

ANNUAL

REPORT

AND

ACCOUNTS

CONTENTS

“Prostate cancer is blokes’ breast cancer”

At 12.20 one April lunchtime, journalist Bill Elliott was told by a hospital consultant, “You have prostate cancer.” Fifty minutes later, his wife Val learned she has breast cancer.

It’s hard to imagine that evening at home. What happened in the coming months, however, is a lesson in how differently people with prostate cancer and breast cancer are cared for in the UK.

“Val moved into a well-oiled process, receiving treatment within six weeks,” says Bill. “All I received was a letter from my clinicians saying, ‘Sorry, the Primary Care Trust (PCT) is not funding the treatment. You may of course appeal.’

“I’d been advised that brachytherapy would be a good option for me, where radioactive ‘seeds’ are implanted into the prostate to destroy the cancer. It’s less invasive than surgery, and I was concerned about the risk of incontinence and erectile dysfunction, and it doesn’t cost much more either.

“Men were coming for this treatment from all over Britain to the Royal Surrey Hospital in Guildford yet I was living 10 miles away and couldn’t get it. I felt marooned.

“I contacted The Prostate Cancer Charity, and the health editor at The Observer, where I work, and we mounted a campaign. It resulted in the PCT changing their mind to fund brachytherapy – not just for me, but for 12 others too. The Prostate Cancer Charity was so helpful, and I’ll support them, in return, for the rest of my life.

“Prostate cancer is blokes’ breast cancer. When I see a notice at the golf club about the annual breast cancer fundraiser, I ask ‘And when’s the prostate cancer ‘do’?’ It’s fantastic what’s been done for breast cancer. We’ve got to do the same for prostate cancer.”



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Report of the Trustees

for the year ended 31st March 2007

Introduction

The Members of the Council ('The Trustees') of The Prostate Cancer Charity ('the Charity'), who are also Directors of the Charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2007.

The Charity is a charitable company limited by guarantee and was set up on 14th October 1991. It is governed by its Memorandum and Articles of Association, changes to which were approved at the Annual General Meeting held on 19th July 2005, following a fundamental review to ensure their appropriateness to a rapidly developing organisation.

This report provides information on the Charity's activity and financial performance. It forms part of a range of public information designed to give an open account of the Charity's work.

Objects

The Charity's objects, set out in its Memorandum and Articles of Association, are to invest in prostate cancer research and to publish useful results, to provide information and support to people affected by prostate cancer and their families, and to raise public awareness of prostate cancer and its symptoms. The Charity maintains a balance between research (seeking future solutions to prostate cancer) and support, information and campaigning (providing help for men and their families affected by prostate cancer now). This forms the Charity's unique contribution and is key to developing its work and impact.

Our strategic aims

The Charity's five-year strategy, 'A Cause for Action,' sets the direction for the period 2004-2008. We aim to pursue the following priorities, in a mutually reinforcing way, to improve the lives of people affected by prostate cancer:

Research – to become an increasingly significant and respected player within the field of prostate cancer research funding.

Our priority is to increase research funding progressively and to ensure that the Charity funds the best quality research wherever it is to be found across the UK, on a fully competitive and peer reviewed basis.

Support and information services – to be the leading provider of authoritative, evidence-based information to people affected by prostate cancer. We will make widely available an increasing range of accessible information, translated where possible into appropriate ethnic minority languages. We will develop the work of our Helpline, ensuring appropriate specialisation in response to need. We will develop continuously the content, accessibility and interactive capacity of our website.

Professional development – to seek to influence professional practice within the UK in relation to the management of prostate cancer, bringing a focus on the perspective of men affected by prostate cancer and their families.

A major priority has been to demonstrate the value of specialist prostate cancer nurses through a programme of funding of such nurses at strategically-placed cancer centres, underpinned by rigorous academic evaluation, shortly to be published by King's College, London, School of Nursing and Midwifery.

We will also seek to contribute to the development and delivery of professional education programmes on prostate cancer and write articles on the management of prostate cancer for the professional press.

Policy – to develop and publish policies on key prostate cancer issues.

We will ensure that the Charity formulates and promotes a range of policies on key prostate cancer issues which will act as the basis for our external messaging, will underpin the advice and support that we offer and will inform our lobbying positions.

Campaigning – to lobby for improvements in NHS services and research investment.

We will campaign for improvements in NHS services and research investment, based on an assessment of the most important issues for men affected by prostate cancer and their families. We will do this by engaging in persuasive and constructive dialogue with Government, the NHS and other relevant agencies and by developing a 'movement for change' – coupling local and national campaigning activity to achieve greatest impact.

Community engagement – to harness the power of integrated national and local effort in delivering the programmes outlined above.

We will achieve this by extending our work with particular communities, for example, African Caribbean communities (whose men have a heightened risk of prostate cancer), 'hard to reach' groups, specific geographic communities and health care professionals.

Strategic review

As the Charity nears the end of its current five-year strategy, work will begin to develop new strategic priorities. Trustees will hold a Strategy Day in the autumn of 2007 to discuss future direction with the Charity's Senior Management Team, laying the basis for the preparation of the next strategic plan.

Review of activities and future developments

During 2006/07, the Charity continued to grow its income, impact and profile and geared its activities significantly to enable a shift to the next level. Set out below is a review of what we intended to do, what we actually achieved and what we plan for 2007/08.

During 2006/2007, the Charity set up a trading subsidiary, Prostate Cancer Trading Limited, which was launched on 1st April 2007. The aim of the subsidiary is to raise funds for the Charity through trading.

Research

We said we would:

- allocate up to £750,000 in new research grants on a fully competitive, peer reviewed basis. Research applications would be required to demonstrate clear potential benefits for men affected by prostate cancer and the Charity would aim to ensure that its research awards were made in such a way as to add strategically to the overall research effort in the UK

In 2006/07 we:

- made decisions to fund seven new research projects to a value of £794,000, all of which were assessed through rigorous peer review as either 'Outstanding' (the highest calibre, pioneering and trend setting) or 'Forefront' (at the forefront internationally). The projects – including studentships to encourage the next generation of promising scientists – were awarded to the University of Glasgow, Imperial College, London, the University of Leicester, the Institute of Cancer Research and the University of Sheffield. The grant to the University of Sheffield will be funded in 2007/08
- agreed to fund, in 2007/08, a Research Nurse at the Institute of Cancer Research, to a value of £46,000, to enhance recruitment to drug trials for men with advanced prostate cancer
- contributed, through the appointment of the Charity's Chief Executive to the Board of the National Cancer Research Institute, to UK-wide thinking on cancer strategy

In 2007/08 we will:

- ensure the effective implementation of the new research awards, promoting them to the public
- allocate further resources (a minimum of £500,000) through a second competitive call for proposals
- appoint a Research Services Officer to ensure the effective management and communication of the research programme
- apply for membership of the Association of Medical Research Charities

Support and information

We said we would:

- implement an innovative joint specialist nurse appointment between the Helpline and the Guy's and St Thomas' NHS Foundation Trust
- appoint a further Helpline nurse, strengthening the service and enabling a higher proportion of calls to be handled immediately by a member of the Helpline team
- aim to strengthen information on advanced prostate cancer through the appointment of an additional information writer
- further enhance the capability of the website
- develop a new information strategy, ensuring that the Charity's information is of the highest quality, meets needs and is systematically promoted across the UK and within the NHS

In 2006/07 we:

- successfully established the joint specialist nurse appointment with the Guy's and St Thomas' NHS Foundation Trust and featured it at the 2006 National Prostate Cancer Conference
- appointed two Helpline nurses (part time) and undertook a strategic review of Helpline services
- used freelance resources to strengthen our information provision and agreed funding for the appointment of an additional information officer in 2007/08 to ensure that current information is kept updated and to strengthen

the production of information on advanced prostate cancer

- extended the functionality of the Charity's website – setting up Flickr and YouTube accounts to post images and videos of events and interviews and creating a satellite site, 'Real Men Do', to promote information on Prostate Cancer Awareness Week. The site – top ranked on leading search engines – was visited 726,000 times by 336,000 visitors (an increase of 21% in the number of visits and 28% in the number of visitors compared with the previous year)
- decided to defer the development of the new information strategy to 2007/08 when staffing capacity would enable it to be carried out effectively

