

# Looking back

## Annual report and accounts



We would like to thank Mick Barrow (who is featured on the cover of this document) and his son, John, (who is featured on the cover of the Annual Review) for their continued support and dedication to helping us raise awareness of the most common cancer in men in the UK.

Mick, 65, a fisherman from Hastings, East Sussex, was diagnosed with advanced prostate cancer in September 2003. Despite constantly needing to go to the toilet – one of the possible symptoms of prostate cancer – Mick ignored his symptoms until he saw a poster designed by The Prostate Cancer Charity of a dripping tap in a pharmacy, which encouraged him to visit his doctor.



### Mail

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A Charity registered in England and Wales (1005541)  
and in Scotland (SC039332)

## Highlights of the year

- Media coverage during Prostate Cancer Awareness Week grew by 48%, reaching around 57.2 million people and featuring in 318 media outlets.
- Staff at Marks & Spencers' stores raised £50,000 for the Charity, through a variety of fundraising endeavours, as part of our valuable partnership.
- A further £719,000 was invested in our growing research programme, funding four new projects.
- We staged our first Gala Dinner – The Deco-Dance – in The Bloomsbury Ballroom, in London.
- We developed a new information leaflet, endorsed by BAUS (The British Association of Urological Surgeons), which will help answer critical questions men have at the point of diagnosis.
- We responded to an average of 25 calls a day to our busy, confidential Helpline from men and their families.

## 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 2008.

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 vision and mission

During the year, the Charity launched its new vision and mission statements.



### Our Vision

**A world where lives are no longer limited by prostate cancer**



### Our Mission

**Fighting prostate cancer on every front – through research, support, information and campaigning**

## 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. This has been underpinned by rigorous academic evaluation, the results of which are being progressively 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 the Government, the NHS and other relevant agencies and by developing a 'movement for change' – coupling local and national campaigning activity to achieve greatest impact.

## Review of activities and future developments

**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 has begun to develop new strategic priorities for the six years to 2014. This work has been driven by the development of a set of high level goals for 2020, setting out key changes we want to see in the prostate cancer 'landscape'. These goals will be underpinned by the Charity's organisational strategy, describing how we will work with others in producing radical change to the way in which prostate cancer is handled in the UK.

The strategy is expected to be published in the autumn of 2008 and is being developed with input from Trustees, staff and key external stakeholders. It will provide the strategic direction for the Charity for the next six years and will be underpinned by annual business planning and risk management.

During 2007/08, the Charity significantly increased its income and invested in new resources, including new staff and larger, properly designed premises in Hammersmith. This provides the vital capacity needed to facilitate the Charity's continued growth in impact and the profile of the services it delivers.

Set out below is a review of what we intended to do in 2007/08, what we actually achieved and what we plan for 2008/09.

On 1st April 2007, the Charity launched its wholly owned subsidiary, Prostate Cancer Trading Limited. The aim of the subsidiary is to raise funds for the Charity through trading.

### Research

*We said we would:*

- 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

*In 2007/08 we:*

- managed and fostered relationships with researchers who were awarded grants in 2006/07 under the Charity's new fully competitive research funding strategy. We promoted the projects and researchers to the public through the media, with particular interest from the regional press, and through the Charity's publications and website
- funded five new research projects to a value of £719,000, all of which were assessed through rigorous peer review. The projects, including a studentship to encourage the next generation of promising scientists, were awarded to the Institute of Cancer Research, the University of Sheffield, Imperial College London, the Edinburgh Cancer Research Centre and the Queen's Institute for Medical Research, also in Edinburgh
- employed a Research Services Officer to ensure the effective management and communication of the research programme
- became a member of the Association of Medical Research Charities (AMRC), an umbrella organisation of the leading medical and health research charities in the UK. The AMRC sets the gold standard for research-funding charities with members required to follow the highest standards of accountability in medical and health research funding

*In 2008/09 we will:*

- ensure the effective implementation of all research awards, promoting them effectively to the public
- allocate further resources (a minimum of £1 million) through a third competitive call for proposals
- review our research strategy, aiming to ensure that our funded research adds maximum value to overall prostate cancer research effort in the UK
- begin to develop international research links, designed to ensure that we have an enhanced understanding of our funded research in a global context

### Support and information

*We said we would:*

- 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, underpinned by improved call logging software (deferred from 2006/07)

*In 2007/08 we:*

- commissioned a survey of needs and expectations of service users to inform the development of services and policy, resulting in very positive feedback and the identification of areas for further development
- reviewed all existing publications, updating as necessary and involving in the review process men affected by prostate cancer and experts in the field
- commenced the production of a range of new information sheets for the Charity's Toolkit, focusing on elements of advanced prostate cancer
- produced a five-year Information Strategy, ready for implementation from 2008/09 onwards
- produced and launched a new information product for men, for use when they are first diagnosed with prostate cancer, fitting in with the Government's Information Prescriptions agenda
- provided input to the Department of Health's Information Pathway and Information Prescriptions agendas and secured use of the Charity's information in the pilot information sites
- maintained and improved the Charity's website, in particular its usability and the use of new media such as YouTube and Flickr

- appointed a new Information Officer to support the updating and development of our literature and publications
- identified and tested new call logging software, aiming to enhance the management of the Helpline

*In 2008/09 we will:*

- enhance the integrated management of our information and support services by setting up a new Services Team within the Operations and Marketing Communications Department
- plan the implementation of a content management system for the Charity's internal and external websites, to facilitate consistency and the rapid input of information from staff
- ensure effective input by the Charity to two key Government initiatives – Information Prescriptions (for newly diagnosed men) and the re-launch of the Prostate Cancer Risk Management Programme (for men considering a PSA test)
- develop new information materials for people affected by prostate cancer, including information for men thinking about having a PSA test, to tie in with the Prostate Cancer Risk Management Programme
- set up a new group of key health care professionals to advise on the development of the Charity's information literature
- expand the role of the Helpline nurses, beginning with the employment of two Helpline/information writer nurses to increase the capacity within the Information Team, and a Helpline/African Caribbean awareness nurse

- implement new telephony and database systems to facilitate the smooth running of the Helpline
- put in place a comprehensive Helpline nurse training and development plan, actively improving our service
- investigate, and possibly implement, the employment of Helpline nurses at different locations around the UK, tapping into regional employment markets

