

REGISTRARS

**YORKSHIRE CANCER RESEARCH
CAMPAIGN**
(A company limited by guarantee)

**REPORT OF THE COUNCIL OF MANAGEMENT
AND FINANCIAL STATEMENTS**

for the period from 1 January 1994 to
31 March 1995

Registered number 1919823



YORKSHIRE CANCER RESEARCH CAMPAIGN

COUNCIL OF MANAGEMENT

Dr D Shortridge - Chairman
Professor EA Dawes
Dr NC Varey
Professor JC West
Mr F Atkinson
Mr MR Balfour
Dr MR Harrison
Mr BT Herbert
Miss BP Jackson
Mrs AFB Portlock
Dr PC Reynell
Professor W Shepherd

SECRETARY

Mrs E King

REGISTERED OFFICE

39 East Parade
Harrogate
North Yorkshire
HG1 5LQ

BANKERS

Lloyds Bank Plc
6/7 Park Row
Leeds LS1 1NX

SOLICITORS

Booth & Co
Sovereign House
South Parade
Leeds LS1 1HQ

AUDITORS

Binder Hamlyn
St Paul's House
Park Square
Leeds LS1 2PJ

REGISTERED CHARITY NUMBER

516898

YORKSHIRE CANCER RESEARCH CAMPAIGN

REPORT OF THE COUNCIL OF MANAGEMENT for the period ended 31 March 1995

The Council of Management of the Yorkshire Cancer Research Campaign ('the Campaign') present their report and financial statements for the period from 1 January 1994 to 31 March 1995.

STATEMENT OF THE COUNCIL OF MANAGEMENT'S RESPONSIBILITIES

Company law requires the Council of Management, as directors, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Campaign. In preparing those financial statements, the directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The Council of Management have kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Campaign and enable them to ensure that the financial statements comply with the Companies Act 1985. They have also safeguarded the assets of the Campaign and taken reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES AND AIMS

The Campaign is principally engaged in the funding of research into the cause and cure of cancer.

ORGANISATION

The Campaign is registered as a charity and is a company limited by guarantee, the liability of each member of the Campaign not exceeding £1.

REVIEW OF THE PERIOD

The results for the period show a deficit of £36,521 which has been taken to unrestricted funds.

The Campaign funds research work at the Universities of Hull, Leeds and Sheffield through endowments and, additionally, funds selected research projects at each of the five original Yorkshire Universities.

Details of the Campaign's future expenditure commitments are given in Note 4 to the financial statements.

YORKSHIRE CANCER RESEARCH CAMPAIGN

REPORT OF THE COUNCIL OF MANAGEMENT for the period ended 31 March 1995

FIXED ASSETS

Details of movements in tangible fixed assets during the period are set out in note 7 to the financial statements.

TAX STATUS

No Corporation tax has been provided in the financial statements as income of the Campaign, being a registered charity, is within the exemptions granted by Section 505 of the Income and Corporation Taxes Act 1988. The Campaign has borne VAT on its expenditure where appropriate.

COUNCIL OF MANAGEMENT

The members of the Council of Management during the period were as follows:

Dr D Shortridge
Professor EA Dawes
Dr NC Varey
Professor JC West
Mr F Atkinson
Mr MR Balfour
Dr MR Harrison
Mr BT Herbert
Miss BP Jackson
Mrs AFB Portlock
Dr PC Reynell
Mrs PJ Sutton (resigned 15 June 1995)

Professor W Shepherd who was appointed on 20 April 1995 retires and offers himself for re-election.

Mr MR Balfour, Mr BT Herbert and Dr PC Reynell retire by rotation at the annual general meeting. Mr MR Balfour and Mr BT Herbert, being eligible offer themselves for re-election.

AUDITORS

On 1 October 1994, our auditors BDO Binder Hamlyn, joined the Arthur Andersen worldwide organisation and now practice in the name, Binder Hamlyn. They have signed their audit report in their new name. In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Council on 27 July 1995.


