events, with all profits being covenanted to Tenovus Cancer Care. The results and year end position of the subsidiary are shown in note 4a & 4b (page 39) to the financial statements.

Tenovus Health Limited began trading this year and was set up to develop chargeable health initiatives and services with all profits being covenanted to Tenovus Cancer Care.

The Board

The Board of Trustees is responsible for the overall governance of Tenovus Cancer Care, and members are also Directors of Tenovus Cancer Care. As set out in the Memorandum and Articles of Association, the Chair of the Trustees is nominated by the Board of Trustees and elected by them.

New Trustees are appointed following a selection process involving advertisement and nomination of potential new members. When considering new Trustees, the Board consider specialist skills required through a skills audit. New trustees are appointed by a majority of the Board of Trustees, initially for a period of three years, but can be invited to serve for a longer term. New Trustees are provided with an induction, giving them an overview of the responsibilities and activities carried out by the charity. Training on external and organisational issues is provided throughout the year.

The Board meets at least four times a year as Directors/Trustees, and as members at an Annual General Meeting, and is responsible for setting an appropriate strategy for the charity. It also ensures that relevant performance measures are in place. The Board receives regular reports on all aspects of the charity's work.

There are six established Committees. The members of these Committees include Trustees, and are attended by management and external advisors. The Terms of Reference for these Committees are summarised below.

Finance and General Purposes Committee

The Finance and General Purposes Committee takes delegated responsibility on behalf of the Board of Trustees for overseeing all financial aspects of the charity so as to ensure long term viability, including:

- Financial and operational performance and procedures;
- Annual plans and budgets;
- Investments;
- Pensions;
- Salary review;
- Human resource issues;
- Health & safety;
- Information technology.

Audit Committee

The Audit Committee has a responsibility for monitoring and reviewing:

- Policies and processes for the identification, assessment and management of risk, including financial control;
- Charity's financial statements to assess the integrity of financial reporting;
- Scope, results and effectiveness of external and any internal audit;
- Independence of the external auditors, their range of non-audit services and fees.

Fundraising and Marketing Committee

The Fundraising and Marketing Committee has a responsibility for monitoring and reviewing:

- Policies and processes for income generation including fundraising strategy, including retail;
- Financial income through fundraising practice and retailing, and the robustness of planning in these areas;
- Effectiveness of current fundraising and retailing activity;
- Arrangements with external agencies in providing services to support our income generation activity;
- To advise on all communication and marketing activity.

Research and Patient Services Committee

The Research and Patient Services Committee has a responsibility for monitoring and reviewing:

- Performance of the Cancer Support Team and assessing the strategy for the development of new services;
- Making decisions on research spend based upon the advice of two independent advisory committees made up of experts within their field. These are the Scientific Advisory Committee, Psychosocial Research Committee, and any other appropriate, independent, peer review based guidance sought externally;
- The progress of on-going research projects.

Recruitment and Selection Committee

The Committee will take delegated responsibility on behalf of the Board of Trustees for monitoring and reviewing:

- Composition of the Board and Trustees' skills and experience to ensure the Board has an appropriate blend of Trustees and that the Board composition is renewed appropriately;
- Identify, introduce and propose new members of the Board and be responsible for their induction, support and development.

Remuneration Committee

The Remuneration Committee's overall responsibility is to develop, with due regard to economy and appropriate comparators, a remuneration policy to attract, retain and motivate those people of the highest calibre who have the skills needed to achieve the Charity's objectives year on year at Director level, including the Chief Executive.

On an annual basis the committee shall:

- Evaluate the performance and consider terms, conditions and changes in remuneration of the Chief Executive;
- Receive from the Chief Executive draft evaluations of the performance of Directors and recommendations about terms, conditions and changes in remuneration, which it shall consider;
- Make recommendations to the Board on the basis of its deliberations.

Scientific Advisory Sub Committee

The Committee is responsible for impartially overseeing the research activities of the charity on behalf of the Tenovus Cancer Care Board of Trustees.

The responsibilities of the committee shall be to:

- Authorise the funding of research projects that fulfil the aims and objectives of the charity and received rigorous peer review;
- Make recommendations to the Tenovus Cancer Care Board of Trustees with regards to research spend based upon the deliberations of the committee and any peer review-based guidance sought externally by Tenovus Cancer Care;
- Review the progress of ongoing research projects;
- Monitor and contribute to the development and implementation of corporate strategy;
- Review terms of reference annually and evaluate performance and good practice.

Psychosocial Research Advisory Sub Committee

The Committee is responsible for impartially overseeing the research activities of the charity on behalf of the Tenovus Cancer Care Board of Trustees.

The responsibilities of the committee shall be to:

- Authorise the funding of research projects that fulfil the aims and objectives of the charity and received rigorous peer review;
- Make recommendations to the Tenovus Cancer Care board of trustees with regards to research spend based upon the deliberations of the committee and any peer review-based guidance sought externally by Tenovus Cancer Care;
- Review the progress of ongoing research projects;
- Monitor and contribute to the development and implementation of corporate strategy;
- Review terms of reference annually and evaluate performance and good practice.

Chief Executive

Authority to conduct Tenovus Cancer Care's day to day activities is delegated to the Chief Executive, who is responsible for ensuring that the Board strategy and policies are carried out. A Senior Management Team reports to the Chief Executive and meets monthly.

Risk Management

The Trustees have a risk management strategy comprising:

- Quarterly reviews of the Charity's risk register at Audit Committee meetings;
- Establishment of systems and procedures designed to mitigate those risks;
- Implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

Employees

We have staff with a wide range of skills, knowledge, professional qualifications and experience. We aim to offer fair pay to attract and retain high calibre staff in order for us to deliver our strategic aims. Our aim is for our staff to be well rewarded and to pay a salary that is competitive with other charities of a similar size in Wales. We don't have any

bonus schemes or performance related pay and, aside from our pensions, all staff receive the same level of benefits. We run two pension schemes with all staff from April 2014 auto enrolled.

Staff pay is benchmarked every year externally against other charities of our size in terms of income, number of employees and location. The Senior Management Team (SMT) pay is benchmarked by an external provider and then determined by the remuneration committee made up of Trustees.

Our salaries are arranged into responsibility levels and ideally our aim is for salaries to be close to or above the median salary. Salaries are openly stated in our job adverts. Annual pay increases are paid as a percentage increase across the board and are proposed by the SMT and approved by the Finance and General Purpose Committee.

In 2016/17 the decision was made to not award an annual cost of living pay increase to all staff given the financial climate.

In light of the National Living wage increase from April 1st 2017 we reviewed our shop salaries as they were the only ones directly affected. As a result we increased our Sales Assistant and Assistant Manager pay rates accordingly.

Financial Management Policies

Reserves

On undertaking a full review of the reserves policy during the financial year the Trustees have set a reserve policy which requires that reserves be maintained at a level which ensures Tenovus Cancer Care's continuance of its core activities. Reserves are calculated on a risk based policy taking into account internal and external risks,

Restricted funds are identified together with purpose of holding such funds.

Designated funds are reviewed to ensure that they are adequate and meet future commitments.

The calculation of the required level of reserves is an integral part of Tenovus Cancer Care's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget, the planned activity level, and future commitments.

The Trustees review the level of reserves on an annual basis, discussing levels of readily realisable reserves, Tenovus Cancer Care's main commitments and the market valuation of its investments. The main risks to both income and expenditure are highlighted and a calculation made of the possible financial consequences of adverse movements.

The Trustees use this information to ensure maintenance of an adequate level of readily realisable reserves. In March 2017 the reserve's policy was reviewed, and based on the risk analysis, a readily realisable reserves figure of £3.18m was agreed as necessary. At 31 March 2017 there was £3.18m in general free reserves, therefore no surplus or shortfall in our current reserves.