### Awareness-raising and media

*We said we would:*

- 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

*In 2007/08 we:*

- organised another successful Prostate Cancer Awareness Week (March 2008), involving a wide range of organisations and individuals in awareness and fundraising events across the UK
- staged, during Awareness Week, De Botty Business – a specially commissioned play by Benjamin Zephaniah, raising awareness of prostate cancer in African Caribbean communities. The play, launched at the

Hackney Empire Theatre in London and taken on regional tour, was a great success with around 1,200 people seeing it and extensive media coverage generated, including two features on BBC Radio 4's Woman's Hour

- continued our partnership with Marks & Spencer during Awareness Week, with increased fundraising and the distribution of leaflets in stores across the UK. (See section on Corporate Fundraising for more information on the Marks & Spencer partnership)
- increased the Charity's profile as the leading voice in the prostate cancer field, with more media approaching us as the first point of reference for enquiries. For example, the Charity provided a spokesperson twice during the year for ITV One's high profile, This Morning programme, for an in-depth feature on prostate cancer
- promoted widely the Charity's new research programme, with significant coverage achieved within the regional press
- continued to expand our pool of celebrities who raise awareness of prostate cancer and the Charity

*In 2008/09 we will:*

- run Prostate Cancer Awareness Week 2009, aiming to further increase public participation and awareness of prostate cancer
- extend our awareness raising programme, particularly in African Caribbean communities
- increase the quality, range and market share of printed and broadcast media

coverage of the Charity and the cause of prostate cancer, maximising coherence between media stories

- further develop media monitoring and evaluation of the Charity's media work
- invest in additional staffing resources in the media function, supporting the Charity's ever increasing media activity

### Community engagement

*We said we would:*

- 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
- 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
- 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
- develop a strategy for our future work in Scotland broadening the scope of our influence

*In 2007/08 we:*

- recruited a Volunteer Development

Manager to lead the development of the UK-wide volunteer programme

- continued to develop our successful Scotland volunteer programme (funded by the Big Lottery Fund) – including training a second group of volunteers to provide one-to-one support to people affected by prostate cancer and carry out awareness raising in the community
- held the first Masterclass for health professionals working in prostate cancer – in partnership with King's College, London, School of Nursing and Midwifery. This highly successful event, launched by Ann Keen, Parliamentary Under Secretary for Health Services, was fully subscribed and has received high acclaim from participants and speakers
- received the results of the academic evaluation of the Specialist Prostate Cancer Nurse Programme and disseminated them widely via a presentation at the European Cancer Organisation (ECCO), submissions to academic journals (publication pending), and a presentation to British Association of Urological Nurses (BAUN) members at their national conference. The evaluation results formed an important input to a national collaborative campaigning document, 'Because Men Matter – the case for clinical nurse specialists in prostate cancer'
- launched the first year of the Older and Wiser programme, carrying out a detailed mapping exercise of levels of knowledge of prostate cancer amongst Black and Minority Ethnic (BME) communities in six London boroughs, via a series of focus groups, and recruiting

'community champions' to deliver awareness sessions

- put in place a strategy to broaden the Charity's influence in Scotland, setting out short and long term goals

*In 2008/09 we will:*

- launch the Charity's UK-wide volunteer programme, in which volunteers with personal experience of prostate cancer will be trained to raise awareness in their communities, and to offer one-to-one support
- plan to integrate the Scotland volunteer programme into the UK-wide programme, when the Big Lottery Fund grant finishes in May 2009. We will recruit a volunteer co-ordinator in Scotland to help deliver this work
- develop our reputation as a key player in prostate cancer nurse education, maintaining our involvement in an online course for health professionals and running a second Masterclass. We will investigate how the Charity can fund and facilitate nurse education, not only for existing specialist prostate cancer nurses, but also to build future specialist prostate cancer nursing capacity across the NHS
- grow an increasingly active health professionals network, with good internal information management systems to support this
- extend our awareness-raising work with African Caribbean communities by appointing a Support and Information Specialist Nurse to work both on the Helpline and within African Caribbean communities

- develop a greater understanding of the access barriers by African Caribbean men to health services through research and knowledge gathering
- deliver Year 2 of the 'Older and Wiser' programme, training 'community champions' from BME communities to deliver awareness sessions about prostate cancer
- develop more effective strategic relationships with key players and organisations across Scotland, investing in additional staff to enhance our work. We will exert more influence with the Scottish Government, aiming to ensure that the needs of men with prostate cancer are addressed adequately by Scottish Government policy and the NHS in Scotland

### Policy and campaigning

*We said we would:*

- 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

*In 2007/08 we:*

- contributed extensively to the work of the National Institute for Health and Clinical Excellence (NICE) Prostate Cancer Guideline Development Group, through membership by the Charity's Head of

Policy and Research Management, leading to the launch of the Guidelines in February 2008

- recruited a new Policy Officer to the team
- continued to prioritise joint work with our voluntary and professional association partners in the Prostate Cancer Charter for Action – in particular, the launch of the latest calls for action, chairing a joint working group on clinical nurse specialists and taking part in a review of the Prostate Cancer Risk Management Programme (for men seeking a PSA test from their GP)
- identified and developed ideas for new Charity-specific campaigns
- identified priorities for development of policy positions on a range of issues, e.g. PSA testing

*In 2008/09 we will:*

- develop new policies on a range of issues to guide our work, including relationships with pharmaceutical and medical device companies, self test kits and animal testing
- recruit two new Policy Officers to the team, building capacity to improve our monitoring and evaluation of services and developing specialist policy expertise to support our work in:
  - Scotland
  - African Caribbean communities
  - the Government's information, cancer awareness, cancer equality and survivorship agendas
  - complementary therapies
  - research

- strengthen and co-ordinate user involvement across the Charity
- organise the Charity's first national lobbying campaign to achieve improvements in the NHS treatment of men with prostate cancer
- work extensively with the Prostate Cancer Charter for Action, pursuing agreed campaigning priorities and contributing relevant skills

### National prostate cancer conference

*We said we would:*

- 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
- make early preparations for the Charity's fourth National Prostate Cancer Conference to be held on 3rd October 2008

*In 2007/08 we:*

- ran a very successful conference with the Royal Society of Medicine and the Prostate Cancer Charter for Action, attended by almost 200 participants, including men with prostate cancer, health care professionals, and experts in the field
- took a decision to delay the fourth National Prostate Cancer Conference scheduled for October 2008, until a strategy has been developed for the Charity's future conference programme, enabling greater levels of UK-wide participation

## Marketing

*We said we would:*

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

*In 2007/08 we:*

- undertook an evaluation of the 'Real Man' concept and refined it to improve its impact, updating our awareness materials and the 'Real Man' satellite website
- began to explore how to broaden the channels for our awareness messages, carrying out tests in indoor bowls clubs and GPs' waiting rooms
- carried out a review of the Charity's brand, brand design guidelines and key messages and took steps to ensure consistent use across the Charity
- agreed to appoint our first Head of Marketing Communications to focus the Charity's marketing activity

*In 2008/09 we will:*

- recruit a Head of Marketing Communications to develop and lead the Charity's marketing programme
- develop a five-year awareness strategy
- set up systems to track the impact of our messages on our target market of men over 50

## 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 Media Talkers, our information reviewers and our 'Head Office' volunteers who have helped us to support the many aspects of the Charity's work.