In 2007/08 we will:

- carry out a survey of needs and expectations of service users and potential future users to inform the development of services and policy, campaigning themes and media messages
- review and update, as necessary, existing publications
- produce new information on advanced prostate cancer
- develop a new information strategy, ensuring that the Charity's information is of the highest quality, meets needs and is systematically promoted across the UK and within the NHS
- seek to influence the Government's Information Prescriptions initiative to enable the Charity's information resources to be made available by the NHS
- enhance the capability of the website, incorporating the use of new media and creating new functions
- take steps to enable a higher proportion of calls to be handled immediately by a member of the Helpline team, involving restructuring of staffing and processes and underpinned by improved call logging software (deferred from 2006/07)

Awareness-raising and media

We said we would:

- run Prostate Cancer Awareness Week 2007, aiming for increased profile and reach
- appoint a third member of the Media and Public Affairs Team, building capacity to deal effectively with the rapidly growing workload and to further enhance media coverage and the Charity's influence

In 2006/07 we:

- organised another very successful Awareness Week (March 2007), involving around 700 organisations and individuals in awareness raising and fundraising events across the UK. Over 1,700 information packs, including half a million leaflets, posters and drinks mats, were distributed
- placed a new focus on fundraising during Awareness Week, including the creation of specific fundraising packs – Real Man Quiz and Blue for the Boys – to encourage people both to raise awareness and to generate funds to support our work. A number of awareness advertisements, created pro bono by our advertising agency, Publicis, were published in support of Awareness Week using space kindly donated by Time Out, Black Heroes, Metro, The Spectator, The Business, Rugby World and Streetbroadcast
- launched an important new partnership with Marks and Spencer which raised over £100,000 (£89,000 in 2006/2007) through a mix of pin badge sales, donations from M&S Menswear Marketing and customers, and staff fundraising. Prostate cancer awareness was also raised

through the distribution of two million leaflets in over 400 stores, UK-wide. This is hoped to be the beginning of an ongoing, developing relationship

- achieved significant, and growing, coverage in a wide range of printed and broadcast media, with increased celebrity involvement
- appointed an additional member of the Media and Public Affairs Team, enabling more focused attention to be given to particular aspects of our work, e.g. fundraising and our work in Scotland

In 2007/08 we will:

- run Prostate Cancer Awareness Week 2008, aiming to further increase public participation
- put on a play, written by Benjamin Zephaniah, touring the country in Awareness Week 2008 to promote prostate cancer awareness in African-Caribbean communities
- seek to increase further the extent and quality of media coverage of prostate cancer and the work of the Charity and, in particular, to place a stronger emphasis on promotion of the Charity's new research programme

Community engagement

We said we would:

- prepare to roll out the regionalisation programme to a second area – the south west of England
- integrate work within African Caribbean communities into the wider regional development programme
- develop strategic proposals for the extension of the African Caribbean Awareness Project and for the creation of new programmes within other key ethnic groups
- ensure that the results of the academic evaluation of the Specialist Prostate Cancer Nurse Programme were published at the National Prostate Cancer Conference 2006 and widely promoted
- work closely with colleagues in the Prostate Cancer Charter for Action to press the case for specialist nurses to be appointed to all prostate cancer treatment centres across the UK
- develop strategic proposals for creating a limited number of Specialist Prostate Cancer Nurses, funded or part funded by the Charity to act as 'champions' for such nurse roles
- explore the scope for the Charity to develop, with an academic partner, a healthcare education programme related to prostate cancer

In 2006/07 we:

- created a new team within the Charity – the Community Engagement Team – integrating work areas previously described as 'regional development', 'the African Caribbean Awareness Project' and 'professional development'. This was designed to maximise the immediate impact of these programmes pending the longer term regionalisation of the Charity's work
- established a major new volunteer-led service in the west of Scotland, funded by the Big Lottery Fund. Under the programme, volunteers have been trained to carry out awareness raising work and to deliver one-to-one support services
- undertook preparatory work for extension of our work into the south west of England (this is dependent on funding which is not yet available)
- commenced a review of options for the extension of the African Caribbean Awareness Project and for the creation

of new programmes within other key ethnic groups

- presented the preliminary results of the academic evaluation of the Specialist Prostate Cancer Nurse Programme (King's College, London, School of Nursing and Midwifery) at the National Prostate Cancer Conference, and set up – with the Prostate Cancer Charter for Action – a Working Group to formulate proposals on the further development of specialist nurse roles within the NHS. Pending the full outcome of this work, the Charity has deferred plans to create 'champion' nursing roles

- launched an online course – 'Cancer of the Prostate' by CancerNursing.org for healthcare professionals

In 2007/08 we will:

- commence the development of a UK-wide volunteer programme, led and supported by a new Volunteer Manager to be appointed during 2007/08 – strengthening the Charity's activity and support at local level
- pilot a new 'Masterclass' for specialist nurses working in prostate cancer – delivered in partnership with King's College, London, School of Nursing and Midwifery
- launch a three-year programme, 'Older and Wiser', creating trained 'community champions' able to deliver awareness sessions within their own BME communities in London, with funding from the City Bridge Trust
- ensure that the results of the academic evaluation of the Specialist Prostate Cancer Nurse Programme are published and widely promoted and are used to inform the Charity's future strategy in this area
- develop a strategy for our future work in Scotland broadening the scope of our influence

Policy and campaigning

We said we would:

- Strengthen the Charity's ability to influence and formulate national prostate cancer policy by appointing a second member of the policy team
- continue to engage in policy debate and campaigning, seeking to further extend the Charity's influence for improvement in support, information, research and NHS services for men with prostate cancer
- work with the Prostate Cancer Charter for Action across its areas of activity, contributing relevant skills

In 2006/07 we:

- contributed extensively to the work of the NICE Prostate Cancer Guideline Development Group, through membership by the Charity's Head of Policy and Research Management
- continued to prioritise joint work with our voluntary and professional association partners in the Prostate Cancer Charter for Action – calling for improvements across the range of NHS services and in research funding
- participated in the Government's Prostate Cancer Advisory Group, influencing national prostate cancer policy
- campaigned through the media and engaged with the NHS to help secure the establishment of a brachytherapy service for men affected by prostate cancer in Wales

In 2007/08 we will:

- appoint a Policy Officer, strengthening the Charity's capacity to influence and formulate national prostate cancer policy
- work extensively with the Prostate Cancer Charter for Action across its areas of activity, contributing relevant skills

- identify a programme of policy development and campaigning designed to maximise improvements in the experience of men and their families affected by prostate cancer

National prostate cancer conference

We said we would:

- organise a third, high quality National Prostate Cancer Conference, aiming to broaden and increase participation

In 2006/07 we:

- ran a highly successful conference, 'Pioneers in Practice: from Innovation to Reality?' at the Olympia Conference Centre, London, in November 2006. The conference attracted a broad audience of 450 delegates from across the prostate cancer community and generated coverage in over 50 media outlets

In 2007/08 we will:

- partner with the Royal Society of Medicine and the Prostate Cancer Charter for Action in delivering a conference, 'Medicine and Me: Prostate Cancer Research', on 16th July 2007. The conference will focus on the current status of research and how men can access relevant trials
- make early preparations for the Charity's fourth National Prostate Cancer Conference to be held on 3rd October 2008

Marketing

We said we would:

- continue to develop the 'Real Man' campaign across all areas of the Charity's fundraising and awareness raising

In 2006/07 we:

- developed a number of fundraising and marketing initiatives under the 'Real Man' campaign, including promotion of the blue 'Real Man' pin badges through M&S stores, the 'Real Man Cup' football competition, the Awareness Week satellite website and a range of pro bono advertisements on lamp posts and in the printed media
- commissioned a review by a volunteer marketing expert of the Charity's marketing function, leading to recommendations on how it can be further strengthened going forward

In 2007/08 we will:

- agree how the recommendations of the marketing review will be implemented, providing greater power and focus to the Charity's marketing effort
- continue to develop the 'Real Man' campaign, maximising its impact in influencing awareness and fundraising

Donors and volunteers

We are enormously grateful to all those – individuals, groups, trusts and companies – who have given so generously during the year. We are also indebted to the many volunteers who have played such a crucial role in supporting the Charity – whether by talking to the media or to men newly diagnosed with prostate cancer, or helping the Charity to develop in many other ways. In particular, we thank our loyal and extensive group of Networkers and Media Talkers and our 'Head Office' volunteers who have helped us to support the Charity's campaigns and media work.

