

Macmillan Cancer Support Trading Limited
Company Number 02779446

Annual Report and Financial Statements

Year Ended

31 December 2018



MACMILLAN CANCER SUPPORT TRADING LIMITED

Annual report and financial statements for the year ended 31 December 2018

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MACMILLAN CANCER SUPPORT TRADING LIMITED

Annual report and financial statements for the year ended 31 December 2018

Company details

Directors

P Durham
H Redmond
J Uddin
S Williams

Company secretary and registered office

Lucy Morgan
89 Albert Embankment, London, SE1 7UQ

Company number

02779446

Independent auditors

PricewaterhouseCoopers LLP, Chartered Accountants & Statutory Auditors
1 Embankment Place, London, WC2N 6RH

Bankers

Royal Bank of Scotland
280 Bishopsgate, London, EC2M 4RB

MACMILLAN CANCER SUPPORT TRADING LIMITED

Report of the directors for the year ended 31 December 2018

The directors present their report together with the audited financial statements of the company for the year ended 31 December 2018.

In preparing this report of the directors, advantage has been taken of the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Macmillan Cancer Support Trading Limited is a company incorporated in the United Kingdom.

Results

The profit and loss account is set out on page 6 and shows the result for the financial year.

The company's Articles of Association require that all the profits of the company available for distribution should be gifted to Macmillan Cancer Support. Accordingly the profit for the year of £1,256,246 (2017: £1,205,275) has been transferred to Macmillan Cancer Support under the Gift Aid rules.

Principal activities, trading review and future developments

The company's principal activity during the year continued to be carrying out fundraising related activities to raise funds for the charitable purposes of Macmillan Cancer Support.

Details of the company's performance are given in the profit and loss account on page 6 and notes thereto. The position of the company at the end of the year is set out in the balance sheet on page 7 and the notes thereto. In the opinion of the Board, the company's future plans, which demonstrate ongoing profitability, gives assurance that the company's future prospects are satisfactory.

Directors

The directors of the company during the year and up to the date of signing the financial statements were:

P Durham
H Redmond
J Uddin (Appointed 26 April 2018)
G Wadsley (Resigned 10 January 2018)
S Williams

No director had any interest in the ordinary shares of the company.

During the year and up to the date of approval of the financial statements there was a qualifying third party indemnity in place for directors as allowed by Section 234 of the Companies Act 2006.

MACMILLAN CANCER SUPPORT TRADING LIMITED

Report of the directors for the year ended 31 December 2018 (continued)

Statement of Directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the report of the directors' is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report of the directors was approved by the board of directors on 25 April 2019 and signed on its behalf by



S Williams
Director
29 April 2019

MACMILLAN CANCER SUPPORT TRADING LIMITED

Independent auditors' report to the members of Macmillan Cancer Support Trading Limited

Report on the audit of the financial statements

Opinion

In our opinion, Macmillan Cancer Support Trading Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Report of the directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

MACMILLAN CANCER SUPPORT TRADING LIMITED

Independent auditors' report to the members of Macmillan Cancer Support Trading Limited (continued)

Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the directors for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Kevin Lowe (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 April 2019

MACMILLAN CANCER SUPPORT TRADING LIMITED

Profit and loss account for the year ended 31 December 2018

	Note	2018 £	2017 £
Turnover	2	2,240,706	2,114,055
Cost of sales		(452,765)	(392,017)
Gross profit		<u>1,787,941</u>	<u>1,722,038</u>
Operating costs		(43,946)	(5,337)
Costs recharged by Macmillan Cancer Support		(488,435)	(511,511)
Operating profit	3	<u>1,255,560</u>	<u>1,205,190</u>
Interest receivable and similar income		686	85
Profit before taxation		<u>1,256,246</u>	<u>1,205,275</u>
Payment under Gift Aid	4	(1,256,246)	(1,205,275)
Tax on profit	5	-	-
Result for the financial year		<u>-</u>	<u>-</u>

All amounts in the current and prior year relate to continuing activities.

There is no other comprehensive income in the current and prior year.

There is no taxation charge for the year (2017: £nil).

The notes on pages 9 to 11 form part of these financial statements.

MACMILLAN CANCER SUPPORT TRADING LIMITED**Balance sheet at 31 December 2018**

	Note	2018 £	2017 £
Current assets			
Debtors	6	1,434,036	1,513,533
Cash at bank and in hand		460,816	394,571
		<u>1,894,852</u>	<u>1,908,104</u>
Creditors: amounts falling due within one year	7	<u>(1,894,850)</u>	<u>(1,908,102)</u>
Net current assets		<u>2</u>	<u>2</u>
Capital and Reserves			
Called up share capital	8	2	2
Retained earnings		-	-
		<u>2</u>	<u>2</u>
Total equity		<u>2</u>	<u>2</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The notes on pages 9 to 11 form part of these financial statements.