Investments

The charity has given discretionary powers to its investment advisors, who are regulated by the Financial Services Authority. The Directors, who are mindful of the need for a balanced portfolio, regularly monitor the performance of the investment portfolio and view the performance of the investments during the year as satisfactory.

Realised gains in the year amounted to £251,142 (2016: £105,331 loss) and market value at the year-end increased by £330,299 (2016: £238,149 decrease). In keeping with its objectives, Tenovus Cancer Care's policy is not to invest in any stocks or shares associated with the tobacco industry.

Pensions

The charity contributes to a voluntary defined contribution pension scheme for the majority of permanent employees and provides benefits based on voluntary contributions made. The assets of the scheme are held by the approved pension provider Aegon and are completely independent of the charity's finances. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over the employees' working lives with the charity. Any difference between the charge to the Statement of Financial Activities and the contributions actually paid to the scheme in the year are shown as an asset or liability in the balance sheet.

Statement of Trustees' Responsibilities for the Financial Statements and Corporate Governance

The Trustees (who are also Directors of Tenovus Cancer Care 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).

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, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have overall responsibility for ensuring the charity has appropriate systems and controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively;
- Proper records are maintained and financial information used within the charity, or for publication, is reliable;
- The charity complies with relevant laws and regulations.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Senior Management Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- A strategic plan and annual budget approved by the Trustees;
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- Delegation of day to day management authority and segregation of duties;
- Identification and management of risks.

Disclosure of Information to Auditors

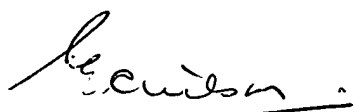
With regard to the preparation of this Annual Report and Accounts:

- As far as each Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware;
- Each Trustee has taken all of the steps that a Trustee might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

A resolution will be proposed to appoint auditors at the forthcoming Annual General Meeting.

Signed by order of the Trustees



Elizabeth Wilson – Company Secretary

Date 26th September 2017

Independent Auditors' report to the members of Tenovus Cancer Care

We have audited the financial statements of Tenovus Cancer Care Ltd for the year ended 31st March 2017 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet, the Group Cash Flow Statement) and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the [charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 and the charitable 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 auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 25-26, 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.

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

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 March 2017, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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

Sarah Case FCA DChA (Senior Statutory Auditor)



For and on behalf of:
Broomfield & Alexander Limited
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff, CF23 8AB

Date 26th September 2017

**Consolidated Statement of Financial Activities for the year ended 31 March 2017
(incorporating income and expenditure account and statement of recognised gains and losses)**

| | Note | Unrestricted Funds | Restricted Funds | Total 2017 | Total 2016 |
|--|-------|--------------------|------------------|-------------------|--------------------|
| | | £ | £ | £ | £ |
| INCOME & ENDOWMENTS FROM: | | | | | |
| Donations & Legacies | 2 | 2,302,715 | 256,884 | 2,559,599 | 2,828,298 |
| Charitable Activities | 3 | - | 350,916 | 350,916 | 387,810 |
| Other Trading Activities | 4 | 5,948,859 | - | 5,948,859 | 5,897,332 |
| Investments | 5 | 167,318 | - | 167,318 | 181,829 |
| Other | | - | - | - | 15,555 |
| TOTAL INCOME | | 8,418,892 | 607,800 | 9,026,692 | 9,310,824 |
| EXPENDITURE ON: | | | | | |
| Raising Funds: | | | | | |
| Donations & Legacies | 6 | 1,325,773 | 20,000 | 1,345,773 | 1,644,319 |
| Other Trading Activities | 7 | 4,910,044 | - | 4,910,044 | 5,047,695 |
| Cost of charitable activities: | | | | | |
| Grants to research organisations | 8a | 1,009,535 | 42,106 | 1,051,641 | 1,036,731 |
| Patient Care | 8b | 1,333,121 | 777,269 | 2,110,390 | 2,216,086 |
| Support Groups | 8c | 373,790 | 99,631 | 473,421 | 502,174 |
| Campaigns & Policy | 8d | 161,038 | 32,192 | 193,230 | 225,721 |
| TOTAL EXPENDITURE: | | 9,113,301 | 971,198 | 10,084,499 | 10,672,726 |
| Net gains/(losses) on investments | 14 | 581,441 | - | 581,441 | (343,480) |
| NET INCOME/EXPENDITURE | | (112,968) | (363,398) | (476,366) | (1,705,382) |
| Transfers between funds | 19 | (139,240) | 139,240 | - | - |
| OTHER RECOGNISED GAINS/(LOSSES) | | | | | |
| Losses on disposal of tangible assets | 13 | - | (52,887) | (52,887) | (6,846) |
| NET MOVEMENT IN FUNDS | | (252,208) | (277,045) | (529,253) | (1,712,228) |
| RECONCILIATION IN FUNDS | | | | | |
| Fund balances brought forward at 1 April 2016 | 19,20 | 4,702,967 | 1,082,824 | 5,785,791 | 7,498,019 |
| Fund balances carried forward at 31 March 2017 | 19,20 | 4,450,759 | 805,779 | 5,256,538 | 5,785,791 |

The loss for the year for Companies Act purposes comprises the net income/ (expenditure) for the year of £476,366 (2016: £1,705,382), with an additional loss of £52,887 (2016: £6,846 loss) on disposal of fixed assets giving a net loss of £569,253 (2016: £1,712,228). There is no tax payable on any of the activities.

The notes on pages 32-54 form part of these financial statements.

Balance Sheets as at 31 March 2017

| | Note | Group 2017 £ | 2016 £ | Charity 2017 £ | 2016 £ |
|--|------|--------------------|------------------|----------------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 13 | 872,623 | 1,136,756 | 872,623 | 1,136,756 |
| Investments | 14 | 4,484,390 | 4,431,254 | 4,484,391 | 4,431,255 |
| | | <u>5,357,013</u> | <u>5,568,010</u> | <u>5,357,014</u> | <u>5,568,011</u> |
| CURRENT ASSETS | | | | | |
| Current asset investments | 14 | - | 700,000 | - | 700,000 |
| Stock | 15 | 91,749 | 104,766 | 33,840 | 22,897 |
| Debtors | 16 | 1,356,119 | 1,083,505 | 1,406,661 | 1,175,458 |
| Cash at bank and in hand | | 52,628 | 144,290 | 31,614 | 46,642 |
| | | <u>1,500,495</u> | <u>2,032,561</u> | <u>1,472,115</u> | <u>1,944,997</u> |
| CURRENT LIABILITIES | | | | | |
| Creditors: amounts falling due within one year | 17 | (1,600,970) | (1,814,780) | (1,582,442) | (1,737,068) |
| NET CURRENT (LIABILITIES) /ASSETS | | (100,475) | 217,781 | (110,327) | 207,929 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 5,256,538 | 5,785,791 | 5,246,687 | 5,775,940 |
| NET ASSETS | | <u>5,256,538</u> | <u>5,785,791</u> | <u>5,246,687</u> | <u>5,775,940</u> |
| FUNDS | | | | | |
| Unrestricted | | | | | |
| Parent Charity | 19 | 4,440,908 | 4,693,116 | 4,440,908 | 4,693,116 |
| Subsidiary Company | 19 | 9,851 | 9,851 | - | - |
| Total unrestricted funds | | 4,450,759 | 4,702,967 | 4,440,908 | 4,693,116 |
| Restricted | | | | | |
| Parent Charity | 19 | 805,779 | 1,082,824 | 805,779 | 1,082,824 |
| | | <u>5,256,538</u> | <u>5,785,791</u> | <u>5,246,687</u> | <u>5,775,940</u> |

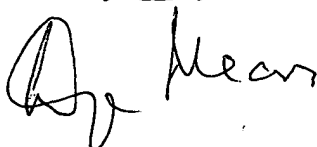
The trustees have prepared group accounts in accordance with section 398 of Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements on pages 28 to 54 were approved by the board of directors on 26th September 2017 and were signed on their behalf by

