

# annual report and accounts for the year ended 31st March 2009

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# 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 2009.

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, amendments to which were approved by Special Resolution on 20th November 2008 to take account of changes introduced by the Companies Act 2006. The Charity will continue to review its governance arrangements to ensure that they are appropriate for 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 our work and impact.

## Public benefit

We have considered the Charity Commission's guidance with regard to public benefit when reviewing our aims and objectives and in planning future activities.

The public benefit of the Charity is in mitigating the effect of prostate cancer in the United Kingdom. Our strategic aims as stated on this page link to this benefit and we are satisfied that these aims do not have a detrimental effect outside of the Charity's activities.

The beneficiaries of our work are men and their families. Those who have benefited from our services are detailed in the review of activities. Our service is open to all men in the United Kingdom and their families, without charge.

As a result of the above, the Trustees consider that The Prostate Cancer Charity satisfies the public benefit test.

## Our vision and mission

The Charity's vision and mission statements are used extensively in explaining and promoting our work:

### Vision

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

### Mission

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

## Our principles and values

The Charity will pursue the following principles and values in achieving its strategic aims:

- Ensuring that people affected by prostate cancer are at the heart of all we do and are systematically involved in all our work
- Adopting innovative and creative approaches in tackling prostate cancer
- Preserving integrity and independence in all we say and do
- Ensuring that our public positions and priorities are well informed and defensible
- Seeking opportunities for partnership working, both as an expression of a collaborative attitude and to avoid duplication of effort or unhelpful competition
- Modelling good practice to other organisations
- Influencing other organisations to pursue positive programmes of action on prostate cancer

## Strategic review

2008/09 saw the transition from the Charity's previous five-year strategy, 'A cause for action' (2004-2008), to a new strategy, 'Transforming the future for prostate cancer' – launched at the Science Museum in London on 1st December 2008.

Speakers at the launch event – including Professor Mike Richards, National Cancer Director for England, Cierán Devane, Chief Executive, Macmillan Cancer Support, Harpal Kumar, Chief Executive Officer, Cancer Research UK and Max Clifford, PR adviser – provided visible demonstration of the Charity's determination to work in partnership with others in driving the battle against prostate cancer.

The new strategy is based on five high level goals, which set out the key changes we want to see achieved in the prostate cancer 'landscape' by 2020 (see below). These goals are underpinned by clear targets against which we can measure progress and by the Charity's organisational strategy for 2008-14.

## Our strategic aims

The Charity's new strategy, 'Transforming the future for prostate cancer', sets out five key goals for 2020:

- Goal 1 – Significantly more men will survive prostate cancer
- Goal 2 – Society will understand the key facts about prostate cancer and will act on that knowledge
- Goal 3 – African Caribbean men and women will know more about prostate cancer and will act on that knowledge
- Goal 4 – Inequalities in access to high quality prostate cancer services will be reduced
- Goal 5 – People affected by prostate cancer will have their information and support needs addressed effectively

These goals can only be achieved when everyone concerned – people affected by prostate cancer, charities, healthcare professionals, the NHS, researchers and supporters – moves in the same direction with a sense of united purpose. As the UK's leading charity working with people affected by prostate cancer, The Prostate Cancer Charity has a responsibility to act as a catalyst in mobilising the resources of the wider community in achieving the 2020 goals.

The Charity will act in three modes in delivering its strategy:

- Direct provision of services and research funding
- Partnership working
- Lobbying others to achieve what needs to be done

## Reporting structure

Our priorities, as previously reported, were:

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

**Support and information services** – to be the leading provider of authoritative, evidence-based information to people affected by prostate cancer

**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

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

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

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

For the majority of 2008/09, the Charity was pursuing objectives set out in its earlier strategy, *'A cause for action'*. Progress in achieving these objectives is therefore reported against the priorities declared last year (set out above). Our plans for 2009/10 are, however, laid out in line with the goals of the new strategy, *'Transforming the future for prostate cancer'*.

## Review of activities

During 2008/09, despite the prevailing difficulties in the wider economy, the Charity once again significantly increased its income and invested in new resources, including new staff. It also increased the size of its rented office accommodation in Hammersmith, providing the vital capacity needed to facilitate the Charity's continued growth in activity.