The financial statements on pages 6 to 11 were approved by the board of directors on 25 April 2019 and signed on its behalf by



S Williams

Director

Macmillan Cancer Support Trading Limited - Registered no. 02779446

29 April 2019

MACMILLAN CANCER SUPPORT TRADING LIMITED

Statement of changes in equity for the year ended 31 December 2018

	Called up share capital £	Retained earnings £	2018 Total equity £	2017 Total equity £
Balance at 1 January	2	-	2	2
Gift Aid distribution of prior year profits	-	-	-	-
Subtotal	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
Result for the financial year	-	-	-	-
Balance at 31 December	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

MACMILLAN CANCER SUPPORT TRADING LIMITED

Notes to the financial statements for the year ended 31 December 2018

1 Accounting policies

The financial statements have been prepared on a going concern basis in accordance with the Companies Act 2006, under the historical cost convention in accordance with applicable accounting standards in the United Kingdom, including Financial Reporting Standards 102 (FRS 102). The following principal accounting policies have been applied consistently within the financial statements from year to year:

- Turnover

Turnover represents amounts invoiced less value added tax (VAT). Turnover is recognised when it is received or receivable, whichever is earlier.

- Expenditure

Expenditure is recognised on an accruals basis, net of recoverable VAT.

- Cash Flow Statement

A cash flow statement has not been prepared on the grounds that the company is exempt as a wholly owned subsidiary of Macmillan Cancer Support from preparing such a statement under FRS 102.

- Value Added Tax owed to/from HMRC

VAT returns are completed on a quarterly basis by the parent company on behalf of the group. Amounts due in respect of VAT are accounted for as intercompany debtors or creditors, but are reported at the balance sheet date as amounts owed to or from Her Majesty's Revenue and Customs (HMRC) in keeping with the principle of substance over form.

- Gift Aid

As required by the company's Articles of Association, the taxable profits for the year are transferred to Macmillan Cancer Support under Gift Aid.

- Taxation

No current tax liability arises to the company as all profits are transferred under Gift Aid to its parent company, Macmillan Cancer Support, which is a registered charity.

- Accounting estimates and judgements

In preparing the financial statements, the company makes estimates and judgements. There are no estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

- Financial Instruments disclosure exemption

The company has taken advantage of the disclosure exemptions permitted within FRS 102 paragraph 1.12 and so has not disclosed information regarding the financial instruments held and their significance since an equivalent disclosure is made in the consolidated financial statements of its parent Macmillan Cancer Support.

MACMILLAN CANCER SUPPORT TRADING LIMITED

Notes to the financial statements for the year ended 31 December 2018 (continued)

2 Turnover

Turnover totalling £2,240,706 (2017: £2,114,055) is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit

	2018	2017
	£	£
This is stated after charging:		
Auditors' remuneration - audit fee	3,600	3,478

No directors received any emoluments in respect of their services to the company during the year (2017: £nil) and no staff were employed (2017: no staff). Auditors' remuneration is exclusive of VAT. No non-audit fees were charged by the auditors in the year to 31 December 2018 (2017: £nil).

4 Payment under Gift Aid

The taxable profit arising each year is transferred to Macmillan Cancer Support. A payment of £1,256,246 is due for the year (2017: £1,205,275).

5 Tax on profit

Factors affecting the tax charge:

The tax assessed for the year is lower in both financial years than that resulting from applying the standard rate of corporation tax in the United Kingdom of 19% (2017: 19.25%).

The differences are explained below:

	2018	2017
	£	£
Profit before Gift Aid and taxation	1,256,246	1,205,275
Corporation tax at 19% (2017: 19.25%) there on	238,687	232,015
Effects of:		
Expected qualifying charitable donations	(238,687)	(232,015)
Total tax charge for the year	-	-

No corporation tax liability is expected to arise for the year on the basis that qualifying charitable donations, equivalent to the taxable profits for the year, will be paid within 9 months of the year end.

6 Debtors

	2018	2017
	£	£
Trade debtors	960,191	873,541
Prepayments and accrued income	473,845	639,992
	1,434,036	1,513,533

All amounts shown under debtors fall due for payment within one year.

MACMILLAN CANCER SUPPORT TRADING LIMITED

Notes to the financial statements for the year ended 31 December 2018 (continued)

7 Creditors: amounts falling due within one year

	2018	2017
	£	£
Amounts owed to Macmillan Cancer Support	1,445,835	1,644,572
Value added tax payable to HMRC	173,990	179,155
Other creditors	30,507	6,677
Accruals and deferred income	244,518	77,698
	<u>1,894,850</u>	<u>1,908,102</u>

8 Called up share capital

	2018	2017	2018	2017
	Number	Number	£	£
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

	2018	2017	2018	2017
	Number	Number	£	£
Ordinary shares of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

9 Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Macmillan Cancer Support who is its ultimate parent undertaking and controlling party.

Macmillan Cancer Support is a charitable company limited by guarantee and incorporated in Great Britain and registered in England and Wales with the company number 02400969 and in the Isle of Man with the company number 4694F (charity number in England and Wales 261017, Scotland SCO39907 and the Isle of Man 604). No disclosure has been made of transactions with the parent company or fellow subsidiaries in accordance with the exemptions allowed by Financial Reporting Standard 102.

The results of the company are consolidated into the financial statements of Macmillan Cancer Support. Macmillan Cancer Support is the only company to consolidate the company's financial statements. The financial statements of the company and Macmillan Cancer Support are available from, 89 Albert Embankment, London, SE1 7UQ.