John Lazarus - Director



Wyn Mears – Director



The notes on pages 32-54 form part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 March 2017

| | Notes | 2017 £ | 2016 £ |
|---|-------|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash provided/(used in) operating activities | 27 | <u>(1,329,460)</u> | <u>(720,675)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Interest received | | 85 | 168 |
| Dividends from investments | | 167,233 | 181,661 |
| Proceeds from sale of investments | | 3,506,311 | 1,419,943 |
| Purchase of property, plant and equipment | | (82,842) | (108,547) |
| Purchase of investments | | (1,796,878) | (1,042,016) |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | | <u>1,793,909</u> | <u>451,209</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Decrease/(increase) in cash and short term deposits (investment assets) | | (481,130) | (47,630) |
| NET CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES | | <u>(481,130)</u> | <u>(47,630)</u> |
| Change in cash and cash equivalents in the reporting period | | <u>(16,681)</u> | <u>(317,096)</u> |
| Cash and cash equivalents at the beginning of the reporting period | | (99,406) | 217,690 |
| Cash and cash equivalents at the end of the reporting period | | <u>(116,087)</u> | <u>(99,406)</u> |

The notes on pages 32-54 form part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 March 2017 - continued

RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

| | 2017 £ | 2016 £ |
|--|---------------------------|-------------------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | (1,057,807) | (1,361,902) |
| Depreciation of tangible fixed assets | 294,088 | 325,305 |
| Investment income receivable | (167,318) | (181,829) |
| (Increase)/decrease in debtors | (272,614) | 235,305 |
| Increase/(decrease) in creditors | (138,826) | 280,376 |
| Decrease/(increase) in stocks | 13,017 | (17,930) |
| NET CASH USED IN OPERATING ACTIVITIES (PAGE 30) | <u>(1,329,460)</u> | <u>(720,675)</u> |

The notes on pages 31-52 form part of these financial statements.

Notes to the financial statements for the year ended 31 March 2017

1. ACCOUNTING POLICIES

Tenovus Cancer Care is a private company limited by guarantee and a registered charity, incorporated in England & Wales. Their registered office is 9th Floor Gleider House, Ty Glas Road, Cardiff CF14 5BD.

The principal accounting policies, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the charity's Memorandum and Articles and 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

GOING CONCERN

The Trustees have reviewed Tenovus Cancer Care's financial position considering the impact of future activities to ensure it is appropriate to produce the accounts on a going concern basis. There are no material uncertainties about the charity's ability to continue.

BASIS OF CONSOLIDATION

The consolidated financial statements of the Group incorporate the financial statements of Tenovus Cancer Care and its subsidiary undertakings, all of which were made up to 31 March 2017. No separate company Statement of Financial Activities (SOFA) has been prepared for the Charity as permitted by section 408 of the Companies Act 2006 and paragraph 24.37 of the SORP.

CASH FLOW STATEMENT

The Charity prepares a consolidated cash flow statement and the consolidated accounts, in which the Charity's results are included and are available to the public. It has therefore taken advantage of the exemption conferred by FRS 102 Section 1 not to prepare a cash flow statement.

INCOMING RESOURCES

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received and the amount can be measured reliably.

Donations and Legacies

Legacies – entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted and the executor has confirmed that a distribution will be made or when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to charity or the charity is aware of the granting probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Notes to the financial statements for the year ended 31 March 2017 - continued

Direct giving – cash donations and regular gifts are accounted for as received.

Events – voluntary income arising from major events, principally sponsorship, is recognised in the period in which the event takes place.

Volunteer fundraising – income from Friends of Tenovus Cancer Care and local committees is accounted for on an accruals basis.

Major donors – major gifts and income from partnerships are recognised when received.

Lottery income – is accounted for on an accruals basis.

Gift Aid - is included based on claims made and an accruals basis.

Income from charitable activities

Grants, where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance its recognition is deferred until the criteria for income recognition has been met. Where entitlement occurs before income is received the income is accrued. Non-performance related grants are recognised on receipt and any unspent funds are carried forward in restricted reserves.

Trading activities

Retail income – retail income is accounted for when the sale takes place.

Events registration – fees are recognised when the event takes place. Any fees received in advance are deferred until the event takes place. Sales of merchandise are accounted for when the transaction occurs.

Investment Income

Investment income is included when receipt is probable and the amount receivable can be measured reliably.

RESOURCES EXPENDED

Expenditure is recognised when a liability is incurred, when an obligation to transfer economic benefits and is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Contractual arrangements and performance related grants are recognised as goods or services supplied. For research grants, the Charity recognises commitments in respect of liabilities to grant recipients up to the date of the annual progress assessment. Other grant payments are recognised when a constructive obligation arises and results in the payment being unavoidable.

Expenditure in raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds and includes irrecoverable VAT.

Charitable activities include expenditure associated with educational programmes and include both the direct costs and support costs relating to those activities.

Support costs include general management, budgeting and accounting, payroll administration, human resources, information technology, facilities and estates, general administration and health and safety and are allocated across charitable and fundraising activities under the following categories: Financial Management, People and Development, Information Systems, Facilities and Estates. These costs have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by usage.

Notes to the financial statements for the year ended 31 March 2017 - continued

DONATED GOODS AND SERVICES

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market, a corresponding amount is then recognised in expenditure in the period of receipt

TAX

Tenovus Cancer Care is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Profit from the subsidiaries is gift aided to Tenovus Cancer Care.

FUND ACCOUNTING

The charity has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Restricted funds – these funds are restricted by the donor or appeal for specific purposes. Restricted capital funds are expended over the life of the asset. Revenue funds restricted by the donor are held in restricted reserves and funds are matched against expenditure as appropriate.

Designated funds – these are unrestricted funds that have been set aside at the discretion of the trustees for particular purposes.

Unrestricted funds – these funds comprise accumulated surpluses and deficits on general funds that are expendable at the discretion of the trustees in furtherance of the objects of the charity and that have not been designated for other purposes.

LEASES

All leases are operating leases. Costs in respect of these leases are charged to the SOFA over the term of the lease.

FIXED ASSETS

Tangible fixed assets costing more than £500 are capitalised and included at cost together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned. The principle annual rates used for this purpose are;

| | |
|-----------------------------------|---------------------------------------|
| Leasehold improvements to shops | 5 yrs, 10 yrs or remaining lease term |
| Furniture, fittings and equipment | 10%, 15% and 25% |
| Motor Vehicles | 25% - 33.33% |
| Mobile Units | 5-10% |
| Short leasehold premises | over the period of the lease |

Notes to the financial statements for the year ended 31 March 2017 - continued

Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is, recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

STOCKS

Stocks comprise of merchandise purchased for resale and consumables and are stated at the lower of cost and net realisable value and are less any provisions for slow moving stocks. Donated goods for sale in the Groups' charity shops are not valued.

OPERATING LEASES

Rental costs under operating leases are charged on a straight-line basis to the SOFA over the lease term.

INVESTMENTS

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments in subsidiaries are included within the financial statements at cost. A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than one year are treated as current asset investments

CURRENT ASSET INVESTMENTS

The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.

They are valued at fair value except where they qualify as basic financial instruments

Notes to the financial statements for the year ended 31 March 2017 - continued

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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 settlement amount after allowing for any trade discounts due.

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Notes to the financial statements for the year ended 31 March 2017 - continued

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to

another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

PENSION COSTS

The Charity contributes to a voluntary defined contribution pension scheme for the majority of permanent employees and provides benefits based on contributions made. The assets of the scheme are held in trustee-administered funds completely independent of the Charity's finances. Contributions to the scheme are charged to the SOFA so as to spread the cost of pensions over the employees' working lives with the Charity. Any difference between the charge to the SOFA and the contributions actually paid to the scheme in the year are shown as an asset or liability in the balance sheet.

Auto-enrolment for the Charity commenced in April 2014 and the Charity is complying with its obligations.