Special thanks are due this year to Peter Leighton, an organisational development expert, who has given huge amounts of voluntary time to the Charity in guiding us through a very influential and positive review of our working culture.

The contribution of volunteers enriches our work, bringing new skills and perspectives, without which we could achieve far less. During 2007/08 we will be investing in a major new

programme of volunteer development.

Financial review

Total income in 2006/07 reached £4,454,000, an increase of £581,000 (15%) over 2005/06. This continues the strong growth trends seen in the prior year (which increased by 20%). Direct fundraising, donations from charitable trusts, corporate donations and major gifts performed particularly well.

Total expenditure in 2006/07 reached £4,224,000, an increase of £1,346,000 (+ 47%) over 2005/06. This was made up largely of an increase of £843,000 in charitable activities (including an increase of £597,000 on research expenditure, £59,000 on the Helpline and £146,000 on information services) and £485,000 in the costs of generating voluntary income which has reaped returns in increased income.

The total proportion of voluntary income spent on charitable activities at the year end was 58%, an increase of 13% over 2005/06.

After gains on investments of £39,000 the surplus for the year was £269,000 (2005/06 £1,260,000). Total funds carried forward at the year end stood at £2,444,000 compared with an opening balance of £2,175,000 at the beginning of the year.

The strong reserves position will allow the Charity to continue to invest in and fund its strategic priorities, including another research round, in 2007/2008. Within the designated funds, the sum of £700,000 has been specifically identified for the new research grant round – to be carried out in the autumn of 2007.

The Charity continues to administer a joint Government-voluntary sector project, on behalf of partner organisations, to develop and operate UK Prostate Link – a website portal to quality rated Internet information on prostate cancer. A separate bank account exists for the project, into which £2,000 was transferred during the year. During the same period £31,000 was paid in expenses for the project (covered by resources previously received).

Fundraising

A budgeting process was adopted for 2006/07 based on 'core' and 'stretch' fundraised income targets – to ensure effective management of risk. Expenditure plans were predicated on achievement of the lower, core target.

The core fundraised income target (excluding donated services, investment income and interest) for the year was £3,348,000, with a stretch target of £3,768,000. Against these targets, an actual outcome of £4,087,000 was achieved. In addition to this a further £247,000 was received in donated services bringing total fundraised income to £4,334,000 – a 16% increase on the 2005/2006 figure of £3,727,000.

Excluding gifts in kind, income has increased year on year by £709,000 (21%). This growth is strong across most of the fundraising types and is represented by a higher proportion of guaranteed income and lower reliance on legacies which can be unpredictable year on year. This growth in income has allowed us to plan to invest further in charitable services in 2007/2008.

Fundraising costs (costs of generating voluntary income and of goods sold) increased in the year from £1,069,000 to £1,553,000. This increase is due to investment in fundraising including additional direct marketing mailings which have led to the increase in income. Additionally, 2005/2006 saw some savings due to gaps in staffing which have been filled in 2006/2007.

The Charity works to a rigorous five-year Fundraising Plan which was approved by the Charity's Board during 2005/2006. This sets out a programme to increase income to a stretch target of £8 million per annum by 2010/11, through a prudent mix of high return donations and sustainable sources – ensuring a Return on Investment by the end of the period of 4:1. In line with this Plan, further investment will take place in the Fundraising function during the coming year to enable the Charity to continue building its income. The Charity is on target to meet this plan.

Previous annual reports have shown gift aid separately. In order to achieve a more accurate picture of each income stream, this has been changed for 2006/2007, with gift aid being attributed to the relevant income source. The comparative numbers (2005/2006) have been adjusted to include gift aid by income stream.

The research grant made to Hammersmith Hospital in 2004/05 comprised commitments for research projects over a period of three to five years, resulting in a deficit at the end of that year totalling £973,000. During the course of 2006/07, restricted income of £247,000 was received specifically against these projects. The outstanding deficit on the Hammersmith restricted funds at the end of 2006/07 is £153,000. This deficit is expected to be met by a mix of current pledges and planned fundraising income. In the meantime, a designated fund has been created to cover the full amount of the deficit at the balance sheet date and will be reduced in line with the reduction of this deficit in future years.

Direct marketing – Income for the year increased by 31% from £1,087,000 to £1,421,000.

The programme for developing existing supporters was very successful, achieving an income of £869,000 against a target of £731,000. Over 1,000 new major donors were recruited during the year with overall average donations of £350. These newly acquired donors accounted for £552,000 income from their first gift.

The Research Action Fund programme continued to be developed, offering supporters 'inside track' information and updates about our research programme.

An appeal targeted at our existing supporters and focusing on our research programme achieved excellent results, demonstrating the support of the Charity's donors for this area of our work. A more focused research communication programme will be adopted in 2007/08, with the opportunity for donors to attend special events.

Community Fundraising – Income in 2006/07 was £859,000, a reduction of £124,000 (13%) compared with the previous year. This reduction is due to the receipt in 2005/2006 of two, large, one-off donations totalling over £300,000.

Our events portfolio has continued to grow, with the inclusion of a number of new UK and international events, including the New York and Chicago Marathons. The Flora London Marathon remains the Charity's largest fundraising event, raising over £200,000 each year.

A major focus has been given during the year to developing support for local fundraisers, recognising that they generate significant income for the Charity. This will continue into 2007/08, with an expectation of continuing income increases. Affinity groups, such as Rotary Clubs, Freemasons and sporting clubs, have also been a major focus of our efforts. The affinity area has seen an increase of £27,000

(24%) in income compared with 2005/06.

Work also began on the development of new events, such as our Fathers' Day Feast – calling on everyone to get their family and friends together to eat a feast and raise funds for the Charity. It features a special recipe pack with healthy recipes from top chefs including Nigella Lawson, Mark Sargeant and Delia Smith.

Trusts – Income for the year increased by 45% from £396,000 to £573,000. Significantly, we have increased stability with the growth of multi-annual support totalling £237,000 for 2007/08 and beyond. This includes funding from the Trailfinders Charity of £226,000 over four years, enabling us to create The Trailfinders Charity Studentship Programme. This programme aims to encourage young, talented researchers to pursue a career in prostate cancer research and will support two students, enabling them to obtain their PhDs. Other noteworthy grants include £50,000 from the Palgrave Brown Foundation in memory of their Chairman, Alan Palgrave Brown, who died in May 2006 and a grant of £87,000 over three years starting 2007/2008 from The City Bridge Trust to support our 'Older and Wiser' programme. This grant will enable us to raise awareness of prostate cancer amongst men aged over 60 years and their families from BME communities in six London boroughs.

Corporate Partnerships – Income tripled in 2006/07 from £118,000 to £357,000. The focus has been on securing long-term relationships, in particular high profile partnerships with large corporates with a male-dominated audience in terms of customers and/or workforce.