Secretary

AUDITORS' REPORT
to the members of Yorkshire Cancer Research Campaign

We have audited the financial statements on pages 5 to 17 which have been prepared on the basis of the accounting policies set out on pages 9 and 10.

Respective responsibilities of the Council of Management and auditors

As described on page 2, the Council of Management are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

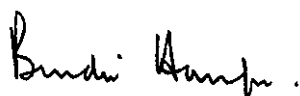
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Campaign's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the Campaign's affairs at 31 March 1995 and of its deficit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditors

4 September 1995

YORKSHIRE CANCER RESEARCH CAMPAIGN

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an income and expenditure account) for the period ended 31 March 1995

	Notes	15 months ended 31 March 1995	Year ended 31 December 1993
		£	£ (as restated)
RESOURCES ARISING			
Donations		1,008,059	788,894
Legacies		2,969,273	2,650,383
Interest and dividends	2	634,247	591,080
Proportion of income payable to Cancer Research Campaign, London	3	(126,507)	(114,173)
Gross resources arising		4,485,072	3,916,184
RESOURCES USED			
Charitable expenditure			
Research projects	4	3,553,023	4,549,399
Major project costs	4	405,000	325,000
Support costs	5	160,221	126,032
		4,118,244	5,000,431
Other expenditure			
Fundraising and publicity costs	5	339,680	259,489
Administration costs	5	63,669	51,015
		403,349	310,504
Total resources used		4,521,593	5,310,935
DEFICIT FOR THE PERIOD	12	(36,521)	(1,394,751)

YORKSHIRE CANCER RESEARCH CAMPAIGN

STATEMENT OF MOVEMENT OF FUNDS AND TOTAL RECOGNISED GAINS AND LOSSES for the period ended 31 March 1995

	Notes	15 months ended 31 March 1995	Year ended 31 December 1993
		£	£ (as restated)
Balance at 1 January 1994			
- as previously reported		6,543,833	7,288,451
- prior year adjustment	6	1,490,948	1,426,332
- as restated		8,034,781	8,714,783
Deficit for the period		(36,521)	(1,394,751)
Net realised investment gains		385,826	650,133
Net (decrease)/increase in unrealised gains on investments	8	(1,296,659)	64,616
Net movement of resources in the period		(947,354)	(680,002)
Balance at 31 March 1995		7,087,427	8,034,781

YORKSHIRE CANCER RESEARCH CAMPAIGN

BALANCE SHEET as at 31 March 1995

	Notes	31 March 1995	31 December 1993
		£	£
			(as restated)
FIXED ASSETS			
Tangible assets	7	192,693	184,678
Investments	8	6,259,906	7,129,349
		6,452,599	7,314,027
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	737,402	303,778
Debtors: amounts falling due after more than one year	9	295,000	550,000
Building society deposits		-	88,054
Cash at bank and in hand	10	404,499	409,114
		1,436,901	1,350,946
CREDITORS: amounts falling due within one year	11	(802,073)	(630,192)
Net current assets		634,828	720,754
Net assets less current liabilities		7,087,427	8,034,781
UNRESTRICTED FUNDS		7,087,427	8,034,781

The financial statements on pages 5 to 17 were approved by the Council of Management on 27 July 1995.

Chairman

Treasurer

The image shows two handwritten signatures. The top signature is for the Chairman, and the bottom, larger signature is for the Treasurer, J. C. West.

YORKSHIRE CANCER RESEARCH CAMPAIGN

CASH FLOW STATEMENT for the period ended 31 March 1995

	Notes	15 months ended 31 March 1995	Year ended 31 December 1993
		£	£
Net cash outflow from operating activities	12	(210,982)	(2,140,578)
Investing activities			
Purchase of tangible fixed assets		(44,934)	(6,705)
Purchase of investments		(4,371,092)	(2,746,669)
Sale of tangible fixed assets		8,300	-
Sale of investments		4,526,039	4,170,880
Net cash inflow from investing activities		118,313	1,417,506
Decrease in cash and cash equivalents	13	(92,669)	(723,072)

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the revaluation of listed investments and in accordance with applicable accounting standards.