FOREIGN EXCHANGE POLICY

Transactions in foreign currency are recorded at the rate of exchange prevailing at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rates prevailing at the balance sheet date. Any resulting gains or losses on exchange are included in the SOFA.

CRITICAL ACCOUNTING 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.

Notes to the financial statements for the year ended 31 March 2017 - continued

2. DONATIONS & LEGACIES

| | Unrestricted £ | Restricted £ | 2017 £ | 2016 £ |
|----------------------------|-------------------|-----------------|------------------|------------------|
| Donations & Gifts | 958,728 | 23,063 | 981,791 | 962,301 |
| Legacies | 1,172,001 | - | 1,172,001 | 1,437,782 |
| Trusts & Foundations | 21,127 | 233,821 | 254,948 | 270,714 |
| Donated goods and services | 150,859 | - | 150,859 | 157,501 |
| | <u>2,302,715</u> | <u>256,884</u> | <u>2,559,599</u> | <u>2,828,298</u> |

3. CHARITABLE ACTIVITIES

| | Unrestricted £ | Restricted £ | 2017 £ | 2016 £ |
|------------------------------|-------------------|-----------------|----------------|----------------|
| Big Lottery Grant Fund | - | 50,000 | 50,000 | - |
| Burdett Trust | - | 50,000 | 50,000 | 50,000 |
| Welsh Assembly Government | - | 205,438 | 205,438 | 175,438 |
| Money Advice Service | - | 21,314 | 21,314 | - |
| Glynneath Health & Wellbeing | - | 24,164 | 24,164 | - |
| Prostate Cancer UK | - | - | - | 162,372 |
| | | <u>350,916</u> | <u>350,916</u> | <u>387,810</u> |

4. OTHER TRADING ACTIVITIES

| | 2017 £ | 2016 £ |
|-------------------------------------|------------------|------------------|
| Shop income | 5,104,096 | 5,192,791 |
| Trading in subsidiaries (4a) & (4b) | 341,618 | 384,170 |
| Events | 351,668 | 214,718 |
| Lottery | 151,477 | 105,653 |
| | <u>5,948,859</u> | <u>5,897,332</u> |

Notes to the financial statements for the year ended 31 March 2017 – continued

4a. TRADING OPERATIONS IN SUBSIDIARY

The Charity has a trading subsidiary, Tenovus Trading Limited, company number 01157332, a company limited by guarantee which is incorporated in the UK. The subsidiary sells greeting cards, calendars and other promotional goods, and covenants all its taxable profits to Tenovus Cancer Care. A summary of its trading results follows.

| INCOME & EXPENDITURE ACCOUNT | 2017 £ | 2016 £ |
|---|----------------|----------------|
| Turnover (Note 4) | 311,050 | 353,602 |
| Net operating expenses (Note 7) | (190,720) | (198,817) |
| Operating surplus | <u>120,330</u> | <u>154,785</u> |
| Amount covenanted to Tenovus Cancer Care | (120,330) | (154,785) |
| Retained in subsidiary | <u>-</u> | <u>-</u> |
| A summary of its aggregate assets, liabilities and funds is as follows: | | |
| Assets | 78,795 | 135,015 |
| Liabilities | (68,944) | (125,164) |
| Funds | <u>9,851</u> | <u>9,851</u> |

4b. TRADING OPERATIONS IN SUBSIDIARY

The Charity has a trading subsidiary, Tenovus Health Limited, company number 08146954, a company limited by guarantee which is incorporated in the UK. The subsidiary, and covenants all its taxable profits to Tenovus Cancer Care. A summary of its trading results follows.

| INCOME & EXPENDITURE ACCOUNT | 2017 £ | 2016 £ |
|---|-----------|-----------|
| Turnover (Note 4) | 30,568 | 30,568 |
| Net operating expenses (Note 7) | (30,568) | (30,568) |
| Operating surplus/deficit | <u>-</u> | <u>-</u> |
| Amount covenanted to Tenovus Cancer Care | - | - |
| Retained in subsidiary | <u>-</u> | <u>-</u> |
| A summary of its aggregate assets, liabilities and funds is as follows: | | |
| Assets | 17,809 | 88,685 |
| Liabilities | (17,808) | (88,684) |
| Funds | <u>1</u> | <u>1</u> |

Notes to the financial statements for the year ended 31 March 2017 – continued

5. INVESTMENT INCOME

| | Unrestricted £ | Restricted £ | 2017 £ | 2016 £ |
|---------------------|-------------------|-----------------|----------------|----------------|
| Dividend income | 167,233 | - | 167,233 | 181,661 |
| Interest receivable | 85 | - | 85 | 168 |
| | <u>167,318</u> | <u>-</u> | <u>167,318</u> | <u>181,829</u> |

6. EXPENDITURE FOR RAISING FUNDS

| | Unrestricted £ | Restricted £ | 2017 £ | 2016 £ |
|---------------------------------|-------------------|-----------------|------------------|------------------|
| Donations & Gifts (6a) | 1,098,430 | - | 1,098,430 | 1,178,367 |
| Donated goods and services (6b) | 150,859 | - | 150,859 | 157,501 |
| Legacies and Trusts | 20,701 | 20,000 | 40,701 | 114,572 |
| Lottery | 24,935 | - | 24,935 | 158,981 |
| Investment Management Costs | 30,848 | - | 30,848 | 34,898 |
| | <u>1,325,773</u> | <u>20,000</u> | <u>1,345,773</u> | <u>1,644,319</u> |

6a. DONATIONS & GIFTS

| | Unrestricted £ | Restricted £ | 2017 £ | 2016 £ |
|-----------------------------|-------------------|-----------------|------------------|------------------|
| Staff & other related costs | 635,382 | - | 635,382 | 725,408 |
| Other overhead costs | 231,353 | - | 231,353 | 181,702 |
| Publicity | 18,438 | - | 18,438 | 56,489 |
| Support costs | 213,257 | - | 213,257 | 214,768 |
| | <u>1,098,430</u> | <u>-</u> | <u>1,098,430</u> | <u>1,178,367</u> |

6b. DONATED GOODS AND SERVICES

| | Unrestricted £ | Restricted £ | 2017 £ | 2016 £ |
|----------------------------------|-------------------|-----------------|----------------|----------------|
| Publicity | 92,425 | - | 92,425 | 79,825 |
| Mobile Unit equipment & services | 56,900 | - | 56,900 | 74,816 |
| Goods & Services | 1,534 | - | 1,534 | 2,860 |
| | <u>150,859</u> | <u>-</u> | <u>150,859</u> | <u>157,501</u> |

Notes to the financial statements for the year ended 31 March 2017 - continued

7. OTHER TRADING ACTIVITIES

| | 2017 £ | 2016 £ |
|---|------------------|------------------|
| Event costs | 193,478 | 144,422 |
| Retail shops costs (7a) | 4,492,511 | 4,669,330 |
| Cost of sales on new goods (subsidiary) (note 4a) | 190,720 | 198,817 |
| Tenovus Health costs (subsidiary) (note 4b) | 33,335 | 35,126 |
| | 4,910,044 | 5,047,695 |

| | Unrestricted Funds £ | Restricted Funds £ | 2017 £ | 2016 £ |
|-----------------------------|----------------------------|--------------------------|------------------|------------------|
| 7a. | | | | |
| DIRECT COSTS | | | | |
| Staff & other related costs | 2,067,646 | - | 2,067,646 | 2,266,744 |
| Rent, rates & insurance | 1,239,973 | - | 1,239,973 | 1,165,866 |
| Other costs | 392,481 | - | 392,481 | 389,172 |
| Utilities | 192,857 | - | 192,857 | 209,734 |
| Repairs & renewals | 48,867 | - | 48,867 | 79,825 |
| Consumables | 28,863 | - | 28,863 | 45,417 |
| Bad Debts | - | - | - | (42,922) |
| Depreciation | 114,638 | - | 114,638 | 119,486 |
| Support costs (9) | 407,186 | - | 407,186 | 436,008 |
| | 4,492,511 | - | 4,492,511 | 4,669,330 |