Of particular note are ROK (construction), who were an active partner for Prostate Cancer Awareness Week, sending text messages to their 2,000 strong workforce to encourage support, and Marathon Oil in Scotland (energy), who raised £10,000 through company donation and staff fundraising. Partners in Banking and Finance include Zurich (£5,000), RBS (£15,000), and Bradford & Bingley (£2,500) who have yielded good returns after employee focused fundraising, with potential to develop these further in coming years.

Significant work has been carried out to increase the Charity's profile with retail partners. This began to bear fruit in 2006/07 with a new partnership with Marks & Spencer as part of Prostate Cancer Awareness Week in March 2007 (further details in the 'Awareness Raising and Media' section of this report).

On-going support by pharmaceutical companies for the National Prostate Cancer Conference 2006 amounted to £60,000, increased against 2005/06, and was conducted in accordance with ABPI (Association of British Pharmaceutical Industry) transparency guidelines.

Work was carried out to develop further partnerships in 2007/08, including with high-street brands which have the benefit of raising awareness of prostate cancer to the wider public, as well as raising vital funds.

Legacies – Income increased 7% from £488,000 to £520,000. This included a single legacy of £285,000 (£256,500 included in the 2006/2007 accounts).

As awareness grows of the scale of, and need for, the various services that we offer, our supporters are increasingly interested in making provision for the Charity in their wills. Hammersmith and Fulham MP, Greg Hands, sponsored a very successful Legacy Information Reception at the House of

Commons in November 2006, where over 40 guests heard about our work and took the opportunity of meeting individuals from the Charity.

Chairman, Paul Forster, wrote a letter to over 13,000 supporters, promoting legacy giving. Over 80 supporters have now pledged support in their wills. In the coming year we will continue to remind people of how much their bequests can achieve – and of course, with the considerable Inheritance Tax benefits involved, more people are looking to such commitments in order to support our work in the future.

Major gifts – Income saw a large increase from £18,000 in 2005/2006 to £113,000 in 2006/2007.

Specific sponsorships included support for a Helpline nurse, Tool Kit literature costs and a nurse in partnership with Guy's Hospital. Several donors continued their support with substantial gifts for 'where the need is greatest' and we enjoy the opportunity of engaging with individuals who want to be more involved in our work and to make a real difference to both our support and information and research programmes. We are also grateful to those supporters who give their time and resources – for example, hosting lunches and being ambassadors for the Charity to their friends and colleagues. We will continue our programme of events, giving donors the opportunity to learn more about the work of the Charity. The coming year will see the launch of a Gala Dinner, a unique evening of entertainment and fundraising. We expect that this new event and continuing engagement with our individual donors will lead to ongoing growth in Major Gift income.

Investment policy

2006/2007 saw lower gains on investments than were seen in the previous year with an overall gain of £39,000 bringing the value of the investment portfolio to £1,821,000.

The Charity has begun work to look at its investment options, including the split between cash holdings and investments. This work will continue through 2007/2008.

Reserves policy

Taking into account the nature and volume of income streams and the pattern of expenditure in meeting the Charity's objects, the trustees have maintained their view that to ensure efficient management and the provision of a financial buffer allowing uninterrupted services, a minimum free reserve equivalent to three months' unrestricted fund expenditure is required. This amounts to £836,000 on the basis of 2006/07 expenditure. The free reserves amounted to £1,245,000 at the balance sheet date. Plans are in place to take advantage of this healthy reserves position with increased spending on charitable activities in 2007/08.

Risk assessment

The trustees and senior managers continue to review the risks facing the Charity and have taken a number of steps to mitigate these. A formal review of risks carried out in 2005/06 identified the need for a greater focus on the strengthening of systems and procedures for the effective handling of the Charity's business. This is necessary in the light of the Charity's rapid growth and development. Steps have subsequently been taken to ensure, for example, increased formal documentation of processes, electronic storage of gift

aid returns, systematic organisation and retention of the Charity's key documentation, etc.

Risks are best managed by having a framework within which effective governance, monitoring and review take place. The Charity's Memorandum and Articles of Association and five-year strategy, 'A Cause for Action,' provide the overall context for the management of the Charity. The five year strategy establishes clear priorities and provides a framework for planning and review. A reappraisal of future priorities will be undertaken by the Board during 2007/08, leading to the development of a new strategy for the next five year period.

Research grants awarded by the Charity are reviewed annually, enabling any difficulties to be identified at an early stage. The second annual reports under these arrangements were received in 2006/07 and were scrutinised by the Charity's Research Advisory Committee.

The Charity has continued to adopt a fundraising approach based on a prudent mix of high return donations (e.g. from major donors) and sustainable sources (e.g. direct fundraising) - maximising income potential and spreading risk. This approach underpins the Charity's Fundraising Plan – an auditable document setting out detailed programmes for the strategic growth in income.

An annual budget is debated and approved by Trustees and forms the basis for financial monitoring. Income targets are set at 'core' and 'stretch' levels. Budgeted expenditure is based on the more cautious, 'core' income budget. Quarterly re-forecasting of financial performance takes place, enabling any emerging difficulties to be identified early and effectively managed. The re-forecasting also includes an explicit statement on risks. Financial review is undertaken by the Finance Committee on behalf of the Board, but the Board itself also receives reports on financial performance. The Senior Management Team regularly monitors financial performance, provides regular reporting narrative to Trustees and invites ongoing questioning.

Explicit delegated authority arrangements have been agreed by the Trustees for the commitment of resources. These have been developed following the identification of risk to the Charity in relation to different types of commitment. They will be reviewed in 2007/08 to ensure that the delegation arrangements remain appropriate to a growing organisation.

The Charity's human resources are its key asset. With this in mind, an extensive review was carried out in 2006/07 of the Charity's working culture. This was a powerful exercise, revealing a number of risks and areas for improvement. The review has resulted in an extensive organisational development action plan which is now being implemented. This action plan includes improved arrangements for internal communication, an explicit statement of values and behaviours, strengthened planning arrangements, new investment in the human resources function, work to develop vision and mission statements for the Charity and the establishment of a new staff consultation forum.

A staff performance and development system continues to provide a framework for ensuring that the work of all employees is tied clearly to the overall strategy, and that regular monitoring of performance is carried out. This will be reviewed in 2007/08.

The need for enhanced financial policy and controls and greater strategic management of resources has been recognised through the progressive strengthening of financial leadership. In 2006/07, this took the form of the appointment, for the first time, of a Director of Finance and ICT.

Governance and management

Overall strategy and policy for the Charity are agreed by the Council of Management (known as the 'Board of Trustees'), advised by the Chief Executive and Directors who attend all meetings.

At the Annual General Meeting, one third of the members of the Council retire from office and new elections are held. Following a period of office, a member of the Council is eligible for re-election.

Officers of the Board (currently Chairman, Treasurer and Vice Chairmen) are elected for an initial term of three years. They are then eligible for election for a further, final term of two years.

Trustees are recruited by open advertisement to ensure the widest field of applicants. A number of the Trustees have been personally affected by prostate cancer and one is from an African-Caribbean background (a section of the population with a heightened risk of prostate cancer).

When new Trustees are appointed, they are provided with an induction programme in which they meet with staff from across the Charity and are provided with relevant background briefing information, for example, the Memorandum and Articles of Association, previous Board meeting minutes and best practice guidelines for Trustees from the Charity Commission and the National Council for Voluntary Organisations.

There are currently three sub-committees of the Board – the Finance Committee, the Remuneration Committee and the Nominations Committee. The Finance Committee reviews ongoing financial performance and makes recommendations to the Board on financial policy, plans and budgets. The Remuneration Committee recommends to the Board reward arrangements for the Chief Executive and Directors and the Nominations Committee makes recommendations to the Board on the appointment of new Trustees and Officers.

Additionally, the Research Advisory Committee advises the Board on research strategy, policy and investment. The need for further sub-committees and advisory groups will be kept under review.

Trustees met on 9 occasions during the year (either as a full Board or in the sub-committees) to review strategy, policy and performance and to set the operating plans and budgets.