Set out below is a review of what we intended to do in 2008/09 and what we actually achieved. Our plans for

2009/10 are set out against the goals of the Charity's new strategy, *'Transforming the future for prostate cancer'* (see 'Future developments').

### Research

*We said we would:*

- 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

*In 2009/09 we:*

- Managed and fostered relationships with grant holders and featured the Charity's research programme prominently in information to supporters, on the website and in media releases
- Funded nine new research grants to a value of £1,053,000. The projects represent an excellent balance of interest – including the potential identification of new biomarkers of prostate cancer, work to understand the mechanisms of prostate cancer development, research into treatment improvement, and research into the psychosocial impact of living with prostate cancer. Grants were awarded to the Institute of Cancer Research, University of Cambridge, Queen Mary, University of London, University of Southampton, University of Ulster, Queen's University, Belfast, Imperial College, London and University of Bath
- Undertook a review of the Charity's research strategy at a special workshop on 15th September 2008, involving members of the Research Advisory Committee and

external invited guests from Cancer Research UK, the Prostate Cancer Research Foundation and the National Cancer Research Institute. The strategy will be further refined in 2009/10 and the details published in due course

- Through the Chief Executive, established initial contact with the Prostate Cancer Foundation in the USA

### Support and information

*We said we would:*

- 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

*In 2008/09 we:*

- Employed a Head of Services who now leads the integrated Services Team responsible for implementation of the new 3-year Service Plan
- Commenced work on the restructure of website information. (Implementation of the content management system for internal and external websites is dependent on new resources and will be developed as part of an overall Knowledge Management Programme commencing in 2009/10)
- Contributed strongly to the Government's information agenda by:
  - Acting as a pilot organisation for the Department of Health Information Accreditation Scheme and working towards accreditation in 2009
  - Working with the Cancer Action Team to ensure inclusion of the Charity's information on the National Cancer Information Pathway
  - Working with the Information Accreditation and Information Pathways initiative to ensure that the Charity's information services will be prescribed to men with prostate cancer through Information Prescriptions
  - Ensuring the Charity's information is included on the NHS Choices website
- Contributed to revision of the Prostate Cancer Risk Management Programme through membership of the Government's advisory group

- Produced a number of new booklets including 'PSA and beyond: A guide for men concerned about prostate cancer' and 'Prostate cancer: A guide for newly diagnosed men' – which was a winner of the BMA Patient Information Award
- Established a Health Professional Advisory Group to advise the Charity on the development of its literature and on other professional issues
- Recruited to split role Helpline nurse posts so that we now have 3 full-time Information staff and a Helpline nurse/African Caribbean outreach post
- Developed a Nurse Training and Development Plan
- Developed a Clinical Nurse Specialist role to act as clinical advisor to the Charity who will also work 2 days a week at Guy's Hospital
- Improved telephony systems to enhance significantly the number of calls we can answer on the Helpline. Approximately 8,000 calls were received in 2008/09, with a response rate of 95% during Prostate Cancer Awareness Month and a year average of 80%

## **Awareness-raising and media**

*We said we would:*

- Run Prostate Cancer Awareness Week 2009, aiming to further increase public participation and awareness of prostate cancer
- Extend our awareness raising programme, particular in African Caribbean communities (see 'Community engagement' below)
- 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

*In 2008/09 we:*

- Extended the annual awareness week to a month long event, providing additional opportunities to engage with stakeholders. The inaugural Prostate Cancer Awareness Month, which had a theme of injustice, under the banner, 'it matters', was very well received
- Increased the share of media voice, with an average of around 40% of all articles on prostate cancer referencing the Charity. The quality of coverage also increased with the successful delivery of consistent key messages. New areas of media were successfully targeted
- Recruited the services of 'i to i research', a brand communications research consultancy, to ensure that the Charity effectively evaluates how it engages with people through the media and tracks the quality, reach and depth of coverage
- Introduced two new roles: a Senior Media Officer, to focus on growing communications around our research programme and campaigning activity, and a VIP Relations Manager to engage high-profile supporters