We would particularly like to acknowledge the work carried out by Peter Leighton in helping the Charity to carry out its second review of staff satisfaction and the extensive evaluation undertaken by David Lee of our marketing arrangements. Both men have senior experience in their specialist areas of work and have contributed their time on a voluntary basis.

In February 2008, our new Ambassadors programme was launched. Ambassadors are influential supporters, from across a wide range of industries and regional areas, who work on a voluntary basis, helping the Charity forge fundraising relationships and raise awareness of prostate cancer.

We have launched a pilot volunteer programme in the west of Scotland, funded by the Big Lottery Fund, which has seen 35 volunteers trained in awareness raising and peer-to-peer support. We have also employed a new Volunteer Development Manager to drive forward a new volunteer programme for England and Wales.

In total we have around 85 volunteers working with us. Their contribution enriches our work, bringing new skills and perspectives, without which we could achieve far less.

We also receive generous contributions from a variety of organisations in the form of pro-bono services, included in the accounts as 'donated services'. In 2007/2008, these included specialist tax and trading company advice from Bill Lewis at Bates Wells and Braithwaite, advertising space from StreetLites, a Metroliner liveried bus and design services from Will Hamlyn. The Charity would like to thank these and all the other companies and individuals who have provided pro-bono services during the year.

## Financial review

Total income in 2007/08 reached £6,053,000, an increase of £1,599,000 (36%) over 2006/07. This continues the strong growth trend seen in the prior year (which increased by 15%). Community, corporate partnerships and major gifts performed particularly well. A new event, Movember, was launched with excellent

results, achieving an income of over £1,150,000.

Total expenditure in 2007/08 reached £5,390,000, an increase of £1,166,000 (28%) over 2006/07. This consisted largely of an increase of £522,000 in charitable activities (including an increase of £137,000 on research expenditure, £127,000 on the Helpline and £197,000 on the community engagement programme) and £514,000 in the costs of generating voluntary income which has reaped returns in increased income.

A new wholly owned subsidiary trading company, Prostate Cancer Trading Limited, was launched on 1st April 2007. All trading activity previously undertaken by the Charity is now being administered through this trading company. In 2007/2008, trading income (consisting of commercial sales such as Christmas cards, as well as income from licensing agreements with corporate partners) amounted to £82,000, with associated expenses of £74,000. These costs include a proportion of fundraising and administrative staff time and some one-off set up costs. The net profit of £8,000 will be gift aided to the Charity.

As a result of turbulence in the financial markets in 2007/2008, the investment portfolio held by the Charity saw a £268,000 overall loss in its value, albeit unrealised. Even after this loss however, the Charity still achieved an overall surplus for the year of £395,000, which is higher than in 2006/2007 (£269,000). Total funds

carried forward at the year-end stood at £2,839,000 compared with an opening balance of £2,444,000 at the beginning of the year.

The strong reserves position will allow the Charity to continue to invest in and fund its strategic priorities. In 2008/2009, this includes significant investment in key new staff roles across the Charity, planned investment in research of a minimum of £1 million and the expansion of office premises. The Trustees expect that over time such activity will result in reserves reducing to the policy level.

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 information on prostate cancer. A separate bank account exists for the project, into which £30,000 was transferred during the year. During the same period, £47,000 was paid in expenses for the project (covered by resources previously received).

## Fundraising

A budgeting process was adopted for 2007/08 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 £4,075,000, with a stretch target of £4,413,000. Against these targets, an actual outcome of £5,639,000 was achieved. In addition to this, a further £220,000 was received in donated services bringing total fundraised income to £5,859,000 – a 36% increase on the 2006/2007 figure of £4,320,000. Excluding gifts in kind, income has increased year on year by £1,566,000 (38%).

Growth has been strong across most of the income streams and the proportion of income which is unrestricted – allowing greater freedom in use – has risen to 85% (up from 75% in 2006/07). This growth in income has allowed us to plan to invest further in charitable services in 2008/09.

Fundraising costs (costs of generating voluntary income and trading activity) increased in the year by 37% from £1,553,000 to £2,134,000. These increases in cost include the expenditure associated with three new events for the Charity – Movember (held in November 2007 and to be repeated annually), the Deco-Dance gala dinner (held in October 2007) and the Real Man Cycling Challenge to be held in September 2008. These major initiatives should lead to a higher rate of return in the future. Additionally, there was an increase in costs of corporate partnerships which has led to increases in income (in both the Charity and the trading company).

The net contribution (income less costs) for fundraised income in 2007/08 was

£3,725,000 which is a £958,000 (35%) increase on 2006/07. The return on investment ratio (£ generated for each £ invested) is 2.75:1 which is a slight decrease on the Return on Investment (ROI) for 2006/07 (2.78:1), but is in line with market rates especially for a charity with low legacy income.

The Charity works to a rigorous five-year Fundraising Plan which was approved by the Charity's Board during 2005/06. 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 – targeting a ROI 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 its income target, though the ROI of 4:1 will be difficult to achieve until legacy income increases significantly.

A new Fundraising Plan is currently being developed to cover the period 2008-14, underpinning the Charity's planned new organisational strategy.

**Direct marketing** – Income for the year increased by 3% from £1,421,000 to £1,462,000.

Effective performance of the direct marketing programme is in the main due to the successful implementation of our research focused communications for all our higher level donors as well as a more

targeted approach for donors at lower levels, and prospective and in memoriam donors. The direct marketing programme has become much more personalised and now focuses on engaging donors more actively in our work and understanding what they want from the Charity.