The Chief Executive is responsible for the Charity's operational leadership. The staff team comprises approximately 45 employees, based in offices in Hammersmith, London and organised into four Directorates:

- **Chief Executive** – includes media and public affairs and central services (premises, offices services, human resources and governance support)
- **Fundraising** – responsible for all fundraising activity and for events management
- **Operations** – responsible for all 'front line' services, including Helpline, information production, website, specialist prostate cancer nurses and community engagement, together with underpinning policy support
- **Finance and ICT** – responsible for financial management, planning and knowledge management

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) which give a true and fair view of the state of affairs of the Charity at the end of the financial

year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make sound judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

The Trustees confirm that the audited report and financial statements for The Prostate Cancer Charity comply with the provisions of the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities', issued in March 2005, the Companies Act 1985 and the Charity's Memorandum and Articles of Association.

The Trustees at the date of signing of this report are listed on the 'Legal and Administrative Information' page, as are the company and charity numbers of The Prostate Cancer Charity.

Statement of disclosures to auditors

- So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- They have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Trustees and Directors

The Trustees and Directors who served for the Charity during the year were as follows:

| | |
|-------------------------------|-------------------|
| Professor J Waxman | Mr G Duncan |
| Professor P Forster | Professor M Mason |
| Mr J Azis (resigned 01.05.06) | Mr L Moffat |
| Mr A Blessley | Ms S Sayer |
| Mr N Bowman | Mr A Sealey |
| Mrs J Bridge | Dr T Walker |
| Mr I Chate | Mr J Wotherspoon |
| Mr M Cook (resigned 19.07.06) | |

Auditors

A resolution proposing audit arrangements for 2007/08 will be put to the Annual General Meeting in accordance with Section 385(2) of the Companies Act 1985.

This report was approved by the Council of Management (Board of Trustees) on 19th July 2007 and authorised to be signed on its behalf by:



Professor Paul Forster
Chairman, 19th July 2007

Report of the Independent Auditors to the Members of The Prostate Cancer Charity

We have audited the financial statements of The Prostate Cancer Charity on pages 20 to 30 which have been prepared in accordance with the accounting policies set out on page 23.

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

Respective responsibilities of Members of the Council and Auditors

As described in the statement of council members' responsibilities on page 15 the charitable company's members of council are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Report of the Council is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members of the council's remuneration and transactions with the charity is not disclosed.

We read the Report of the Council and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Report of the Council is consistent with the financial statements.



Wilson Wright & Co.

Chartered Accountants
Registered Auditors
71 Kingsway
London WC2B 6ST

19th July 2007

Medical research that's relevant

"I'm in the privileged position of being able to ask dumb questions!" laughs chartered librarian, Robert Oldroyd. He's describing his new, layman's role on our Research Advisory Committee, which has just evaluated 49 projects for research funding, and given the go-ahead to seven.

"Three years after being treated successfully for prostate cancer, I saw an ad in The Guardian inviting lay people to apply to join the Committee, alongside many renowned scientists. I was appointed with another man who's had prostate cancer.

"Our role is to make sure the research The Prostate Cancer Charity funds makes a specific difference to men's lives. The key thing for me is to discover why prostate cancer occurs, because if we can find that out, it will eventually avoid the need for all the other stuff down the line.

"The Research Advisory Committee is an incredible group. The archetypal scientist focuses on the problem, not the person, but these scientists strike a nice balance. They come to the Charity's National Conference, and are all very accessible to men with prostate cancer, and anxious to work out these problems to improve men's lives.

"We chose seven projects for funding, totalling £794,000. In research terms that isn't a lot of money, but it is focused completely on prostate cancer. It's one of the reasons I give a donation myself every year. I have confidence in putting money in their hands.

"There were eight more projects deemed by expert peer review to be of very high quality. But we'd run out of money. I wish we could have given them the go-ahead too."

Statement of Financial Activities

for the year ended 31 March 2007

| | Notes | Unrestricted Funds £'000 | Restricted Funds £'000 | Total 2007 £'000 | Total 2006 £'000 |
|---|-------|-----------------------------|---------------------------|------------------------|------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 3 | 3,163 | 1,106 | 4,269 | 3,643 |
| Activities for generating funds | 4 | 45 | 6 | 51 | 72 |
| Investment income | 5 | 118 | – | 118 | 97 |
| Incoming resources from charitable activities | 6 | 14 | – | 14 | 12 |
| Other incoming resources | 7 | – | 2 | 2 | 49 |
| Total incoming resources | | 3,340 | 1,114 | 4,454 | 3,873 |
| Resources expended | | | | | |
| Costs of generating funds: | | | | | |
| Cost of generating voluntary income | 8 | 1,482 | – | 1,482 | 997 |
| Fundraising trading: Costs of goods sold and other costs | 9 | 71 | – | 71 | 72 |
| Charitable activities | 10 | 1,617 | 851 | 2,468 | 1,625 |
| Governance costs | 12 | 172 | – | 172 | 133 |
| Other resources expended | 13 | – | 31 | 31 | 51 |
| Total resources expended | | 3,342 | 882 | 4,224 | 2,878 |
| Net incoming / (outgoing) resources before other recognised gains and losses | | (2) | 232 | 230 | 995 |
| Other recognised gains and losses | | | | | |
| Gains on investment assets | | 39 | – | 39 | 265 |
| Net Movement in funds | | 37 | 232 | 269 | 1,260 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 2,120 | 55 | 2,175 | 915 |
| Total funds carried forward | | 2,157 | 287 | 2,444 | 2,175 |

The notes on pages 17 to 25 form part of these accounts.

Income and Expenditure Account

for the year ended 31 March 2007

| | Notes | 2007 £'000 | 2006 £'000 |
|--|-------|---------------|---------------|
| Income | | | |
| Incoming resources from generated funds: | | | |
| Voluntary Income | 3 | 4,269 | 3,643 |
| Activities for generating funds | 4 | 51 | 72 |
| Investment income | 5 | 118 | 97 |
| Incoming resources from charitable activities | | | |
| Other incoming resources | 7 | 2 | 49 |
| | | 4,454 | 3,873 |
| Expenditure | | | |
| Costs of generating funds: | | | |
| Cost of generating voluntary income | 8 | 1,482 | 997 |
| Fundraising trading: Costs of goods sold and other costs | 9 | 71 | 72 |
| Charitable activities | 10 | 2,468 | 1,625 |
| Governance costs | 12 | 172 | 133 |
| Other resources expended | 13 | 31 | 51 |
| | | 4,224 | 2,878 |
| Operating surplus for the year | | 230 | 995 |
| Realised gain on disposal of investment assets | | - | 6 |
| Surplus for the year | | 230 | 1,001 |
| Statement of total recognised gains and losses | | | |
| | | 2007 | 2006 |
| | | £'000 | £'000 |
| Surplus for the year | | 230 | 1,001 |
| Unrealised gain on investment assets | | 39 | 259 |
| Total gains and losses recognised since 31 March 2006 | | 269 | 1,260 |

The notes on pages 17 to 25 form part of these accounts.

Balance sheet

as at 31 March 2007

| | Note | 2007 £'000 | 2006 £'000 |
|--|------|---------------|---------------|
| Fixed assets | | | |
| Tangible fixed assets | 17 | 34 | 35 |
| Investments | 18 | 1,821 | 1,782 |
| | | 1,855 | 1,817 |
| Current assets | | | |
| Debtors | 19 | 745 | 371 |
| Investments | 18 | - | 1 |
| Cash and short term deposits | | 1,322 | 1,290 |
| | | 2,067 | 1,662 |
| Creditors | | | |
| Amounts falling due within one year | 20 | 938 | 919 |
| Net current assets | | 1,129 | 743 |
| Total assets less current liabilities | | 2,984 | 2,560 |
| Creditors | | | |
| Amounts falling due after more than one year | 21 | 540 | 385 |
| Net assets | | 2,444 | 2,175 |
| Unrestricted funds | | | |
| General | 23 | 1,279 | 945 |
| Designated | | 878 | 1,175 |
| Restricted funds | 23 | 139 | (77) |
| Research related | | 148 | 132 |
| Other | | 287 | 55 |
| | | 2,444 | 2,175 |

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the Council of Management and authorised for issue on 19 July 2007 and signed on its behalf by:-

Professor Paul Forster – Chairman

The notes on pages 17 to 25 form part of these accounts.