## **Community engagement**

*We said we would:*

- 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
- Recruited a volunteer co-ordinator in Scotland to support the Scottish volunteer team and work on the integration of the Scottish pilot volunteer programme into the UK-wide programme. We also secured new funding from the Voluntary Action Fund to replace the BLF grant which will allow us to continue to expand our volunteering services in Scotland in 2009/10
- Organised a second health professional education event. This event, held in Scotland, targeted a broader group of health care professionals than our first Masterclass, and was attended by 160 practitioners caring for men with prostate cancer in both primary and secondary care. It brought together expert speakers from the prostate cancer field for the first event of its kind hosted by the Charity in Scotland. The Charity continued its links with [cancernursing.org](http://cancernursing.org) in the delivery of online nurse education
- Launched our monthly e-newsletter service for health care professionals, increasing subscribers during the year to over 300
- Appointed a Support and Information Specialist Nurse to work both on the Helpline and within African Caribbean communities, focusing this year on communities in the West Midlands. The nurse has worked successfully with community groups and health care professionals to raise awareness of the increased risk of prostate cancer, delivering talks and encouraging partnership working
- Commissioned King's College, London to carry out a literature review into prostate cancer and African Caribbean men, to increase the Charity's knowledge of the issues facing African Caribbean men and their families
- Focused our Older and Wiser awareness project activity on African Caribbean communities within three London Boroughs (Newham, Lambeth and Hackney) and appointed a project manager to recruit volunteers and undertake outreach work
- Developed more effective strategic relationships with key players and organisations across Scotland, investing in additional staff to enhance our work, including recruiting a fundraising post in Scotland. This will enable us to 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:

- 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

*In 2008/09 we:*

- Recruited and trained 30 new volunteers personally affected by prostate cancer in England and Scotland who have delivered 29 peer-to-peer telephone matches since the service launched and 122 awareness sessions, reaching 3,500 people

*In 2008/09 we:*

- Developed new policy positions on the use of animals in research, the PSA test, screening for prostate cancer and access to clinical nurse specialists. We also developed new policies on working with pharmaceutical companies and medical devices companies
- Recruited two new policy officers to the Policy & Campaigns Team, one of which specialises in research and evaluation of the Charity's services. The increased capacity allowed us to increase our policy support in the following areas:
  - Responded to a consultation on the development of the new Scottish cancer strategy, 'Better Cancer Care', and helped to run two consultation events with men with prostate cancer in Scotland
  - Participated in the Ethnic Minorities Awareness week working group
  - Participated in a stakeholder forum for NAEDI (the National Awareness and Early Diagnosis Initiative)
  - Participated in the National Cancer Equality Initiative advisory group
  - Undertook a stakeholder consultation on the key survivorship research priorities for prostate cancer and submitted a report to the National Cancer Survivorship Initiative Research Working Group
  - Commissioned a scoping review of the available research on prostate cancer and complementary therapy
- Launched Prostate Cancer Voices – a network of people affected by prostate cancer – to advise on policy and service developments. Prostate Cancer Voices has 130 members across the UK

- Undertook research to support the launch (in June 2009) of our first policy campaign, 'Hampered by hormones? Addressing the needs of men with prostate cancer'. The campaign highlights the need to improve the information and support to men receiving hormone therapy
- Maintained active membership of the Prostate Cancer Charter for Action, contributing to the development of a local campaigning pack for men with prostate cancer, the revision of the Government's Prostate Cancer Risk Management Programme, development of a project relating to prostate cancer community based health clinics and the launch of a new report, 'To what outcome?', to highlight regional variations in the implementation of Government guidance on NHS services for prostate cancer

## Marketing

*We said we would:*

- 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

*In 2008/09 we:*

- Appointed a Head of Marketing Communications to take forward our work in this area
- Developed and launched a new national awareness campaign for Prostate Cancer Awareness Month (PCAM) under the banner, 'it matters'
- Undertook research with health professionals to inform our approach to our awareness strategy
- Undertook research to provide insight into levels of awareness of the Charity and our key messages about prostate cancer

## Future developments

### Goal 1 – By 2020, significantly more men will survive prostate cancer

*In 2009/10 we will:*

- Implement successfully and promote the Charity's third fully-competitive, peer-reviewed research funding round and launch the fourth call for proposals
- Further develop the Charity's research strategy, enabling research investment to have maximum impact
- Evaluate the progress achieved through the funding of projects under the current research strategy and communicate this effectively to the public
- Engage with the wider research community, both in the UK and internationally, to examine the scope for collaborative research funding