Recruitment of higher level donors continues to beat market trends, despite challenging times in the economy, achieving a positive ROI and raising £345,000 in restricted income. Ongoing support from donors raised £1,117,000 which was well above budgeted levels. Average gift values and response rates to appeals remained high compared with charity norms and we are using our successes to further refine our future campaigns.

Costs of direct marketing have reduced significantly from £701,000 to £593,000 which has also had a positive impact on the ROI ratio which has risen from 2.03:1 to 2.47:1.

**Community fundraising** – Income in 2007/08 was £2,347,000, representing a dramatic increase of 173% compared with the previous year, with all income streams up against budget.

Our new flagship fundraising event, Movember, accounted for £1,157,000 (49%) of this income. This moustache growing event took place in November 2007 and exceeded all expectations. It attracted over 6,000 male supporters, particularly in the 25–35 age group – a target audience which is traditionally

very difficult to reach.

Our events portfolio has continued to grow, with the expansion of a number of UK events including the Great Manchester Run and Great North Run. The Flora London Marathon remains the Charity's largest sporting event and this year we had an excellent response, raising over £305,000.

We have continued to focus on developing support for local fundraisers, recognising that they generate significant income for the Charity (£408,000 in 2007/2008).

Affinity groups, such as Rotary Clubs, have also continued to be a major focus of our efforts, raising £184,000 in 2007/2008.

**Trusts** – Income in 2007/08 was £502,000, a reduction of £71,000 (12%) compared with the previous year. We are aiming however to grow income from this source next year and to continue to increase the stability of our funding by obtaining longer term grants; three-year grants accounted for over £280,000 of our trust income in 2007/08.

We are delighted to have received continuing support from several donors, including a generous donation of £154,000 from The Mike Gooley Trailfinders Charity for our research programme, including the funding of two Trailfinders Studentships.

The City Bridge Trust made the first grant of £29,000 towards our three-year 'Older and Wiser' programme to increase

awareness of prostate cancer among men from black and minority ethnic communities in London. We also received a further grant of £32,800 from The Worshipful Company of Innholders for our Helpline.

Other significant gifts included £20,000 from the Peacock Charitable Trust, £15,000 for research from the Sir Samuel Scott of Yews Trust, and the first of three annual donations of £15,000 from the Samuel Sebba Charitable Trust to support information services.

The Big Lottery Fund Scotland continued to fund our pilot volunteer network in the west of Scotland with a grant of £50,000, enabling us to provide local support and information for men in the region and their carers.

**Corporate partnerships** – Another successful year has seen income increase by 48% on 2006/07 to £538,000 (includes income shown within trading of £39,000). This can in part be attributed to the publicity and kudos of our relationship with Marks & Spencer. The exposure from this partnership has seen a significant increase in the number of people and companies recognising The Prostate Cancer Charity as a potential corporate partner.

The 2007/08 the Marks & Spencer partnership raised nearly £200,000, almost doubling the income of 2006/07 (£110,000) through the expansion of the scope of activities to include staff fundraising, cause related marketing on products as well as increased pin badge sales.

Work in 2006/07 to create new retail partnerships bore fruit, resulting in new initiatives for Father's Day to raise £28,000 through product promotions with Tesco, Alfred Dunhill and figleaves.com. These partnerships are all ongoing to 2008/09. They, and other retail partnerships, are particularly important to the Charity as they also enable our awareness raising messages to be brought to a large customer base.

We also achieved nominated charity status for Birmingham NEC which raised over £25,000.

A new partner, Kato Enterprises, was brought on board in support of the African Caribbean Awareness Programme as sponsor of the premiere of the Benjamin Zephaniah play, De Botty Business.

Pharmaceutical sponsorship provided support for the Charity's new volunteer programme and the innovative Prostate Cancer Masterclass.

Work will continue in 2008/09 to broaden the industry sectors with which the Charity has corporate partnerships, including finance, IT and construction, in which a good start has already been made. Ongoing investment will be made in the corporate fundraising team to enable new opportunities to be developed and effectively supported.

**Legacies** – Income from this source dropped by 32% to £356,000 compared with the previous year. Legacy giving is a

crucial source of income for the Charity, giving our supporters the opportunity to make a long term difference to men with prostate cancer and their families.

In 2007/08, the Charity undertook several activities to promote the benefits of legacy giving, including a personal appeal from our Chairman, Professor Paul Forster, to 4,000 supporters and the design of a new legacy promotional leaflet. As a result of this appeal, we increased confirmed legacy gifts by 24%, with over 160 supporters informing the Charity that they have left a gift in their Will to support prostate cancer.

In the coming year we will continue to promote the benefits of legacy giving through marketing, face-to-face meetings and special events.

**Major gifts** – Income saw a significant increase of 80% from £113,000 in 2006/07 to £203,000 in 2007/08. The increase in income is largely due to the exemplary fundraising of a major supporter, David Hillier, who raised over £150,000 through sponsored cycle challenges in 2007/08.

Other significant gifts were raised to support a Helpline nurse and a research nurse at The Institute of Cancer Research.

We will continue our programme of events, giving donors the opportunity to learn more about our work. This will include an evening with Sir John Major. We expect that this new event and continuing engagement with our individual donors, will lead to ongoing growth in major gift income.

**Events** – The Charity organised its first fundraising gala evening, Deco-Dance, in October 2007 raising £54,000. Deco-Dance was a unique evening of entertainment held at the Bloomsbury Ballroom, London. Hosted by Clive Anderson, the dinner was interspersed with performances from two principal dancers from The Royal Ballet, Metro Voices and Peyton. Dinner was provided by Fifteen Events. Attended by celebrities including Tara Palmer-Tomkinson and Duncan James, the evening was featured in OK! Magazine.

The event was organised with extensive input from Jason Gardiner, choreographer and Dancing on Ice judge, who volunteered his time and enlisted the pro-bono support of the entertainment for the evening.

October also saw the launch of Ripley's World, the remarkably honest account of England and British Lions rugby legend Andy Ripley's fight against prostate cancer. This book, all proceeds of which Andy Ripley is kindly donating to The Prostate Cancer Charity, has recently won the Rugby Book of the Year Award at the British Sports Book Awards in London.

## Investment policy

The volatility in the financial markets adversely impacted the Charity's investment portfolio, leading to a 15% (£277,000) reduction in its value, to £1,544,000.