In keeping with the principles expressed in the Charity Commission's Revised Statement of Recommended Practice for Accounting by Charities (SORP2) which, while an Exposure Draft, is considered to be best accounting practice, changes have been made to the format of the accounts used, primarily to provide additional information. Comparative figures have been restated and appropriate explanations given.

Accounting period

The Campaign has changed its accounting reference date to 31 March. These financial statements cover the period 1 January 1994 to 31 March 1995. In future, financial statements will be prepared annually to 31 March.

Resources arising

Resources arising include the total received during the period at the Campaign's headquarters. These comprise donations, legacies and income from fundraising events after deducting direct costs where relevant.

Interest and dividends

Interest and dividends are brought into account when received at their net amount plus related tax deducted or tax credit. The Campaign, as a registered charity, is not liable to taxation on this income and is able to claim repayment of tax deducted and tax credits.

Resources used

The costs of fundraising and publicity and of administration comprise expenditure including staff costs directly attributable to the activity. Where costs cannot be directly attributable they have been allocated to activities on a cost basis consistent with budgeted use of resources. Support costs comprise all services supplied centrally identifiable as wholly or mainly in support of projects and include an appropriate proportion of general overheads.

Research projects

Approved grants and expenditure on charitable objectives are accounted for as incurred during the period. Where grants are approved, subject to the availability of funds, covering more than one year, no provision is made for the future liability until it becomes payable.

Major project costs

This represents funds paid to the University of Hull to fund the establishment of a Centre for Magnetic Resonance Investigations. This expenditure is made subject to the availability of funds and accounted for as and when paid.

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES *continued*

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less depreciation.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold property	2 %
Motor vehicles	33 %
Office furniture and equipment	20 %

Investments

Investments listed on a recognised stock exchange are stated at market value. This is a change in policy from prior years and comparative figures have been restated accordingly. All movements in value arising from investment changes are shown as part of the Statement of Movement of Funds and Total Recognised Gains and Losses and included within unrestricted funds. Unlisted investments are stated at cost.

Local committees

Income and expenditure of local committees is included in the financial statements as net donations as the amounts are not considered material in the context of the total income and expenditure of the Campaign. Monies are accounted for as and when they are remitted to the Campaign's headquarters. Funds held by local committees at the year end are included in cash at bank and in hand with any movement in the period taken to donations. This is a change in policy from prior years and comparative figures have been restated accordingly.

Consolidation

Consolidated financial statements have not been prepared as in the opinion of the Council of Management the Campaign is entitled to take advantage of the exemption conferred by Section 229 of the Companies Act 1985 from the requirement to prepare group accounts as the inclusion of the subsidiary undertaking is not material for the purpose of giving a true and fair view. Summary figures are provided in note 8 to the financial statements.

Contributions to pension funds

The pension costs charged in the income and expenditure account represent the amount of the contributions payable in respect of the accounting period.

Sharing of income between Cancer Research Campaign, London and the Campaign

These financial statements include net amounts received from London and the amount payable to London under arrangements for sharing certain income between London and the Campaign which have been in operation since 1937.

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

2 STATEMENT OF FINANCIAL ACTIVITIES

The net movement of resources in the period is stated after crediting:

Interest and dividends received (including related income tax repayable)

	15 months ended 31 March 1995 £	Year ended 31 December 1993 £
Listed investments	600,884	522,241
Interest on bank deposits and short term loans	33,363	68,839
	634,247	591,080

and after charging:

(i) Staff costs

Salaries and wages	119,963	72,952
National insurance	9,977	7,957
Pension scheme	13,421	25,219
	143,361	106,128

The average number of staff employed during the period was 9 (1993: 9).

The Council of Management members received no remuneration for their services. Expenses reimbursed to Council members for costs incurred on behalf of the Campaign during the period amounted to £2,007 (1993: £1,324).

(ii) Auditors' remuneration	4,700	4,700
-----------------------------	-------	-------

Fees charged by the auditors of the Campaign for non-audit work amounted to £9,275 (1993: £6,200).