So, what do you know about prostate cancer?

If you'd come across Phil Kissi at his local post box and admired his patience as he pushed in 144 packages of information about prostate cancer, addressed to local community groups, there's every chance he'd have grabbed the opportunity to ask you what you know about the disease. His determination to make men and the women in their lives aware of it is borne out of personal experience.

Phil, a Diversity Equality Manager for the Department of Work and Pensions, was watching BBC1's City Hospital programme when he saw something about prostate cancer. Black men are three times more likely to develop it than white men, so he took himself off to his GP.

"I didn't have any symptoms but I knew a couple of PSA tests were a bit high. I'd been on The Prostate Cancer Charity's website, and knew I could ask for a biopsy, so I did, and it turned out I had early stage, aggressive prostate cancer.

"My nurse at Guy's Hospital, Pat, said, 'We can beat it. But you need to get up to speed quickly', and she gave me The Prostate Cancer Charity's 'Tool Kit'. It's an A-Z of prostate cancer. A walk-through of everything you want to know. It's brilliant and it put me in a mood where I wasn't scared. It helped my fiancée too.

"Since having my treatment, which was successful, I've photocopied that Tool Kit for 70 people. I've sent photocopies of the Charity's website to local community groups. I'm writing an article for work too, which will go to 127,853 people. I just want everyone to know about this."

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

1 Basis of Accounting

1.1 The financial statements have been prepared under the historical cost basis of accounting as modified by the revaluation of certain assets and in accordance with United Kingdom Generally Accepted Accounting Practice, Financial Reporting Standard for Smaller Entities (effective January 2005), the Companies Act 1985 and comply with the Charities Statement of Recommended Practice issued in March 2005.

2 Accounting Policies

- 2.1 Income is shown gross with the exception of funds raised by local fundraising groups which is stated after deduction of direct expenses incurred by the fundraising group.
- 2.2 All income and expenditure is included in these financial statements on a full accruals basis. Donations and legacies are accounted for when the Charity is entitled to receipt and the amount can be measured with reasonable certainty. Legacies in the form of property or investments are included at market value.
- 2.3 Donated services and gifts are included at the estimated value to The Prostate Cancer Charity. Where possible this is based on an estimate provided by the donor.
- 2.4 Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- 2.5 Charitable activities include expenditure associated with research grants, specialist nurse programme, community engagement, helpline and information services, policy and media and public affairs. Grants payable are included in the Statement of Financial Activities when approved by the Trustees and agreed with the other organisation. The value of such grants unpaid at the year end is accrued.
- 2.6 Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- 2.7 Governance costs include those incurred in the governance of the Charity and its assets.
- 2.8 Costs are allocated between fundraising and governance on the basis of the staff time devoted to, and actual expenditure incurred (including overheads), in each activity. Cost allocation includes an element of judgement and the Charity has had to consider the cost benefit of detailed calculations and record keeping. Where possible support costs are charged to a specific activity and the balance has been allocated using the basis of full time equivalent staff numbers.
- 2.9 Rentals payable under operating leases are charged to the profit and loss account as incurred.
- 2.10 The Charity operates defined contribution pension schemes for certain of its employees. The assets of these schemes are held separately from those of the Charity in independently administered funds. Contributions in respect of these schemes are charged against net incoming resources in the year in which they are made.

2.11 Tangible Fixed Assets and Depreciation:

Depreciation is provided on a straight line basis at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment and software – 33% / 50%
Fixtures and fittings – 33%

2.12 Investments held as fixed assets are revalued at mid-market value at the balance sheet date. Any gain or loss is taken to the Statement of Financial Activities. The investment in subsidiary is recognised at cost.

2.13 Fund accounting:

The following funds are held by the Charity:-

Unrestricted – these are funds which can be used in accordance with the charitable objects at the discretion of the Council.

Designated – these are funds set aside by the Council out of unrestricted funds for specific future purposes.

Restricted – these are funds that can only be used for particular restricted purposes. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

3 Voluntary Income

| | Unrestricted | Restricted | 2007 Total | 2006 Total |
|----------------------------|--------------|------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Direct fundraising | 867 | 554 | 1,421 | 1,087 |
| Community fundraising | 847 | 12 | 859 | 983 |
| Charitable trusts | 236 | 337 | 573 | 396 |
| Corporate donors | 239 | 118 | 357 | 118 |
| Legacies | 507 | 13 | 520 | 488 |
| Major gifts | 54 | 59 | 113 | 18 |
| General donations | 49 | 3 | 52 | 72 |
| In memory | 117 | 10 | 127 | 102 |
| Donated services | 247 | - | 247 | 349 |
| Department of Health grant | - | - | - | 30 |
| | 3,163 | 1,106 | 4,269 | 3,643 |

4 Activities for generating funds

| | | | | |
|---|----|---|----|----|
| Sponsorship – Conference & Awareness Week | - | 6 | 6 | 52 |
| Christmas card sales | 23 | - | 23 | 14 |
| Other sales | 22 | - | 22 | 6 |
| | 45 | 6 | 51 | 72 |

5 Investment income

| | | | | |
|--------------------|-----|---|-----|----|
| Dividends received | 57 | - | 57 | 52 |
| Interest received | 61 | - | 61 | 45 |
| | 118 | - | 118 | 97 |

6 Incoming resources from charitable activities

| | | | | |
|--------------------------|----|---|----|----|
| Conference delegate fees | 14 | - | 14 | 12 |
|--------------------------|----|---|----|----|

7 Other incoming resources

| | | | | |
|---|---|---|---|----|
| UK Prostate Link – monies received held on behalf of Prostate Cancer Charter for Action and Department of Health | - | 2 | 2 | 49 |
|---|---|---|---|----|

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

8 Costs of generating voluntary income

| | Direct Costs | Support Costs | 2007 Total | 2006 Total |
|-----------------------|--------------|---------------|---------------|---------------|
| Activities | £'000 | £'000 | £'000 | £'000 |
| Direct fundraising | 611 | 90 | 701 | 398 |
| Community fundraising | 323 | 55 | 378 | 303 |
| Charitable trusts | 77 | 37 | 114 | 114 |
| Corporate donors | 103 | 23 | 126 | 101 |
| Legacies | 49 | 33 | 82 | 27 |
| Major gifts | 59 | 7 | 66 | 46 |
| General donations | 1 | 3 | 4 | 4 |
| In memory | 3 | 8 | 11 | 4 |
| | 1,226 | 256 | 1,482 | 997 |

9 Trading costs

| | Direct Costs | Support Costs | 2007 Total | 2006 Total |
|---|--------------|---------------|---------------|---------------|
| Activities | £'000 | £'000 | £'000 | £'000 |
| Sponsorship – conference and awareness week | 7 | 1 | 8 | 42 |
| Christmas card sales | 26 | 6 | 32 | 21 |
| Other sales | 25 | 6 | 31 | 9 |
| | 58 | 13 | 71 | 72 |

10 Charitable Activities

| | Direct Costs | Support Costs | 2007 Total | 2006 Total |
|-----------------------------------|--------------|---------------|---------------|---------------|
| Activities | £'000 | £'000 | £'000 | £'000 |
| Research grants awarded (note 11) | 584 | 23 | 607 | 10 |
| Specialist nurse programme | 22 | 6 | 28 | 58 |
| Information services | 367 | 104 | 471 | 325 |
| Helpline | 285 | 104 | 389 | 330 |
| Community engagement | 168 | 52 | 220 | 165 |
| Awareness | 516 | 142 | 658 | 621 |
| Other | 69 | 26 | 95 | 116 |
| | 2,011 | 457 | 2,468 | 1,625 |