### Goal 2 – By 2020, society will understand the key facts about prostate cancer and will act on that knowledge

*In 2009/10 we will:*

- Develop an overarching awareness strategy for the Charity, to act as a framework for individual campaigns
- Evaluate the Charity's first Prostate Cancer Awareness Month, with its new awareness campaign, 'it matters', and run Prostate Cancer Awareness Month 2010, taking into account key learning from the first event
- Use all the Charity's communication channels and activities, including fundraising, media, marketing, service provision and campaigning, to achieve greatest impact in raising awareness of prostate cancer
- Strengthen the Charity's marketing communications function, ensuring that awareness campaigns and messages are effectively integrated and systematically promoted on all communications channels

- Identify and commission the first stage of a programme of market research to monitor progress in achieving the Charity's targets for awareness raising
- Use effectively the skills of the Charity's trained volunteers, as part of the National Volunteer Programme, in raising awareness of prostate cancer in local communities across the UK

### **Goal 3 – By 2020, African Caribbean men and women will know more about prostate cancer and will act on that knowledge**

*In 2009/10 we will:*

- Develop a new strategic approach to the Charity's work with African Caribbean communities, setting direction for the coming years, and identify the initial resources required
- Integrate the Charity's work with African Caribbean communities across all its activities and communication channels, including fundraising, media, marketing, service provision and campaigning, to achieve greatest impact in raising awareness of prostate cancer
- Deliver targeted awareness raising campaigns to African Caribbean communities and evaluate their impact
- Develop plans for assessing the extent to which services, including services provided by the Charity as well as the NHS, are culturally sensitive and appropriate for people from the African Caribbean community who are affected by prostate cancer

### **Goal 4 – By 2020, inequalities in access to high quality prostate cancer services will be reduced**

*In 2009/10 we will:*

- Collaborate with other charities, particularly through the Prostate Cancer Charter for Action and Cancer Campaigning Group, in lobbying with a common voice for NHS service improvements

- Launch the Charity's first, integrated lobbying campaign – to improve the support and the service delivery arrangements for men undergoing hormone therapy for prostate cancer
- Engage with Government and the NHS in monitoring the quality of service to men affected by prostate cancer and their partners/families, particularly through the National Cancer Patient Experience Survey Programme
- Maintain and develop the Charity's work with healthcare professionals and deliver a further educational event, in Scotland, for healthcare professionals with an interest in prostate cancer

### **Goal 5 – By 2020, people affected by prostate cancer will have their information and support needs addressed effectively**

*In 2009/10 we will:*

- Implement the 2009/10 stage of the Charity's Information Strategy (subject to the availability of resources), ensuring the development of new information materials and the update of existing materials
- Work with the NHS to offer every man with a prostate cancer concern, throughout his journey, access to support and information provided by The Prostate Cancer Charity
- Use all channels, including the media and companies with which we work, to ensure that people affected by prostate cancer receive our information and are aware of our services
- Review the Charity's position on the PSA test and prostate cancer screening in light of the recently published results of two major international trials of screening

- Campaign, particularly through the Prostate Cancer Charter for Action, for increased provision of clinical nurse specialists within the NHS – seeking to ensure that the ratio of clinical nurse specialists to numbers of men diagnosed with prostate cancer is increased to match the best of provision for other common cancers

Additional to the objectives related to the Charity's five strategic goals, there are two other important objectives for the Charity's work.

## **Scotland**

*In 2009/10 we will:*

- Integrate the Scotland volunteer-led outreach programme into the UK-wide Volunteering Programme, ensuring that Scotland-based volunteers are fully utilised and supported
- Expand the geographical reach of the volunteer programme in Scotland into new areas of the country (subject to the availability of resources)
- Commence influencing work with the Scottish Government in relation to 'Better Cancer Care', in particular through collaborative working with other charities, relationship building, and responding to Scottish Government consultations as appropriate
- Develop a clear Scotland fundraising strategy and make available the necessary resources to deliver the strategy

## **Internal development**

*In 2009/10 we will:*

- Carry out an anonymous survey of employee views on working for the Charity, aiming to demonstrate further enhancement in satisfaction compared with previous surveys
- Implement improvements in the Charity's policies and practices to support and equip its people – paid staff and volunteers – and strengthen its systems, in particular database functionality and support

- Commence implementation of a scoped and phased knowledge management programme designed to maximise the use of the Charity's knowledge
- Effectively launch and manage a risk management programme for the Charity, integrating this increasingly into business planning and reporting
- Investigate and reach a decision on the case for implementing an organisation-wide quality accreditation scheme
- Develop a supporter care strategy that allows the Charity to provide the best possible supporter experience

## 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, providing awareness talks 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, our growing network of trained volunteers 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 help provided by David Pirnie in expertly facilitating a number of staff events during the course of the year.