(iii) Depreciation of owned assets	29,786	16,699
------------------------------------	--------	--------

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

3 SHARING OF INCOME BETWEEN CANCER RESEARCH CAMPAIGN, LONDON AND THE CAMPAIGN

The Campaign pays to London 5% of a net amount determined by taking all donations and legacies received in the period, other than those from London, being legacies of £835,419 (1993: £646,761) (representing 50% of amounts received by London from testators residing in Yorkshire at the time of making their Will) and donations of £48,212 (1993: £72,517) (representing 95% of amounts received by London from persons who have previously been contributors to Yorkshire) and deducting therefrom the support, fund-raising and administration costs as shown in the financial statements. The amount due to London for the period ended 31 March 1995 is calculated to be £126,507 (1993: £114,173).

4 CHARITABLE EXPENDITURE AND FUTURE COMMITMENTS

	15 months ended 31 March 1995		Year ended 31 December 1993	
	Incurring	Future commitments	Incurring	Future commitments
	£	£	£	£
Research projects				
Bradford University	25,779	-	188,580	-
Hull University	27,863	11,450	40,011	19,800
Leeds University	949,499	2,387,952	1,106,719	2,925,705
Sheffield University	1,232,862	2,095,377	2,557,239	2,656,983
York University	1,245,541	1,721,043	620,901	1,897,872
Travel grants and miscellaneous projects	71,479	-	23,449	-
British Association for Cancer Research	-	-	10,000	-
Yorkshire Regional Health Authority	-	-	2,500	-
	3,553,023	6,215,822	4,549,399	7,500,360
Major project costs				
University of Hull: to fund the establishment of a centre for Magnetic Resonance Investigations	405,000	2,970,000	325,000	3,375,000
Total research and major project costs	3,958,023	9,185,822	4,874,399	10,875,360

The future commitments represent research awards approved by the Trustees, but not yet payable. These have not been included as liabilities as there is an expectation that they will be funded from future income.

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

5 SUPPORT, FUND RAISING AND PUBLICITY AND ADMINISTRATION COSTS

	Support £	Fund Raising £	Administration £
Publicity	-	226,744	-
Salaries, national insurance and pensions	57,344	57,344	28,673
Travel and motor expenses	2,523	2,523	1,260
Office accommodation costs	8,377	8,377	4,180
Office repairs and renewals	3,460	3,460	1,740
Printing, stationery, postage and sundries	17,116	17,116	8,559
Professional services	17,668	17,668	8,834
Investment management services	42,285	-	-
Auditors' remuneration	-	-	4,700
Depreciation			
- freehold property	1,910	1,910	954
- motor vehicles	6,262	6,262	3,130
- office furniture	3,743	3,743	1,872
- profit on disposal of fixed assets	(467)	(467)	(233)
Management charge to subsidiary undertaking	-	(5,000)	-
15 months ended 31 March 1995	160,221	339,680	63,669
Year ended 31 December 1993	126,032	259,489	51,015

6 PRIOR YEAR ADJUSTMENT

During the period the Campaign changed its accounting policies in respect of the treatment of valuation of investments and of cash held by committees. Listed investments are now stated at market value and monies held by local committees are included in cash at bank and in hand. Comparative figures have been restated accordingly. The adjustment can be analysed as follows:

	31 March 1995 £	31 December 1993 £
Valuation of investments (note 8)	1,292,938	1,228,322
Cash held by committees (note 10)	198,010	198,010
	1,490,948	1,426,332

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

7 TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office furniture and equipment £	Total £
Cost				
1 January 1994	179,073	28,431	18,305	225,809
Additions	-	28,136	16,798	44,934
Disposals	-	(20,981)	-	(20,981)
31 March 1995	179,073	35,586	35,103	249,762
Depreciation				
1 January 1994	16,236	18,955	5,940	41,131
Charge for the period	4,774	15,654	9,358	29,786
Disposals	-	(13,848)	-	(13,848)
31 March 1995	21,010	20,761	15,298	57,069
Net book amount				
31 March 1995	158,063	14,825	19,805	192,693
31 December 1993	162,837	9,476	12,365	184,678