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

11 Grants awarded

| | Unrestricted | Restricted | 2007 Total | 2006 Total |
|--------------------------------------|--------------|------------|---------------|---------------|
| Research grants: | £'000 | £'000 | £'000 | £'000 |
| University of Glasgow | – | 74 | 74 | – |
| Institute of Cancer Research, Sutton | – | 158 | 158 | – |
| University of Leicester | – | 84 | 84 | – |
| Imperial College, London | – | 268 | 268 | – |
| Allocation of support costs | 23 | – | 23 | 10 |
| | 23 | 584 | 607 | 10 |

| | 2007 £'000 | 2006 £'000 |
|--|---------------|---------------|
| Reconciliation of grants payable: | | |
| Commitments at 1 April 2006 | 1,200 | 1,848 |
| Commitments made in the year | 607 | 10 |
| Grants paid during the year | (532) | (658) |
| Commitments at 31 March 2007 | 1,275 | 1,200 |

Commitments at 31 March 2007 are payable as follows:

| | | |
|------------------------------------|--------------|--------------|
| Within one year (note 20) | 735 | 815 |
| After more than one year (note 21) | 540 | 385 |
| | 1,275 | 1,200 |

Commitments

The trustees have also authorised a grant amounting to £210,000 (2006 – £nil) which had been approved by the trustees but not notified to the grantee or provided for at 31 March 2007.

12 Governance

| | Direct Costs | Support Costs | 2007 Total | 2006 Total |
|--|--------------|---------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Legal fees | – | – | – | 5 |
| External audit | 18 | – | 18 | 18 |
| Trustee expenses | 8 | – | 8 | 9 |
| Apportionment of staff & support costs | – | 146 | 146 | 101 |
| | 26 | 146 | 172 | 133 |

13 Other activities

| | Unrestricted | Restricted | 2007 Total | 2006 Total |
|---|--------------|------------|---------------|---------------|
| Research grants: | £'000 | £'000 | £'000 | £'000 |
| UK Prostate Link – monies spent on behalf of Prostate | – | – | – | – |
| Cancer Charter for Action and Department of Health | – | 31 | 31 | 51 |

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

14 Council of Members and employee information

No member of the Council received any remuneration from the Charity. Directly incurred expenses are reimbursed, if claimed. In the year ended 31 March 2007 travelling and other expenses amounting to £3,018 was reimbursed to six Council members (2006 – £3,746 was reimbursed to nine council members).

| | 2007 | 2006 |
|--|-----------|-----------|
| The average full time equivalent number of persons employed by the Charity during the year was:- | | |
| Fundraising | 12 | 10 |
| Charitable Activities | 17 | 14 |
| Central Services | 8 | 5 |
| Management and administration | 2 | 1 |
| | 39 | 30 |

| | 2007 £'000 | 2006 £'000 |
|--|---------------|---------------|
| Amounts paid to employees by the Charity | | |
| Salaries and wages | 1,265 | 1,006 |
| Social security costs | 135 | 108 |
| Pension costs | 43 | 39 |
| | 1,443 | 1,153 |

The increase in staff costs of 25% is due to a combination of an investment in more staff resources and a lower level of vacancies.

| | 2007 | 2006 |
|--|------|------|
| The number of employees of the Charity paid within each of the following ranges was: | | |
| £60,000 to £70,000 | 1 | – |
| £70,000 to £80,000 | 1 | 1 |

Retirement benefits under defined contribution pension schemes are accrued to the employee.

During the year the Charity contributed £6,575 (2006 – £3,429) to the employees' scheme.

15 Pension costs

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions paid by the Charity to the funds and amounted to £43,000 (2006 – £39,000)

16 Support costs

The breakdown of support costs and how these are allocated are shown below:

| | Costs of generating funds | | | | 2007 | 2006 |
|--|---------------------------|-----------|-----------------------|------------|------------|------------|
| | Voluntary Income | Trading | Charitable Activities | Governance | Total | Total |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Staff and similar costs | 149 | 6 | 246 | 116 | 517 | 387 |
| Telephone, publications, postage, stationery | 45 | 3 | 89 | 13 | 150 | 97 |
| Premises costs | 50 | 3 | 99 | 14 | 166 | 98 |
| Depreciation | 12 | 1 | 23 | 3 | 39 | 50 |
| | 256 | 13 | 457 | 146 | 872 | 632 |

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. Where possible support costs are charged to a specific activity and the balance has been allocated using the basis of full time equivalent staff numbers.

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

17 Tangible fixed assets

| | Fixtures & Fittings £'000 | Computer Equipment/ Software £'000 | Total £'000 |
|---------------------------------|---------------------------------|---|----------------|
| Cost | | | |
| At 1 April 2006 | 102 | 142 | 244 |
| Additions | 5 | 33 | 38 |
| At 31 March 2007 | 107 | 175 | 282 |
| Depreciation | | | |
| At 1 April 2006 | 71 | 138 | 209 |
| Charge for the year | 31 | 8 | 39 |
| At 31 March 2007 | 102 | 146 | 248 |
| Net Book Value | | | |
| Net Book Value at 31 March 2007 | 5 | 29 | 34 |
| Net Book Value at 31 March 2006 | 31 | 4 | 35 |

18 Investments

| | 2007 £'000 | 2006 £'000 |
|-------------------------------------|---------------|---------------|
| Market value: | | |
| At 1 April 2006 | 1,783 | 1,836 |
| Additions | – | 4 |
| Disposals | (1) | (316) |
| Unrealised gains | 39 | 259 |
| At 31 March 2007 | 1,821 | 1,783 |
| Historical cost as at 31 March 2007 | 1,671 | 1,687 |
| | 2007 £'000 | 2006 £'000 |
| UK listed investments: | | |
| GlaxoSmithKline plc | 106 | 114 |
| Other | 130 | 127 |
| Common investment funds: | | |
| CAF Balanced Growth Fund | 1,080 | 1,019 |
| CAF Income Fund | 468 | 489 |
| Unit Trusts | 37 | 34 |
| | 1,821 | 1,783 |
| Fixed assets | 1,821 | 1,782 |
| Current assets | – | 1 |
| | 1,821 | 1,783 |

Investments include £100 in respect of its wholly owned trading subsidiary, Prostate Cancer Trading Limited, which was incorporated on 13 March 2007. This company commenced trading on 1 April 2007.

19 Debtors

| | 2007 £'000 | 2006 £'000 |
|------------------------|---------------|---------------|
| Legacies and donations | 493 | 141 |
| Tax recoverable | 51 | 73 |
| Other debtors | 6 | 3 |
| Accrued income | 79 | 10 |
| Prepayments | 116 | 144 |
| | 745 | 371 |

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

20 Creditors

| | 2007 £'000 | 2006 £'000 |
|------------------------------|---------------|---------------|
| Falling due within one year: | | |
| Trade creditors | 75 | 15 |
| Imperial College, London | – | 11 |
| Accruals | 128 | 78 |
| Commitments | 735 | 815 |
| | 938 | 919 |

21 Creditors

| | 2007 £'000 | 2006 £'000 |
|---------------------------------------|---------------|---------------|
| Falling due after more than one year: | | |
| Commitments | 540 | 385 |

22 Analysis of net assets between funds

| | General Funds £'000 | Designated Funds £'000 | Restricted Funds £'000 | Total Funds £'000 |
|---------------------------------|---------------------------|------------------------------|------------------------------|-------------------------|
| Tangible fixed assets | 34 | – | – | 34 |
| Investments | 1,821 | – | – | 1,821 |
| Current assets less liabilities | (576) | 878 | 287 | 589 |
| Net assets at 31 March 2007 | 1,279 | 878 | 287 | 2,444 |