During the year, the Charity undertook a thorough review both of its investment policy and of its investment management arrangements, leading to the establishment of clear objectives for the management of the Charity's investments. In addition, new investment managers, CCLA, were appointed in March 2008, following a rigorous competitive tendering exercise. The Charity's investments were liquidated and transferred to CCLA in May.

## Reserves policy

The Charity reviewed its reserves policies during the year and developed a new policy as follows:

"The Board of Trustees state that the purpose of free reserves is to ensure uninterrupted services and delivery of the Charity's objectives regardless of short to medium term fluctuations in patterns of income and expenditure or unforeseen financial burdens. A minimum level of free reserves of three months' unrestricted expenditure is required to achieve this. This includes provision for meeting key contractual obligations. The minimum free reserves requirement will be calculated on a quarterly basis and monitored on a monthly

basis. Excess reserves may be used to fund increases in expenditure in order to achieve the Charity's objectives subject to agreement by the Board of Trustees.

This policy was agreed by the Board of Trustees in March 2008 and will be reviewed periodically as required."

The level of free reserves at the balance sheet date is £2,558,000 which represents 4.5 months of unrestricted expenditure. Plans are in place in 2008/09 to utilise these reserves to invest in the further development of our charitable activities, fundraising and infrastructure to ensure the Charity is able to achieve greater impact and pursue its objects.

## 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. The Charity is undertaking a detailed review of its strategic risks as part of the current six-year strategic planning exercise. This will be rolled out across the Charity during 2008/09 in order to develop a general risk management framework and risk registers for all departments.

The Charity takes the risks it faces – operational, reputational and financial – very seriously and endeavours to mitigate and provide contingencies for these as much as possible.

Research grants awarded by the Charity are reviewed annually, enabling any difficulties to be identified at an early stage. The Charity also only awards grants after a thorough peer-review assessment process.

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 marketing) – 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 of 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. Re-forecasting of financial performance takes place twice a year, 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 2008/09 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 was implemented during 2007/08 including the introduction of a staff forum and a review of the performance management arrangements for staff.

The continuous performance of the IT systems are critical to the running of the Charity. Service providers are in place to provide day-to-day and emergency support for both the IT and telephony systems. Information systems are backed up on a daily basis and arrangements are in place for the provision of a disaster recovery site.

The Charity's database is a key asset of the Charity. A thorough review of the database was undertaken during 2007/08, the recommendations from which are now being implemented.

## 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 Human Resources 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 Human Resources Committee reviews strategic HR issues and recommends to the Board reward arrangements for the Chief Executive and Directors. 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 nine 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 50 employees, based in offices in Hammersmith, London and organised into four Directorates:

- **Chief Executive** – includes media and public relations and human resources
- **Fundraising** – responsible for all fundraising activity and for events management
- **Operations and Marketing Communications** – responsible for all 'front line' services, including Helpline, information production, marketing communications, policy and campaigns, research administration and community engagement
- **Finance and Facilities** – responsible for financial management, planning, knowledge management, database and ICT services, governance and the facilities management of the office

The senior management team of the Charity are:

- John Neate, Chief Executive
- Elizabeth Ambekar, Director of Finance and Facilities and Company Secretary
- Elaine Bennett, Director of Fundraising
- Ruth Holdaway, Director of Operations and Marketing Communications

## 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 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 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

- (a) So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- (b) 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 Jonathan Waxman (President)  
 Professor Paul Forster (Chairman)  
 Ms Su Sayer (Vice Chairman)  
 Mr Leslie Moffat (Vice Chairman)  
 Mr John Wotherspoon (Treasurer)  
 Mr Grant Duncan  
 Mr Neil Bowman (resigned 13/12/07)  
 Mrs Jude Bridge  
 Mr Andrew Blessley  
 Mr Ian Chate  
 Dr Timothy Walker CB  
 Mr Athelston Sealy OBE  
 Professor Malcolm Mason (resigned 19/07/07)  
 Mr Michael Price (co-opted 06/02/08)  
 Mr William Russell (co-opted 06/02/08)

## Auditors

At the Annual General Meeting held on 19th July 2007, MacIntyre Hudson were appointed as the Charity's new auditors.

A resolution proposing audit arrangements for 2008/09 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 24th July 2008 and authorised to be signed on its behalf by:



**Professor Paul Forster**  
 Chairman  
 24th July 2008

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

We have audited the financial statements of The Prostate Cancer Charity for the year ended 31st March 2008 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

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

## Respective responsibilities of Trustees and auditors

The Trustees, (who are also the directors of The Prostate Cancer Charity for the

purposes of company law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you if, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements, if the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the Charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the

implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information beyond that referred to in this paragraph.

## Basis of opinion

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

We planned and performed our audit so as to obtain all 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 Charity's affairs as at 31st March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

In our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

MacIntyre Hudson LLP, New Bridge Street House, 30-34 New Bridge Street, London, EC4V 6BJ.

*Ma Intyre Hudson LLP*

23rd July 2008

## Statement of Financial Activities

for the year ended 31st March 2008

	Notes	Unrestricted Fund £'000	Restricted Funds £'000	Total 2008 £'000	Total 2007 £'000
<b>Incoming resources</b>					
<b>Incoming resources from generated funds:</b>					
Voluntary income	3	4,840	901	5,741	4,269
Activities for generating funds					
Fundraising	4	36	–	36	51
Trading subsidiary turnover	5	82	–	82	
Investment income	6	164	–	164	118
<b>Incoming resources from charitable activities</b>	7	–	–	–	14
<b>Other incoming resources</b>	8	–	30	30	2
<b>Total incoming resources</b>		5,122	931	6,053	4,454
<b>Resources expended</b>					
<b>Costs of generating funds:</b>					
Cost of generating voluntary income	9	1,996	–	1,996	1,482
Costs of activities for generating funds					
Fundraising	10	64	–	64	71
Trading subsidiary expenditure	5	74	–	74	
Investment management costs		–	–	–	–
<b>Charitable activities</b>	11	1,922	1,068	2,990	2,468
<b>Governance costs</b>	13	219	–	219	172
<b>Other resources expended</b>	14	–	47	47	31
<b>Total resources expended</b>		4,275	1,115	5,390	4,224
Net incoming resources before other recognised gains and losses		847	(184)	663	230
<b>Other recognised gains and losses</b>					
Loss on investment assets		(268)	–	(268)	39
<b>Net Movement in funds</b>		579	(184)	395	269
Reconciliation of funds					
Transfer		(153)	153	–	
<b>Total funds brought forward</b>		2,157	287	2,444	2,175
<b>Total funds carried forward</b>		2,583	256	2,839	2,444