Notes to the financial statements for the year ended 31 March 2017 – continued

8. COST OF CHARITABLE ACTIVITIES

| | Unrestricted Funds £ | Restricted Funds £ | 2017 £ | 2016 £ |
|---|----------------------------|--------------------------|------------------|------------------|
| 8a. GRANTS TO INSTITUTIONAL RESEARCH ORGANISATIONS | | | | |
| University of Cardiff | 335,557 | 42,106 | 377,663 | 480,110 |
| University of Wales Bangor | (5,734) | - | (5,734) | 49,189 |
| University of Swansea | (14,603) | - | (14,603) | 42,578 |
| University of Glamorgan | - | - | - | 2,138 |
| Cardiff & Vale UHB | 39,260 | - | 39,260 | - |
| Cardiff Metropolitan | - | - | - | (4,243) |
| University of Aberystwyth | 49,949 | - | 49,949 | 21,883 |
| University Hospital of Wales | 100 | - | 100 | 21,177 |
| Princess of Wales Hospital | - | - | - | 30,000 |
| South Wales Cancer Network | - | - | - | 26,400 |
| Hywel Dda University Health Board | 36,485 | - | 36,485 | - |
| Old Mill Foundation | - | - | - | 5,500 |
| Cwm Taf Health Board | 65,789 | - | 65,789 | 23,365 |
| ABMU Health Board | - | - | - | 24,921 |
| Morriston Hospital | 1,107 | - | 1,107 | 4,063 |
| Royal College of Music | 154,939 | - | 154,939 | - |
| Direct costs (8ai) | 229,324 | - | 229,324 | 185,102 |
| Support costs (9) | 117,362 | - | 117,362 | 124,548 |
| | 1,009,535 | 42,106 | 1,051,641 | 1,036,731 |
| | | | | |
| | Unrestricted Funds £ | Restricted Funds £ | 2017 £ | 2016 £ |
| 8ai. DIRECT COSTS | | | | |
| Staff & other related costs | 154,313 | - | 154,313 | 145,242 |
| Other research costs | 27,144 | - | 27,144 | 4,029 |
| Direct overheads | 47,867 | - | 47,867 | 35,831 |
| | 229,324 | - | 229,324 | 185,102 |

Continued grant funding to institutional research organisations is dependent upon adequate progress being made with the project, determined by means of an annual project review. As a result of these terms and conditions, the Charity is required to recognise a liability for commitments made to fund grant recipients beyond the balance sheet date and up to the date of the annual review for each project. Where no annual review is present, the Charity recognises expenditure when a constructive obligation arises. This liability amounted to £792,996 at 31 March 2017 (2016: £742,373) see note 17.

Notes to the financial statements for the year ended 31 March 2017 – continued

8b. PATIENT SERVICES

| | Unrestricted Funds £ | Restricted Funds £ | 2017 £ | 2016 £ |
|-------------------------------|----------------------------|--------------------------|------------------|------------------|
| Staff & other related costs | 674,618 | 428,758 | 1,103,376 | 1,115,335 |
| Depreciation | 4,330 | 16,738 | 21,068 | 21,130 |
| Direct overhead costs | 132,738 | 72,409 | 205,147 | 227,349 |
| Publicity | 34,781 | - | 34,781 | 39,144 |
| Support costs (9) | 202,730 | - | 202,730 | 199,865 |
| Mobile unit direct costs | 253,764 | 259,364 | 513,128 | 572,146 |
| Mobile unit support costs (9) | 30,160 | - | 30,160 | 41,117 |
| | 1,333,121 | 777,269 | 2,110,390 | 2,216,086 |

8c. SUPPORT GROUPS

| | Unrestricted Funds £ | Restricted Funds £ | 2017 £ | 2016 £ |
|-----------------------|----------------------------|--------------------------|----------------|----------------|
| Staff costs | 215,088 | 74,463 | 289,551 | 279,646 |
| Direct overhead costs | 62,869 | 15,268 | 78,137 | 96,031 |
| Publicity | 5,872 | - | 5,872 | 12,994 |
| Travel & Subsistence | 28,645 | - | 28,645 | 42,350 |
| Room hire | 24,049 | - | 24,049 | 17,374 |
| Support costs (9) | 37,267 | 9,900 | 47,167 | 53,779 |
| | 373,790 | 99,631 | 473,421 | 502,174 |

8d. CAMPAIGNS & POLICY

| | Unrestricted Funds £ | Restricted Funds £ | 2017 £ | 2016 £ |
|-----------------------|----------------------------|--------------------------|----------------|----------------|
| Staff costs | 61,674 | 26,835 | 88,509 | 90,645 |
| Direct overhead costs | 24,785 | 5,357 | 30,142 | 34,614 |
| Policy Research | - | - | - | 14,662 |
| Campaign costs | 15,417 | - | 15,417 | 22,709 |
| Support costs (9) | 59,162 | - | 59,162 | 63,091 |
| | 161,038 | 32,192 | 193,230 | 225,721 |

9. SUPPORT COSTS

| | Other overhead | Staff costs | Total 2017 | Total 2016 |
|------------------------|-------------------|----------------|------------------|------------------|
| Retail & Subsidiaries | 95,957 | 311,229 | 407,186 | 466,330 |
| Costs of Raising Funds | 52,586 | 170,558 | 223,144 | 238,156 |
| Patients Services | 47,775 | 154,955 | 202,730 | 199,866 |
| Mobile Units | 7,107 | 23,053 | 30,160 | 41,116 |
| Support Groups | 11,115 | 36,052 | 47,167 | 53,778 |
| Research | 27,657 | 89,705 | 117,362 | 124,548 |
| Campaigns & Policy | 13,942 | 45,220 | 59,162 | 63,090 |
| Total | 256,139 | 830,772 | 1,086,911 | 1,186,884 |

Included in Support Groups for 2017 there is £9,900 of restricted expenditure.

Notes to the financial statements for the year ended 31 March 2017 – continued

10. STAFF COSTS AND TRUSTEES' REMUNERATION

| | 2017 | 2016 |
|-----------------------------------|------------------|------------------|
| | £ | £ |
| Wages & salaries | 5,073,839 | 5,239,282 |
| Redundancy & termination payments | 37,904 | 11,000 |
| Social security costs | 398,408 | 429,631 |
| Other pension costs (note 22) | 167,296 | 183,170 |
| | <u>5,677,447</u> | <u>5,863,083</u> |

The number of higher paid employees was as follows:

| | 2017 Number | 2016 Number |
|--------------------|----------------|----------------|
| £60,001 - £70,000 | 1 | - |
| £70,001 - £80,000 | - | 2 |
| £80,001 - £90,000 | 1 | 1 |
| £90,001 - £100,000 | <u>1</u> | <u>1</u> |

The number of higher paid employees for whom retirement benefits are accruing:

| | 2017 Number | 2016 Number |
|--------------------|----------------|----------------|
| £60,001 - £70,000 | 1 | - |
| £70,001 - £80,000 | - | 2 |
| £80,001 - £90,000 | 1 | 1 |
| £90,001 - £100,000 | <u>1</u> | <u>1</u> |

Pension contributions for higher paid employees are as follows:

| | 2017 Number | 2016 Number |
|--------------------|----------------|----------------|
| £60,001 - £70,000 | 4,653 | - |
| £70,001 - £80,000 | - | 9,251 |
| £80,001 - £90,000 | 5,073 | 5,073 |
| £90,001 - £100,000 | <u>6,027</u> | <u>6,027</u> |

No Trustee has received any remuneration from the Group during the year (2016: £nil). During the year no Trustees received reimbursement of travel & subsistence (2016: £12).

Key Management Personnel

The key management personnel of the parent charity comprise the Senior Management Team listed on pages 19 and 20. The total employee benefits of the charity were £497,598 (2016: £567,972).