8 FIXED ASSET INVESTMENTS

	31 March 1995 £	31 December 1993 £
(1) Summary		
Market value brought forward	7,129,349	7,240,666
Additions	4,567,429	3,344,814
Disposal proceeds	(4,526,039)	(4,170,880)
Net investment changes	(910,833)	714,749
Market value carried forward	6,259,906	7,129,349
Historical cost of investments	(6,263,627)	(5,836,411)
Unrealised (deficit)/gain on valuation	(3,721)	1,292,938

The Campaign's investment portfolio is administered by Lloyds Private Banking.

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

8 FIXED ASSET INVESTMENTS *continued*

The market value of the Campaign's investment portfolio can be categorised as follows:

	31 March 1995 £	31 December 1993 £
Investments listed on a recognised stock exchange	3,870,983	4,365,140
Fixed interest securities	1,795,964	2,412,395
Unit trusts	592,957	351,812
Investment in subsidiary undertaking	2	2
	6,259,906	7,129,349

(2) Subsidiary undertaking

The principal activities of the Campaign's wholly owned subsidiary undertaking, Y.C.R.C. Cards Limited, a company registered in England and Wales are the sale of Christmas cards and gifts. The subsidiary undertaking has not been consolidated as its capital and reserves and results are not material to the Campaign. The summary details for the subsidiary undertaking were as follows:

	Years ended	
	31 March 1995 £	31 March 1994 £
Turnover	33,115	25,223
(Loss)/profit for the year	(5,562)	2,032
Net liabilities	(9,251)	(3,689)

9 DEBTORS

	31 March 1995 £	31 December 1993 £
Amounts falling due within one year		
Amounts owed by subsidiary undertaking	16,499	15,205
Income tax recoverable	21,912	25,648
Prepayments and other debtors	69,113	3,970
Cancer Research Campaign - London	374,878	258,955
Hull University loan	255,000	-
	737,402	303,778

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

9	DEBTORS <i>continued</i>	31 March 1995 £	31 December 1993 £
	Amounts falling due after more than one year		
	Amounts owed by subsidiary undertaking	50,000	50,000
	Hull University loan	245,000	500,000
		295,000	550,000

The loan to the subsidiary undertaking which bears interest at a commercial rate, is repayable on demand although it is anticipated no request will be made within the ensuing twelve months.

The loan to Hull University is interest free and was made to assist in the construction of a building in which to house the Magnetic Resonance Imaging Machine.

10	CASH AT BANK AND IN HAND	31 March 1995 £	31 December 1993 £
	Cash at bank and in hand	206,399	211,104
	Cash held by committees	198,100	198,010
		404,499	409,114

11 CREDITORS: amounts falling due within one year

Research expenditure	689,339	568,423
Accruals	31,651	9,938
Social security and other taxes	2,633	2,060
Cancer Research Campaign - London	78,450	49,771
	802,073	630,192

12 NET CASH OUTFLOW FROM OPERATING ACTIVITIES

Deficit for the period	(36,521)	(1,394,751)
Depreciation	29,786	16,699
Profit on sale of fixed assets	(1,167)	-
Receipt of investments by way of legacies and scrip dividends	(196,337)	(598,145)
Increase in debtors	(178,624)	(123,994)
Increase/(decrease) in creditors	171,881	(40,387)
	(210,982)	(2,140,578)

YORKSHIRE CANCER RESEARCH CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

13 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	31 March 1995 £	31 December 1993 £
Balance at 1 January 1994	497,168	1,220,240
Net cash outflow	(92,669)	(723,072)
Balance at 31 March 1995	404,499	497,168

14 ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	31 March 1995 £	31 December 1993 £	Change in period £
Cash at bank and in hand	404,499	409,114	4,615
Building Society deposits	-	88,054	88,054
	404,499	497,168	92,669