## Income and Expenditure Account

for the year ended 31st March 2008

Income	Notes	Total 2008 £'000	Total 2007 £'000
<b>Incoming resources from generated funds:</b>			
Voluntary Income	3	5,741	4,269
Activities for generating funds	4	36	51
Trading subsidiary income	5	82	–
Investment income	6	164	118
<b>Incoming resources from charitable activities</b>	7	–	14
<b>Other incoming resources</b>	8	30	2
		<b>6,053</b>	<b>4,454</b>
<b>Expenditure</b>			
<b>Costs of generating funds:</b>			
Cost of generating voluntary income	9	1,996	1,482
Costs of activities for generating funds	10	64	71
Trading subsidiary expenditure	5	74	–
<b>Charitable activities</b>	11	2,990	2,468
<b>Governance costs</b>	13	219	172
<b>Other resources expended</b>	14	47	31
		<b>5,390</b>	<b>4,224</b>
Surplus for the year		663	230
<b>Statement of total recognised gains and losses</b>			
Surplus for the year		663	230
Unrealised loss on investment assets		(268)	39
<b>Total gains and losses recognised since 31st March 2007</b>		<b>395</b>	<b>269</b>

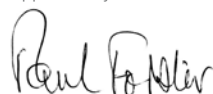
## Balance Sheet

as at 31st March 2008

	Notes	Group		Charity	
		Total 2008 £'000	Total 2007 £'000	Total 2008 £'000	Total 2007 £'000
<b>Fixed assets</b>					
Tangible fixed assets	18	105	34	105	34
Investments	19	1,544	1,821	1,544	1,821
		1,649	1,855	1,649	1,855
<b>Current assets</b>					
Debtors	20	908	745	947	745
Investments	19	–	–	–	–
Cash and short term deposits		2,387	1,322	2,355	1,322
		3,295	2,067	3,302	2,067
<b>Creditors</b>					
Amounts falling due within one year	21	1,343	938	1,358	938
<b>Net current assets/liabilities</b>		1,952	1,129	1,944	1,129
Total assets less current liabilities		3,601	2,984	3,593	2,984
<b>Creditors</b>					
Amounts falling due after more than one year	22	762	540	762	540
<b>Net assets</b>		<b>2,839</b>	<b>2,444</b>	<b>2,831</b>	<b>2,444</b>
<b>Unrestricted funds</b>	24				
General		2,558	1,279	2,550	1,279
Designated		25	878	25	878
		2,583	2,157	2,575	2,157
<b>Restricted funds</b>	24				
Research related		180	139	180	139
Other		76	148	76	148
		256	287	256	287
		<b>2,839</b>	<b>2,444</b>	<b>2,831</b>	<b>2,444</b>

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 2007).

Approved by the Council of Management on 24th July 2008 and signed on its behalf by:



Professor Paul Forster - Chairman

## Notes forming part of the Financial Statements

for the year ended 31st March 2008

### 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 (FRSSE 2007) and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 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, community engagement, Helpline and information services, policy and media and public affairs.
- 2.6 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.
- 2.7 Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- 2.8 Governance costs include those incurred in the governance of the Charity and its assets.
- 2.9 Costs are allocated between fundraising, charitable activities 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.
- 2.10 Rentals payable under operating leases are charged to the profit and loss account as incurred.
- 2.11 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.
- 2.12 Tangible Fixed Assets and Depreciation:  
Expenditure on assets or groups of assets over the value of £1,000 will be capitalised. 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:
- |                                 |     |
|---------------------------------|-----|
| Lease Improvements              | 20% |
| Computer equipment and software | 33% |
| Fixtures and fittings           | 33% |
- 2.13 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.
- 2.14 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 31st March 2008

### 3 Voluntary Income

	Unrestricted £'000	Restricted £'000	Total 2008 £'000	Total 2007 £'000
Direct marketing	1,117	345	1,462	1,421
Community fundraising	2,340	7	2,347	859
Charitable trusts	175	327	502	573
Corporate donors	451	48	499	357
Legacies	291	65	356	520
Major gifts	111	92	203	113
General donations	(9)	15	6	52
In memory	116	2	118	127
Events	28	–	28	–
Donated services	220	–	220	247
	<b>4,840</b>	<b>901</b>	<b>5,741</b>	<b>4,269</b>

### 4 Activities for generating funds

Sponsorship – Conference & Awareness Week	–	–	–	6
Ticket sales – gala dinner	36	–	36	–
Christmas card sales	–	–	–	23
Other sales	–	–	–	22
	<b>36</b>	<b>–</b>	<b>36</b>	<b>51</b>

### 5 Net Income from trading activities of subsidiary

The Charity has a wholly owned subsidiary incorporate in England, Prostate Cancer Trading Limited, which raises funds through trading activity including cause related marketing and sales of goods. The company pays its profits under Gift Aid to The Prostate Cancer Charity. Audited accounts will be filed with the Registrar of Companies.

A summary of its trading results for the year ended 31 March 2008 is as follows:

	Total 2008 £'000	Total 2007 £'000
Turnover	–	–
Sales of goods	43	–
Income from corporate partnerships	39	–
Cost of Sales	63	–
Gross Profit	19	–
Administrative Expenses	11	–
Interest received	–	–
Net profit	8	–
Income transferred by Gift Aid	8	–
Retained in subsidiary	–	–

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

### 6 Investment income

	Unrestricted £'000	Restricted £'000	Total 2008 £'000	Total 2007 £'000
Dividends received	66	–	66	57
Interest received	98	–	98	61
	<b>164</b>	<b>–</b>	<b>164</b>	<b>118</b>

### 7 Incoming resources from charitable activities

Conference delegate fees	–	–	–	14
	<b>–</b>	<b>–</b>	<b>–</b>	<b>14</b>

### 8 Other incoming resources

UK Prostate Link – monies received held on behalf of Prostate Cancer				
Charter for Action and Department of Health	–	30	30	2

### 9 Costs of generating voluntary income

Activities	Direct Costs £'000	Support Costs £'000	Total 2008 £'000	Total 2007 £'000
Direct marketing	485	108	593	701
Community fundraising	654	123	777	378
Charitable trusts	80	34	114	114
Corporate donors	149	73	222	126
Legacies	53	20	73	82
Major gifts	38	19	57	66
General donations	–	–	–	4
In memory	3	3	6	11
Events	137	17	154	–
	<b>1,599</b>	<b>397</b>	<b>1,996</b>	<b>1,482</b>