23 Movement in funds

| | As at 1.4.2006 £'000 | Incoming £'000 | Outgoing £'000 | Transfers £'000 | As at 31.3.2007 £'000 |
|---|----------------------------|-------------------|-------------------|--------------------|-----------------------------|
| Restricted funds: | | | | | |
| Research | | | | | |
| – Action Fund | 323 | 553 | (584) | – | 292 |
| – General Research / Imperial College, London | (400) | 247 | – | – | (153) |
| Helpline | 1 | 97 | (103) | – | (5) |
| Information Services | 28 | 74 | (26) | – | 76 |
| Specialist Nurses | 12 | 1 | (13) | – | – |
| Community Engagement – Other | 2 | 4 | (5) | – | 1 |
| Scotland Development – Other | – | 1 | – | – | 1 |
| Scotland Development – The Big Lottery Fund | 3 | 48 | (43) | – | 8 |
| African Caribbean Projects | 22 | 5 | (8) | – | 19 |
| National Conference | 7 | 61 | (68) | – | – |
| UK Prostate Link Project | 57 | 2 | (31) | – | 28 |
| Other | – | 21 | (1) | – | 20 |
| Total restricted funds | 55 | 1,114 | (882) | – | 287 |
| Unrestricted funds: | | | | | |
| General fund | 945 | 3,379 | (3,342) | 297 | 1,279 |
| Designated funds | 1,175 | – | – | (297) | 878 |
| Total unrestricted funds: | 2,120 | 3,379 | (3,342) | – | 2,157 |
| Total funds: | 2,175 | 4,493 | (4,224) | – | 2,444 |

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

23.1 Purposes of restricted funds:

| | |
|---|--|
| Research Action Fund | This fund is dedicated to the Charity's main objective of research into prostate cancer. |
| Imperial College, London | This fund is dedicated to the Charity's main objective of research into prostate cancer to cover awards made to Imperial College, London |
| Helpline | This fund will be used for Helpline support. |
| Information Services | This fund will be used for the provision of information services including the printing of educational leaflets |
| Scotland Development – The Big Lottery Fund | This fund has been used to develop two services in West/Central Scotland – one to one support for people directly affected by prostate cancer, and awareness raising of prostate cancer. Both services are run by people who have all been directly affected by prostate cancer. |
| African Caribbean Projects | This fund will be used for the staging of a community-based educational play; the production of a Personal Testimonies booklet collating experiences of people affected by prostate cancer; and the production and distribution of a postcard aimed at raising awareness of prostate cancer amongst women. |
| UK Prostate Link Project | This fund is being administered by The Prostate Cancer Charity. It is a multi-agency funded project to support the development of a national prostate cancer website portal – an initiative of The Prostate Cancer Charter for Action and Prostate Cancer Advisory Group. |

Notes forming part of the Financial Statements

for the Year Ended 31 March 2007

23.2 Purposes of designated funds:

Designated funds are funds set aside from the general fund for objectives stated below:

| | As at 1.4.2006 £'000 | Transfer £'000 | As at 31.3.2007 £'000 |
|---|----------------------------|-------------------|-----------------------------|
| Research Action Fund | 750 | (50) | 700 |
| Provision for restricted research funds | 400 | (247) | 153 |
| Jeremy Gambrell Memorial Award | 25 | – | 25 |
| | 1,175 | (297) | 878 |

| | |
|--|---|
| Research Action Fund | In advance of proposed research awards, funds are set aside or accumulated in a designated fund until there are sufficient funds to enable the research grants to be made. |
| Provision for restricted general research fund | This fund is used to cover the deficit in the restricted research fund for previous research awards. |
| Jeremy Gambrell Memorial Award | The fund is in honour of Jeremy Gambrell, a former trustee of the Charity. The aim of the award is to encourage study and research into ways of improving the experience of men with prostate cancer – through the patient 'journey' of referral, diagnosis, treatment and living in an ongoing way with the disease. |

24 Commitments under an operating lease

At 31 March 2007, the Charity had three commitments under operating leases.

Firstly, for its London office with an annual rent of £38,000 which can be terminated by the Charity on 11 July 2007 or else lapses on 11 July 2009. This right to terminate was exercised in January 2007. £1,775 is payable on the lease to termination.

Secondly, the Charity had entered into an operating lease for new office accommodation commencing 8th May 2007 for a period of 10 years. An option to terminate after 5 years is available. This represents an annual commitment of £166,688 with a six month rent free period.

Thirdly, for a photocopier with an annual charge of £2,232 for five years from March 2006.

25 Capital Commitments

At 31 March 2007 the charity had contracted for but not provided £62,028 to undertake refurbishment of the new office accommodation.

Men raising money to help other men

“We all help cancer charities, but as a man raising funds for a men’s cancer charity and for other men, it felt really meaningful,” says Phil Marsh, one of 280 men who took part in our first Real Man Cup this year, a 5-a-side football tournament which raised £6,000.

“I knew little about prostate cancer or The Prostate Cancer Charity before the event. Maybe it’s a bit of a taboo subject. I guess men tend not to think or talk about these things. But I learned a lot. The statistics are startling – I never knew just how common it is. Everything possible should be done to tell people about symptoms and about the help the Charity can offer.

“A colleague was sent details of the event in London and forwarded them to me. My friends and I jumped at the chance to get involved – a football tournament and a men’s cancer charity go so well together! I saw raising money for research as an insurance policy before I get to the age of higher risk.

“It was a brilliant day, very well-organised too. And when I found out that John Barnes was going to be there, I was so excited – he’s my hero! There was a real sense of camaraderie and it was great to see so many men coming from all over the UK. I got talking to a team who had travelled six hours to get there.

“I can’t wait until next year, I’ll definitely get a few more teams together.”



Legal and Administrative Information

Patrons:

Mr Tony Blair
 Rabbi Lionel Blue OBE
 The Rt Hon Iain Duncan Smith MP
 Mr Mike Gooley
 The Rt Hon William Hague MP
 The Rt Hon Michael Howard QC MP
 Mr Geoffrey Hughes
 The Rt Hon Charles Kennedy MP
 The Rt Hon Sir John Major KG CH
 The Rt Hon Baroness Pitkeathley OBE
 Eminence Cardinal Cormac Murphy-O'Connor
 The Chief Rabbi Sir Jonathan Sacks
 The Lord Soley
 Mr Chris Tarrant OBE
 The Most Reverend Archbishop Desmond Tutu

Trustees and Directors:

Professor J Waxman (President)
 Professor P Forster (Chairman)
 Mr L Moffat (Vice Chairman)
 Ms S Sayer (Vice Chairman)
 Mr A Blessley
 Mr N Bowman
 Mrs J Bridge
 Mr I Chate
 Mr G Duncan
 Professor M Mason
 Mr A Sealey
 Dr T Walker
 Mr J Wotherspoon (Treasurer)

Secretary:

Ms E Ambekar

Chief Executive:

Mr J Neate

Registered Office:

First Floor, Cambridge House
 100 Cambridge Grove
 London
 W6 0LE

Principle Bankers:

National Westminster Bank Plc
 1 Abbey Road
 London
 NW10 7RA

Auditors:

Wilson Wright & Co
 Chartered Accountants
 71 Kingsway
 London
 WC2B 6ST

Company No:

2653887

Reg. Charity No:

1005541

THE
PROSTATE
CANCER CHARITY

The Prostate Cancer Charity

WE'VE MOVED TO:
First Floor, Cambridge House,
100 Cambridge Grove, Hammersmith,
London W6 0LE

Registered Charity Number: 1005541
Company Number: 2653887

Helpline: 0800 074 8383
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Fax: 020 8222 7639
www.prostate-cancer.org.uk

The Prostate Cancer Charity is an independently managed and governed organisation and in no way do corporate partners influence our recommendations or policies.