Our 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. Their involvement is highly appreciated.

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 2008/09, these included advertising space from Streetbroadcast, specialist tax and trading company advice from Bill Lewis at Bates Wells and Braithwaite, legal advice from Olswang, and support for the Art Auction from The Truman Brewery and Idea Generation. The Charity would like to thank these and all the other companies and individuals who have provided pro bono services during the year.

The Charity would particularly like to express its appreciation to Eleanor Forster of Forster Gallery for organising and curating the Art Auction. We are also very grateful to the artists who created pieces for the auction, adding their weight to the battle against prostate cancer – D\*Face, Dan Baldwin, Pure Evil, Andrew McAttee, Eine, Pete Fowler, Xenz, Mr Jago, Gerald Laing and Nick Walker.

## Financial review

Total income in 2008/09 reached £7,821,000, an increase of £1,768,000 (29%) over 2007/08. This continues the strong growth trend seen in the prior year (which increased by 36%), even allowing for the impact of the recession on several income streams.

Total expenditure in 2008/09 reached £7,143,000, an increase of £1,753,000 (33%) over 2007/08. This consisted largely of an increase of £1,423,000 in charitable activities (comprising increases of £451,000 on promoting greater awareness of prostate cancer, £415,000 on research expenditure, £208,000 on the community engagement programme, £154,000 on policy and campaigning work, £104,000 on the Helpline and £91,000 on information services) and £502,000 in the costs of generating voluntary income which has reaped returns in increased income.

The Charity operates a wholly owned subsidiary trading company – Prostate Cancer Trading Ltd – which administers all its trading activity. In 2008/2009, trading income (consisting of commercial sales

such as Christmas cards, as well as income from licensing agreements with corporate partners) amounted to £57,000, with associated expenses of £50,000 (compared to £82,000 of income and £74,000 of expenses in 2007/08). These costs include a proportion of fundraising and administrative staff time. The net profit of nearly £8,000 will be gift aided to the Charity.

As a result of turbulence in the financial markets in 2008/2009, the investment portfolio held by the Charity saw a £451,000 overall loss in its value, albeit unrealised. Even after this loss, however, the Charity still achieved an overall surplus for the year of £227,000, compared to £395,000 in 2007/08. Total funds carried forward at the year-end stood at £3,067,000 compared with an opening balance of £2,839,000 at the beginning of the year.

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 £55,000 was transferred during the year. During the same period, £61,000 was paid in expenses for the project.

The Charity also administers funds on behalf of the Prostate Cancer Charter for Action – a powerful collaboration of charities and professional associations, speaking with a common voice on prostate cancer issues. During the year, £79,000 was received for this project and £59,000 paid in expenses.

## Fundraising

A budgeting process was adopted for 2008/09 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 £7,342,000, with a stretch target of £8,182,000. Against these targets, an actual outcome of £7,243,000 was achieved. In addition to this, a further £402,000 was received in donated services, bringing total fundraised income to £7,645,000 – a 30% increase on the 2007/2008 figure of £5,859,000. Excluding donated services, income has also increased year on year by 30%.

The proportion of income which is unrestricted – allowing greater freedom in use – has risen to 91% (up from 85% in 2007/08). This growth in income has allowed us to plan to invest further in charitable services in 2009/10.

Fundraising costs (costs of generating voluntary income and trading activity) increased in the year by 19% from £2,134,000 to £2,548,000.

The net contribution (income less costs) for fundraised income in 2008/2009 was £5,097,000 which is a £1,372,000 (37%) increase on 2007/2008. The return on investment ratio (£ generated for each £ invested) is 3.00:1, compared to 2:75:1 for 2007/2008. This is in line with market rates especially for a charity with low legacy income.