### 10 Activities for generating funds

Activities for generating funds	Direct Costs £'000	Support Costs £'000	Total 2008 £'000	Total 2007 £'000
Sponsorship – conference and awareness week	–	–	–	8
Christmas card sales	–	–	–	32
Gala dinner	43	21	64	–
Trading subsidiary expenditure	63	11	74	–
Other sales	–	–	–	31
	<b>106</b>	<b>32</b>	<b>138</b>	<b>71</b>

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

### 11 Charitable Activities

Activities	Direct Costs £'000	Support Costs £'000	Total 2008 £'000	Total 2007 £'000
Research (including write backs and admin)	708	36	744	607
Specialist nurse programme	–	–	–	28
Information services	236	87	323	471
Helpline	320	196	516	389
Community engagement	301	116	417	220
Awareness	740	87	827	658
Other	107	56	163	95
	<b>2,412</b>	<b>578</b>	<b>2,990</b>	<b>2,468</b>

### 12 Grants awarded

Research Grants:	Unrestricted £'000	Restricted £'000	Total 2008 £'000	Total 2007 £'000
University of Sheffield	–	211	211	–
Edinburgh Cancer Research Centre	–	108	108	–
Queen's Institute for Medical Research, Edinburgh	–	146	146	–
University of Glasgow	–	–	–	74
Institute of Cancer Research, Sutton	–	152	152	158
University of Leicester	–	–	–	84
Imperial College, London	–	102	102	268
	<b>–</b>	<b>719</b>	<b>719</b>	<b>584</b>

### Reconciliation of grants payable:

	Total 2008 £'000	Total 2007 £'000
Commitments at 1 April 2007	1,275	1,200
Commitments made in the year	719	607
Grants cancelled or recovered	(75)	–
Grants paid during the year	(478)	(532)
<b>Commitments at 31 March 2008</b>	<b>1,441</b>	<b>1,275</b>
<b>Commitments at 31 March 2008 are payable as follows:</b>		
Within one year (note 21)	679	735
After more than one year (note 22)	762	540
	<b>1,441</b>	<b>1,275</b>

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

### 13 Governance

	Direct Costs £'000	Support Costs £'000	Total 2008 £'000	Total 2007 £'000
Legal and professional fees	25	–	25	–
External audit	14	–	14	18
Trustee expenses	12	–	12	8
Apportionment of staff & support costs	–	168	168	146
	<b>51</b>	<b>168</b>	<b>219</b>	<b>172</b>

### 14 Other Activities

	Unrestricted £'000	Restricted £'000	Total 2008 £'000	Total 2007 £'000
UK Prostate Link – monies spent on behalf of Prostate Cancer Charter for Action and Department of Health	–	47	47	31

### 15 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 2008 traveling and other expenses amounting to £1,844 was reimbursed to three Council members (2007 – £3,017 was reimbursed).

	Total 2008	Total 2007
The average full time equivalent number of persons employed by the Charity during the year was:-		
Fundraising	19	12
Charitable Activities	21	17
Central Services	8	8
Management and administration	2	2
	<b>50</b>	<b>39</b>

	Total 2008 £'000	Total 2007 £'000
Amounts paid to employees by the Charity during the year increased by 23% and were:-		
Salaries and wages	1,561	1,265
Social security costs	172	135
Pension costs	62	43
	<b>1,795</b>	<b>1,443</b>

The increase in staff costs is due to a planned investment in staff resources across the Charity and normal inflationary increases in salaries

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

	2008	2007
The number of employees of the Charity paid within each of the following ranges was:		
£50,000 to £60,000	1	–
£60,000 to £70,000	2	1
£70,000 to £80,000	–	1
£80,000 to £90,000	1	–

### 16 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 £62,344 (2007 – £43,000).

### 17 Support costs

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

	Cost of generating income £'000	Charitable Activities £'000	Governance £'000	Total 2008 £'000	Total 2007 £'000
Staff and similar costs	202	281	140	623	517
Telephone, publications, postage, stationery	138	172	17	327	150
Premises costs	65	103	8	176	166
Depreciation	14	22	2	38	39
	<b>419</b>	<b>578</b>	<b>167</b>	<b>1,164</b>	<b>872</b>

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.

### 18 Tangible fixed assets

	Lease Improve £'000	Fixtures & Fittings £'000	Computer Equipment/ Software £'000	Total £'000
<b>Cost</b>				
At 1st April 2007		107	175	282
Additions	69	1	29	99
At 31st March 2008	69	108	204	381
<b>Depreciation</b>				
At 1st April 2007		102	146	248
Charge for the year	10	1	17	28
At 31st March 2008	10	103	163	276
<b>Net Book Value</b>				
Net Book Value at 31st March 2008	59	5	41	105
Net Book Value at 31st March 2007	–	5	29	34

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

### 19 Investments

	Total 2008 £'000	Total 2007 £'000
Market value:		
At 1 April 2007	1,821	1,783
Additions	–	–
Disposals	(9)	(1)
Unrealised (losses) / gains	(268)	39
At 31st March 2008	<b>1,544</b>	<b>1,821</b>
<b>Historical cost as at 31st March 2008</b>	<b>1,674</b>	<b>1,671</b>
	<b>Total 2008 £'000</b>	<b>Total 2007 £'000</b>
UK listed investments:		
GlaxoSmithKline plc	85	106
Other	120	130
Common investment funds:		
CAF Balanced Growth Fund	844	1,080
CAF Income Fund	461	468
Unit Trusts	34	37
	<b>1,544</b>	<b>1,821</b>
Fixed assets	1,544	1,821
Current assets	–	–
	<b>1,544</b>	<b>1,821</b>

### 20 Debtors

	The Group		The Charity	
	Total 2008 £'000	Total 2007 £'000	Total 2008 £'000	Total 2007 £'000
Legacies and donations	168	493	168	493
Tax recoverable	179	51	179	51
Other debtors	56	6	100	6
Accrued income	163	79	158	79
Prepayments	342	116	342	116
	<b>908</b>	<b>745</b>	<b>947</b>	<b>745</b>