11. STAFF NUMBERS

| | 2017 Number | 2016 Number |
|--|----------------|----------------|
| Average number of employees (full time equivalent) | <u>218</u> | <u>239</u> |
| Patient Services – costs allocated to statement of financial activities – patient services | 37 | 42 |
| Research – costs allocated to statement of financial activities – research costs | 3 | 5 |
| Support Groups – costs allocated to statement of financial activities – support groups | 10 | 10 |
| Income Generation Department – allocated to statement of financial activities – | 29 | 24 |
| Head Office – allocated to statement of financial activities | 24 | 26 |
| Campaigns & Policy – allocated to statement of financial activities | 2 | 3 |
| Communication & marketing – allocated to statement of financial activities | 8 | 9 |
| Shops – allocated to the statement of financial activities | 105 | 120 |
| | <u>218</u> | <u>239</u> |

Notes to the financial statements for the year ended 31 March 2017 – continued

12. NET INCOME/ (EXPENDITURE) FOR THE YEAR

As permitted by Section 230 of the Companies Act 2006, the parent company's income and expenditure account has not been included in these financial statements.

The net income/ (outgoing) resources for the year are made up as follows:

| | 2017 £ | 2016 £ |
|---|--------------------|--------------------|
| Income generated by parent charitable company | 8,685,074 | 8,926,654 |
| Expenditure by parent charitable company | (9,860,445) | (10,288,556) |
| Share of net income/ (expenditure) resources generated by subsidiary and covenanted to this company | 120,330 | 154,785 |
| | <u>(1,055,041)</u> | <u>(1,207,117)</u> |

Net incoming resources for the year is stated after charging:

| | 2017 £ | 2016 £ |
|--|-----------------|----------------|
| Gift Aid income | 416,612 | 578,406 |
| Depreciation | 294,088 | 325,305 |
| Auditors' remuneration – audit fee | 9,400 | 9,400 |
| Land and buildings operating lease costs | 1,211,419 | 1,137,276 |
| Other operating lease costs | 12,725 | 14,372 |
| Profit/(loss) on disposal of tangible fixed assets | <u>(52,887)</u> | <u>(6,846)</u> |

Notes to the financial statements for the year ended 31 March 2017 - continued

13. TANGIBLE FIXED ASSETS

Charity & Group

| | Leasehold shop improvements | Motor vehicles | Furniture, fittings & equipment | Mobile Units | Short leasehold premises | TOTAL |
|--|--------------------------------|-------------------|---------------------------------------|-----------------|--------------------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 1 April 2016 | 626,267 | 66,143 | 528,565 | 942,304 | 395,777 | 2,559,056 |
| Additions | 5,360 | - | 77,482 | - | - | 82,842 |
| Disposals | - | - | - | (121,580) | - | (121,580) |
| At 31 March 2017 | 631,627 | 66,143 | 606,047 | 820,724 | 395,777 | 2,520,318 |
| Depreciation | | | | | | |
| At 1 April 2016 | 377,234 | 33,123 | 348,960 | 436,146 | 226,837 | 1,422,300 |
| Charge for the year | 98,324 | 14,725 | 59,841 | 105,036 | 16,162 | 294,088 |
| Eliminated on disposal | - | - | - | (68,693) | - | (68,693) |
| At 31 March 2017 | 475,558 | 47,848 | 408,801 | 472,489 | 242,999 | 1,647,695 |
| Net Book Value at 31 March 2017 | 156,069 | 18,295 | 197,246 | 348,235 | 152,778 | 872,623 |
| Net Book Value at 31 March 2016 | 249,033 | 33,020 | 179,605 | 506,158 | 168,940 | 1,136,756 |

Notes to the financial statements for the year ended 31 March 2017 - continued

14. FIXED ASSET INVESTMENTS

| | 2017 £ | 2016 £ |
|---|------------------|------------------|
| Group & Charity | | |
| Fair value at 1 April 2016 | 5,131,254 | 5,805,031 |
| Less: disposals at opening book value | (3,255,171) | (1,525,274) |
| Add: acquisitions at cost | 1,796,878 | 1,042,016 |
| Net unrealised investment gains/(losses) | | |
| Unrestricted | 330,299 | (238,149) |
| Increase/(decrease) in cash balance | 481,130 | 47,630 |
| Fair value at 31 March 2017 | 4,484,390 | 5,131,254 |
| Split by: | | |
| Fixed Asset Investments | 4,484,390 | 4,431,254 |
| Current Asset Investments | - | 700,000 |
| Represented by: | | |
| Quoted UK Investments | | |
| Fixed Interest Stock, UK Government | - | 116,644 |
| Corporate bond and bond funds | 974,822 | 1,268,173 |
| Equities | 2,763,039 | 3,282,432 |
| Other Investments | 170,260 | 368,866 |
| Cash held as part of investment portfolio | 576,269 | 95,139 |
| Fair value at 31 March 2017 | 4,484,390 | 5,131,254 |
| Cost at 31 March 2017 | 3,199,370 | 4,288,635 |

At 31 March 2017, 4 (2016: 1) individual holding of investments represented more than 5% of the total carrying value of investments.

14b. INVESTMENT IN SUBSIDIARY

| | Group 2017 £ | 2016 £ | Charity 2017 £ | 2016 £ |
|--------------------------|--------------------|-----------|----------------------|-----------|
| Investment in Subsidiary | - | - | 1 | 1 |
| | <u>-</u> | <u>-</u> | <u>1</u> | <u>1</u> |

The company's investments at the balance sheet date in the share capital of companies include the following:

Tenovus Health Limited

| | |
|--------------------------|-------------------------|
| Country of Incorporation | England & Wales |
| Class of share | Ordinary |
| Holding | 100% |
| Principal Activity | Other Health Activities |

Notes to the financial statements for the year ended 31 March 2017 - continued

15. STOCKS

| | Group | | Charity | |
|------------------------------|---------------|----------------|---------------|---------------|
| | 2017 | 2016 | 2017 | 2016 |
| | £ | £ | £ | £ |
| Consumables | 33,840 | 22,897 | 33,840 | 22,897 |
| Greeting cards & merchandise | 57,909 | 81,869 | - | - |
| | <u>91,749</u> | <u>104,766</u> | <u>33,840</u> | <u>22,897</u> |

16. DEBTORS

| | Group | | Charity | |
|---|------------------|------------------|------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| | £ | £ | £ | £ |
| Amounts falling due within one year: | | | | |
| Trade debtors | 32,910 | 39,003 | 15,358 | 13,665 |
| Amount due from subsidiaries | - | - | 68,204 | 136,136 |
| Other debtors | 71,752 | 88,463 | 71,752 | 70,127 |
| Prepayments | 513,076 | 538,816 | 512,966 | 538,307 |
| Accrued Income | 738,381 | 417,223 | 738,381 | 417,223 |
| | <u>1,356,119</u> | <u>1,083,505</u> | <u>1,406,661</u> | <u>1,175,458</u> |

17. CREDITORS

| | Group | | Charity | |
|---|------------------|------------------|------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| | £ | £ | £ | £ |
| Amounts falling due within one year: | | | | |
| Bank overdraft | 168,715 | 243,696 | 168,715 | 243,696 |
| Trade creditors | 228,176 | 320,704 | 228,081 | 309,482 |
| Accruals: | | | | |
| General accruals | 202,681 | 149,943 | 199,532 | 143,741 |
| Research commitments | 792,996 | 742,373 | 792,996 | 742,373 |
| Deferred income | 71,836 | 97,194 | 56,552 | 36,906 |
| Other creditors | 136,566 | 260,870 | 136,566 | 260,870 |
| | <u>1,600,970</u> | <u>1,814,780</u> | <u>1,582,442</u> | <u>1,737,068</u> |

Security

The bank facility is secured on the Quoted UK Investments.