To help build for future growth, the structure of the Fundraising Team has been strengthened by creating (within existing resources) a small number of managers at the more strategic 'Heads of' level for each of the main income streams. The new structure will enable the senior members of the Team to identify cross-team growth opportunities and to capitalise on these more effectively in the coming year and beyond.

**Direct marketing** – Income for the year remained static at £1,461,000, compared to £1,462,000 in 2007/08.

The economic conditions have affected the regular donor giving programmes across the whole voluntary sector. However, against this backdrop, the effective management of the Charity's programme has

ensured that there has not been any loss in overall income. In particular, the higher level donor programme continues to be very successful and generates 80% of total direct marketing income from less than 1,000 regular donors. The direct marketing programme continues to become much more personalised for these key supporters.

The tougher challenge lies in recruiting new supporters. The Charity decided to scale back its investment in 2008/09 in response to market evidence suggesting that potential donors are taking on less new causes because of the economic situation. As the economy improves, we will review the level of investment made in new donor acquisition.

The ROI ratio was 1.9:1. One of the direct marketing appeals has been shortlisted for an Institute of Fundraising Award which demonstrates that the effectiveness of the Team is recognised by the leading trade organisation.

**Community fundraising** – Income in 2008/09 was £3,854,000 (including £24,000 of sales from the Trading Company), representing a dramatic increase of 61% compared with the previous year.

Our flagship fundraising event, Movember, accounted for £2,397,000 of our total income. This has grown from £1,157,000 in the previous year. The moustache growing event continues to take place in November each year. Once again its performance has exceeded all expectations. It attracted over 16,000 supporters, particularly in the 25-35 age group, with men growing moustaches to raise, on average, over £125 each and, at the same time, significantly raising the profile of prostate cancer.

Local community fundraising has had a very strong year due to the recruitment of a dedicated fundraiser responsible for proactively stimulating grassroots support. Similarly our events portfolio continues to grow as new runs are added to the UK calendar. Our Flora

London Marathon team was 25% larger than previous years with close to 200 runners supporting the Charity to raise £300,000.

Affinity groups, including Rotary Clubs and golf clubs, continue to be an important part of the Community Fundraising mix. In total affinity groups raised £226,000.

Among many successes, one area of disappointment during the year was the cancellation of a new cycling event – The Real Man Cycling Challenge – as a result of a failure to achieve the necessary participant numbers to enable the event to be held on closed roads in London. The net cost to the Charity was £219,000. Many valuable lessons have however been learnt from this venture and, as a result, the Charity is now pleased to be the exclusive charity partner of the Tour of Britain, the UK's premier cycling event, from 2009 onwards.

**Trusts** – Income in 2008/09 was £408,000, a decrease of £94,000 (19%) compared with the previous year. One of the reasons for this decrease is the widely recognised impact of the recession on trust funds. The total amount of donations to charities has declined from this source, with funders reducing the number of charities they give to as a consequence.

Despite the reduction in income, Trusts remains one of the most efficient forms of fundraising. Costs totalled £88,000 which meant that a ROI ratio of 4.6:1 was achieved.

The Charity continues to benefit from a generous donation from The Mike Gooley Trailfinders Charity for its research programme, specifically the funding of two Trailfinders Studentships.

Our support also continues from The City Bridge Trust who gave a further £29,000 for our three year, 'Older and Wiser' programme, which aims to increase awareness of prostate cancer amongst black minority and ethnic communities in London.

Other significant gifts included £25,500 from the Sydney & Phyllis Goldberg Memorial Charitable Trust, £20,000 from the Peacock Charitable Trust, and £12,000 from the Department of Health to fund research into awareness of prostate cancer amongst GPs and practice nurses.

The Big Lottery Fund, Scotland continued to support our pilot volunteer network in Scotland with a grant of over £50,000 which is being used to provide local support and information to men and their carers.

Corporate partnerships – Income increased by 24% in 2008/09 to £777,000 (includes income shown within trading of £33,000 and corporate sponsorship of £35,000). The continuing high-profile partnership with Marks & Spencer is not only a strong contributor to the overall income figure, but also provides credibility to the Charity in its work with other leading businesses. The number of companies that are keen to work with The Prostate Cancer Charity continues to rise.

The 2008/09 Marks & Spencer partnership raised over £200,000 for the first time. Income was generated by employee fundraising during Prostate Cancer Awareness Month in March 2009. Additionally, the Charity generated income through cause related marketing activity via sales of the Blue Man pin badges and trolley tokens, plus a percentage of income for men's underwear in the Autograph range sold during the campaign.