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

### 21 Creditors

	The Group		The Charity	
	Total 2008 £'000	Total 2007 £'000	Total 2008 £'000	Total 2007 £'000
Falling due within one year:				
Trade creditors	139	75	138	75
Accruals and other creditors	525	128	541	128
Commitments	679	735	679	735
	<b>1,343</b>	<b>938</b>	<b>1,358</b>	<b>938</b>

### 22 Creditors

	The Group		The Charity	
	Total 2008 £'000	Total 2007 £'000	Total 2008 £'000	Total 2007 £'000
Falling due after more than one year:				
Commitments	762	540	762	540

### 23 Analysis of net assets between funds

	The Charity			The Group	
	General Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Total Funds £'000
Tangible fixed assets	105	–	–	105	105
Investments	1,544	–	–	1,544	1,544
Current Assets less liabilities	901	25	256	1,182	1,190
<b>Net assets at 31 March 2008</b>	<b>2,550</b>	<b>25</b>	<b>256</b>	<b>2,831</b>	<b>2,839</b>

### 24 Movement in funds

	The Charity				The Group	
	As at 1/4/2007 £'000	Incoming £'000	Outgoing £'000	Transfers £'000	As at 31/3/2008 £'000	As at 31/3/2008 £'000
<b>Restricted funds</b>						
Research						
- Action Fund	292	296	(408)	–	180	180
- General Research	(153)	309	(309)	153	–	–
- Research Nurse	–	46	(45)	–	1	1
Helpline	(5)	99	(91)	–	3	3
Information Services	76	32	(86)	–	22	22
Community Engagement - Other	1	–	(1)	–	–	–
Scotland Development - Other	1	21	–	–	22	22
Scotland Development - The Big Lottery Fund	8	50	(47)	–	11	11

## Notes Forming Part of the Financial Statements for the year ended 31st March 2008

	The Charity				As at 31/3/2008 £'000	As at 31/3/2008 £'000
	As at 1/4/2007 £'000	Incoming £'000	Outgoing £'000	Transfers £'000		
<b>Restricted funds (cont.)</b>						
African Caribbean Projects	19	29	(44)	–	4	4
Volunteer programme	–	11	–	–	11	11
Masterclasses	–	–	(10)	–	(10)	(10)
UK Prostate Link Project	28	31	(47)	–	12	12
Other	20	7	(27)	–	–	–
<b>Total restricted funds</b>	<b>287</b>	<b>931</b>	<b>(1,115)</b>	<b>153</b>	<b>256</b>	<b>256</b>
<b>Unrestricted funds:</b>						
General fund	1,279	5,040	(4,469)	700	2,550	2,558
Designated funds	878	–	–	(853)	25	25
<b>Total unrestricted funds:</b>	<b>2,157</b>	<b>5,040</b>	<b>(4,469)</b>	<b>(153)</b>	<b>2,575</b>	<b>2,583</b>
<b>Total funds:</b>	<b>2,444</b>	<b>5,971</b>	<b>(5,584)</b>	<b>–</b>	<b>2,831</b>	<b>2,839</b>

### 25 Purposes of restricted funds:

Research Action Fund	This fund is dedicated to the Charity's main objective of research into prostate cancer.
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 been directly affected by prostate cancer.
African Caribbean Projects	This fund was 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.
Volunteer Programme	This fund will be used for the production of volunteering materials to support the newly launched volunteer programme for England and Wales.
Masterclasses	This fund will be used to support the running of a nursing Masterclass in April 2008. Funding was received for this purpose in April 2008 but expenditure was incurred in 2007/2008.
UK Prostate Link Project	This fund is being administered by The Prostate Cancer Charity. It is a multi-agency funded project to support the running 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 31st March 2008

### 26 Purposes of designated fund:

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

	As at 1/4/2007 £'000	Transfer £'000	As at 31/3/2008 £'000
Research Action Fund	700	(700)	–
Provision for restricted research funds	153	(153)	–
Jeremy Gambrell Memorial Award	25	–	25
	<b>878</b>	<b>(853)</b>	<b>25</b>

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.

### 27 Commitments under an operating lease

At 31 March 2008, the Charity had two commitments under operating leases.

Firstly, for its London office with an annual rent of £141,862.50 + VAT which can be terminated by the Charity on 8 May 2012 or else lapses on 7 May 2017.

Secondly, the Charity was bound to enter in to an operating lease for expanded office accommodation on the same terms as the existing lease. This represents an annual commitment of £79,547 + VAT.

Thirdly, for a photocopier with an annual charge of £14,570 for 5 years from July 2007.

## Legal and Administrative Information

### Patrons:

Rt Hon Gordon Brown MP, the Prime Minister  
 Sir Menzies Campbell  
 Mr Tony Blair  
 The Rt Hon Iain Duncan Smith MP  
 Mr Mike Gooley CBE  
 The Rt Hon William Hague MP  
 The Rt Hon Michael Howard QC MP  
 The Rt Hon Charles Kennedy MP  
 Sir John Major KG CH  
 Eminence Cardinal Cormac Murphy-O'Connor  
 The Rt Hon Baroness Pitkeathley OBE  
 The Chief Rabbi Sir Jonathan Sacks  
 Lord Clive Soley  
 The Most Reverend Archbishop Desmond Tutu  
 Rabbi Lionel Blue OBE

### Trustees:

Professor Jonathan Waxman (President)  
 Professor Paul Forster (Chairman)  
 Ms Su Sayer (Vice Chairman)  
 Mr Leslie Moffat (Vice Chairman)  
 Mr John Wotherspoon (Treasurer)  
 Mr Grant Duncan  
 Mr Neil Bowman (resigned 13/12/07)  
 Mrs Jude Bridge  
 Mr Andrew Blessley  
 Mr Ian Chate  
 Dr Timothy Walker CB  
 Mr Athelston Sealy OBE  
 Professor Malcolm Mason (resigned 19/07/07)  
 Mr Michael Price (co-opted 06/02/08)  
 Mr William Russell (co-opted 06/02/08)

### Secretary:

Ms E Ambekar

### Chief Executive:

Mr J Neate

### Registered Office:

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

### Principal Bankers:

National Westminster Bank Plc  
 1 Abbey Road  
 London  
 NW10 7RA

### Auditors:

MacIntyre Hudson LLP  
 New Bridge Street House  
 30-34 New Bridge Street  
 London EC4V 6BJ

### Company No.:

2653887

### Reg. Charity No.:

1005541

### Reg. Charity No. Scotland:

SC039332