Notes to the financial statements for the year ended 31 March 2017 - continued

17. CREDITORS (CONTINUED)

| DEFERRED INCOME | Group | | Charity | |
|----------------------|---------------|---------------|---------------|---------------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Opening Balance | 97,194 | 92,185 | 36,906 | 46,333 |
| Released in the year | (294,948) | (314,695) | (249,944) | (284,127) |
| Deferred in the year | 269,590 | 319,704 | 269,590 | 274,700 |
| Closing Balance | <u>71,836</u> | <u>97,194</u> | <u>56,552</u> | <u>36,906</u> |

18. FINANCIAL INSTRUMENTS

| | Group | | Charity | |
|---|------------------|------------------|------------------|------------------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Financial assets measured at fair value | | | | |
| Investments | <u>4,484,390</u> | <u>5,131,254</u> | <u>4,484,391</u> | <u>5,131,255</u> |
| | <u>4,484,390</u> | <u>5,131,254</u> | <u>4,484,391</u> | <u>5,131,255</u> |
| Financial assets measured at amortised cost | | | | |
| Current Asset Investments | - | 700,000 | - | 700,000 |
| Trade debtors | 32,910 | 39,003 | 15,358 | 13,665 |
| Other debtor transactions | 810,133 | 505,686 | 878,337 | 623,486 |
| Cash | <u>52,628</u> | <u>144,290</u> | <u>31,614</u> | <u>46,642</u> |
| | <u>895,671</u> | <u>1,388,979</u> | <u>925,309</u> | <u>1,383,793</u> |
| Financial liabilities measured at amortised cost | | | | |
| Bank overdraft | 168,715 | 243,696 | 168,715 | 243,696 |
| Trade creditors | 228,176 | 320,704 | 228,081 | 309,482 |
| Other creditor transactions | <u>1,132,243</u> | <u>1,153,186</u> | <u>1,129,094</u> | <u>1,146,984</u> |
| | <u>1,529,134</u> | <u>1,717,586</u> | <u>1,525,890</u> | <u>1,700,162</u> |

Notes to the financial statements for the year ended 31 March 2017 - continued

19. FUNDS

| Charity | Balance at 1 April 2016 £ | Income £ | Expenditure £ | Investment gains/losses £ | Transfers between Funds £ | Balance at 31 March 2017 £ |
|--|---------------------------------|------------------|---------------------|---------------------------------|------------------------------------|-------------------------------------|
| Unrestricted | | | | | | |
| General Fund | 3,653,616 | 8,147,908 | (8,534,268) | 581,441 | (139,240) | 3,709,457 |
| Designated Funds | | | | | | |
| Property Upgrade Fund | 107,751 | - | - | - | - | 107,751 |
| Development of Sustainable Income Streams Fund | 140,940 | - | (3,936) | - | - | 137,004 |
| Development of Charitable Activity | 790,809 | - | (304,113) | - | - | 486,696 |
| Total Unrestricted | 4,693,116 | 8,147,908 | (8,842,317) | 581,441 | (139,240) | 4,440,908 |
| Restricted | | | | | | |
| Innovation Fund | 7,496 | - | - | - | - | 7,496 |
| PHD Fund | 86,189 | 377 | (42,106) | - | - | 44,460 |
| Big Lottery Grant Fund - Advantage Scheme | 1,388 | - | (1,370) | - | - | 18 |
| Big Lottery Grant Fund – Accelerating Ideas | - | 50,000 | (40,327) | - | - | 9,673 |
| St James's Place Foundation | 2,430 | 34,000 | (19,061) | - | - | 17,369 |
| Welsh Assembly Government | 517 | 205,438 | (205,438) | - | (193) | 324 |
| Burdett Trust Fund | 823 | - | (535) | - | - | 288 |
| Cancer Callback Fund | 23,622 | 51,000 | (78,567) | - | 32,212 | 28,267 |
| Prostate Cancer UK Fund | 155,740 | 100 | (160,174) | (52,887) | 57,221 | - |
| Bournemouth Hospital Fund | 85,534 | - | (20,000) | - | - | 65,534 |
| Specific Area Fund | 62,284 | 5,000 | (61,565) | - | - | 5,719 |
| Mobile Unit 2 - Capital Fund | 322,150 | - | (45,656) | - | - | 276,494 |
| Mobile Unit 2 - Running | - | 136,692 | (135,492) | - | - | 1,200 |
| Support Groups | 15,933 | 24,458 | (40,391) | - | - | - |
| Santander Debt Project | 2,583 | - | (2,583) | - | - | - |
| Mobile Unit 1 –Capital Fund | 16,232 | - | (3,107) | - | - | 13,125 |
| Mobile Unit 1 – Running | 9,219 | 5,000 | (14,219) | - | - | - |
| CST Activity Fund | 6,261 | 58,119 | (37,332) | - | - | 27,048 |
| Velindre Fund | 260,356 | - | (42,034) | - | - | 218,322 |
| Equipment Fund | 24,067 | - | - | - | - | 24,067 |
| Mobile Unit 3 – Capital Fund | - | 1,375 | - | - | - | 1,375 |
| Major Donor Fund | - | 15,000 | - | - | 50,000 | 65,000 |
| Campaign Fund | - | 21,241 | (21,241) | - | - | - |
| Total Restricted | 1,082,824 | 607,800 | (971,198) | (52,887) | 139,240 | 805,779 |
| Total charity | 5,775,940 | 8,755,708 | (9,813,515) | 528,554 | - | 5,246,687 |
| Group | 5,785,791 | 9,026,692 | (10,084,499) | 528,554 | - | 5,256,538 |

Notes to the financial statements for the year ended 31 March 2017 - continued

19. FUNDS (continued)

The group balance sheet also includes non-charitable trading funds of £9,851 (2016: £9,851) held in the subsidiary undertaking Tenovus Trading Limited on behalf of Tenovus Cancer Care.

Designated Funds

The Property Upgrade Fund represents the amount required to cover anticipated future expenditure on property dilapidation and equipment at 31 March 2017.

The Development of Sustainable Income Streams Fund represents an amount used to develop and maintain sustainable income streams within the charity. The fund will be spent over a 3 year period from a tailored and robust programme of spend.

The Development of Charitable Activity Fund represents funds set aside for deliverance of the charity's objectives. A programme of spending will be drawn up during the next financial year and will be spent by 2020.

Restricted Funds

The Innovation Fund represents funding for an innovation grant from the Amser Justin Fund.

The PHD Fund represents funding for PHD students from the Hodge and Masonic Samaritan Fund.

The Big Lottery Grant Fund – Advantage Scheme is a 3 year project for establishing fifteen choirs across Wales for people affected by cancer.

The Big Lottery Grant Fund – Accelerating Ideas Scheme is a 1 year project looking into the expansion of choirs into England.

The St James's Place Foundation Fund represents funding for physio touch equipment for the Mobile Unit and funding for a Support Line Nurse. The balance represents the net book value of the equipment in fixed assets and unspent funds.

The Welsh Assembly Government Fund represents funding for Front Line Advice Services.

The Burdett Trust Fund represents funding to be applied on the Cancer Callback project funded by the Burdett Trust.

The Cancer Callback Service fund represents funding from the Burdett Trust and Moondance Foundation for an extension of the Cancer Callback project. The project is being match funded by Tenovus Cancer Care.

The Prostate Cancer UK Fund represents capital and running costs for the Man Van project over three years.

The Royal Bournemouth Hospital fund represents funding to be applied locally in the Royal Bournemouth Hospital from various different estates.

The Mobile Unit 2 Capital Fund represents funding to be applied on the capital build on the Mobile Unit 2 from Welsh Assembly Government, Rank Foundation, Walk the Walk Foundation, The David Hammond Charitable Trust and Wolfson Foundation.

The Mobile Unit 2 Running Costs fund represents funding to be applied on the Mobile Unit 2 running costs from The Simon Gibson Charitable Trust, Walk the Walk Foundation and Tata Steel.

The Support Groups fund represents funding for use on specific support groups.

The Santander Fund is for use on a pilot debt project.

The Mobile Unit 1 Capital Running Fund represents funding to be applied on Capital.

The Specific Area Fund represents funding to be applied in specific areas within Wales.

The CST Activity Fund relates to funding received for specific Cancer Support Team activity from trust foundations including James Tudor Foundation, Money Advice Service, Waterloo Foundation, Maesgwyn Wind Farm Community Benefit and Selar Community Benefit.

The Velindre Fund is to be applied at the Cancer Information Centre, Velindre from the Lynch Estate.

The Equipment Fund represents a legacy for the purchase of medical equipment.

The Mobile Unit 3 Capital Fund represents funding to be applied on the capital build on the Mobile Unit 3.

The Major Donor Fund represents funding from Major Donors.

The Campaign Fund represents funding from Cardiff University Fund for Health & Wellbeing campaign.

Notes to the financial statements for the year ended 31 March 2017 - continued

19. FUNDS (continued)

Transfers

Transfers are made to cover depreciation that is charged on assets bought with restricted funds but whereby the depreciation does not form part of the project. Transfers are also made to cover spend where Tenovus Cancer Care is match funding the project.

20. ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

| | General Funds | Designated Funds | Restricted Funds | Total 31 March 2017 |
|-------------------------|------------------|------------------|------------------|------------------------|
| | £ | £ | £ | £ |
| Charity | | | | |
| Fixed assets | 594,775 | - | 277,848 | 872,623 |
| Investments | 4,484,391 | - | - | 4,484,391 |
| Net current liabilities | (1,369,709) | 731,451 | 527,931 | (110,327) |
| | <u>3,709,457</u> | <u>731,451</u> | <u>805,779</u> | <u>5,246,687</u> |
| Group | | | | |
| Fixed assets | 594,775 | - | 277,848 | 872,623 |
| Investments | 4,484,390 | - | - | 4,484,390 |
| Net current liabilities | (1,359,857) | 731,451 | 527,931 | (100,475) |
| | <u>3,719,308</u> | <u>731,451</u> | <u>805,779</u> | <u>5,256,538</u> |

21. ANALYSIS OF NET FUNDS

| | 1 April 2016 £ | Cash flows £ | 31 March 2017 £ |
|---|-------------------|-----------------|--------------------|
| Net cash analysed in the balance sheet | | | |
| Cash at bank and in hand | 144,290 | (91,662) | 52,628 |
| Overdraft | (243,696) | 74,981 | (168,715) |
| | <u>(99,406)</u> | <u>(16,681)</u> | <u>(116,087)</u> |
| Net funds | | | |

Notes to the financial statements for the year ended 31 March 2017 - continued

22. PENSION COSTS

The pension cost represents contributions paid by the Charity to the Tenovus Cancer Care Group Personal Pension Plan, a defined contribution scheme. During the year membership of the Pension Plan was offered to all the Charity's employees subject to certain restrictions. The Charity's contribution amounted to £164,921 (2016: £178,794). The contribution rates ranged between 2% and 7% (2016: 2% and 7%). At the year-end there was £30,229 outstanding (2016: £140,843).

The Charity also contributes to the NHS pension scheme for one nurse. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State. As a consequence, it is not possible for the Charity to identify its share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. The total employer contribution payable in the year was £4,375 (2016: £4,376).

23. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee whereby the liability of each member is limited to £1. As at 31 March 2017 there were fourteen members.

24. RELATED PARTY TRANSACTIONS

During the year Tenovus Cancer Care acted as an agent and collected monies totalling £270,984 (2016: £324,885) on behalf of its wholly owned trading subsidiary Tenovus Trading Limited. The charity also recharged overheads to Tenovus Trading totalling £28,714 (2016: £34,549). At the year end the Tenovus Cancer Care was owed £66,580 (2016: £109,740) from Tenovus Trading Limited.

During the year Tenovus Cancer Care incurred expenditure on behalf of its wholly owned subsidiary Tenovus Health Limited totalling £17,948 (2016: £25,120). The charity also recharged overheads totalling £11,218 (2016: £5,448). At the year-end Tenovus Cancer Care was owed £1,624 (2016: £26,396) by Tenovus Health Limited.

During the year the Charity received donations totalling £15,841 (2016: £58,996) from Trustees. These donations were received without any conditions.

25. FINANCIAL COMMITMENTS

At 31 March 2017 the Charity had annual commitments under non-cancellable operating leases as follows:

| | Other | | Land & Buildings | |
|-------------------------------------|---------------|---------------|------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| | £ | £ | £ | £ |
| Expiring within one year | 16,970 | 11,404 | 988,619 | 124,502 |
| Expiring between two and five years | 54,581 | 28,321 | 2,511,953 | 1,156,103 |
| Expiring in over five years | - | - | 721,974 | 2,351,536 |
| | <u>71,551</u> | <u>39,725</u> | <u>4,222,546</u> | <u>3,632,141</u> |

26. CONTINGENT ASSETS

In accordance with the SORP 2015 the charity has recognised legacies when it is probable that it will be received. An agent is employed to notify the Charity of bequests and a system of monitoring ensures that the legacy is tracked until receipt.

At the year end the Charity had been notified of 30 legacies (2016: 32) which had not met all of the above conditions. These totalled approximately £389,905 (2016: £902,798) including 2 material legacies estimated at £190,000 (2016: £365,000:(3)).

27. CAPITAL COMMITMENTS

At 31 March 2017 the Charity had the following capital commitments:

| | 2017 | 2016 |
|---------------|----------------|----------|
| | £ | £ |
| Mobile Unit 3 | 456,205 | - |
| | <u>456,205</u> | <u>-</u> |

Notes to the financial statements for the year ended 31 March 2017 – continued

28. COMPARATIVE SOFA

| | Note | Unrestricted Funds | Restricted Funds | Total 2016 |
|--|------|-----------------------|---------------------|--------------------|
| | | £ | £ | £ |
| INCOME & ENDOWMENTS FROM: | | | | |
| Donations & Legacies | | 2,529,688 | 298,610 | 2,828,298 |
| Charitable Activities | | - | 387,810 | 387,810 |
| Other Trading Activities | | 5,897,332 | - | 5,897,332 |
| Investments | | 181,829 | - | 181,829 |
| Other | | 15,555 | - | 15,555 |
| TOTAL INCOME | | 8,624,404 | 686,420 | 9,310,824 |
| EXPENDITURE ON: | | | | |
| Raising Funds: | | | | |
| Donations & Legacies | | 1,644,319 | - | 1,644,319 |
| Other Trading Activities | | 5,047,665 | 30 | 5,047,695 |
| Cost of charitable activities: | | | | |
| Grants to institutional research organisations | | 897,272 | 139,459 | 1,036,731 |
| Patient Care | | 1,422,519 | 793,567 | 2,216,086 |
| Support Groups | | 396,595 | 105,579 | 502,174 |
| Campaigns & Policy | | 214,324 | 11,397 | 225,721 |
| TOTAL EXPENDITURE: | | 9,622,694 | 1,050,032 | 10,672,726 |
| Net gains/(losses) on investments | | (343,480) | - | (343,480) |
| NET INCOME/EXPENDITURE | | (1,341,770) | (363,612) | (1,705,382) |
| Transfers between funds | | 580,132 | (580,132) | - |
| OTHER RECOGNISED GAINS/(LOSSES) | | | | |
| Losses on disposal of tangible assets | | (6,846) | - | (6,846) |
| NET MOVEMENT IN FUNDS | | (768,484) | (943,744) | (1,712,228) |
| RECONCILIATION IN FUNDS | | | | |
| Fund balances brought forward at 1 April 2015 | | 5,471,451 | 2,026,568 | 7,498,019 |
| Fund balances carried forward at 31 March 2016 | | 4,702,967 | 1,082,824 | 5,785,791 |