A growing proportion of the corporate income is being achieved through partnerships that are in the Father's Day gifting market. Partners included Tesco and Alfred Dunhill. Total income of over £60,000 was raised from this seasonal activity, with the potential to grow in future years.

Our new partner, Iceland Group Plc, donated over £100,000 as a result of employee fundraising and a Golf Day. We also received £12,500 of pharmaceutical sponsorship from sanofi-aventis for our specialist nurses masterclass.

**Legacies** – Income from this source was £424,000, up from £356,000 in 2007/08 (an increase of 19%). Legacy giving remains an important 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.

**Major gifts** – Income fell from £203,000 in 2007/08 to £87,000 in 2008/09 (57%). The impact of the prevailing market conditions and the fact that a significant proportion of the previous year's success was the result of one exceptional fundraiser, make this year's results significantly lower.

The Charity has a strong network of Ambassadors who are being given opportunities to introduce the Charity to potential wealthy donors. Cultivation events held during the year included a dinner with Sir John Major. This and future cultivation events will, over time, help the Charity to promote its work to an increasing range of business leaders and wealthy individuals.

**Events** – Income fell to £24,000 in 2008/09 from £28,000 in 2007/08 (14%). In line with the experience of other charities, the market for high-profile party events has seen a significant decline. As a consequence, the Charity took the decision not to host a gala evening during the year, but to generate support in other ways.

Activity included producing a unique collection of paintings by leading urban artists (see 'donors and volunteers' section). The collection was put up for auction as part of the Bonhams Urban Artists Auction in February 2009 and raised £21,000 with further sales to follow to private buyers.

## Investment policy

The total value of investments held by the Charity fell by 4% from £1,544,000 at 31st March 2008 to £1,487,000 at 31st March 2009. Our major investments were switched from CAF to CCLA in the year. However, the volatility in the financial markets adversely impacted the

Charity's investment portfolio, leading to unrealised losses of £451,000 in the year (compared to a reduction of £268,000 in 2007/08).

## Reserves policy

The Charity's reserves policy is 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 £2,813,000 which represents 5.2 months of unrestricted expenditure (compared to £2,558,000 or 4.5 months in 2007/08). This is primarily as a result of income from the Movember fundraising campaign being received late in the financial year, coupled with a prudent approach to spending in the current turbulent economic climate. It is anticipated that reserves levels will return to normal levels during the course of the coming year.

## 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 undertook a detailed review of its strategic risks as part of the current six-year strategic planning exercise, in order to develop a general risk management framework. The Charity

takes the risks it faces – operational, reputational legal and financial – very seriously. A risk register identifies all key risks facing the Charity, graded according to their likelihood and impact and identifies mitigating actions to manage them. The register is reviewed by the Senior Management Team on a regular basis and by Trustees at each meeting of the Finance and General Purposes Committee. Any ‘red light’ issues are brought to each meeting of the Board of Trustees.

Some of the significant risks facing the Charity and actions taken to manage them, are as follows:

- 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 and General Purposes 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. Delegation limits were reviewed and amended in 2008/09 in line with the needs of a rapidly growing organisation.
  - The Charity’s human resources are its key asset. It has continued to implement an extensive organisational development action plan, which started in 2007/2008 and was further developed in 2008/09.
  - Work has commenced on business continuity planning so as to ensure that business continues in the event of the loss of the Charity’s main offices or significant services. This will be completed in 2009/10.
  - Finally, the systematic capture and use of information and knowledge are critically important to the Charity’s success. Work has commenced to develop a knowledge management programme to address this issue – a programme which will stretch forward over a number of years.

## 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 first meeting of the Trustees each year, 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 Chairman) 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 and General Purposes Committee, the Human Resources Committee and the Nominations Committee. The Finance and General Purposes Committee reviews ongoing financial performance and strategic aspects of risk management, facilities, ICT and database functions. It makes recommendations to the Board on these areas including 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 70 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 management 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
- Richard Whitley, Director of Finance and Facilities and Company Secretary
- Mark Bishop, Director of Fundraising
- Ruth Holdaway, Director of Operations and Marketing Communications (substantive)
- Clara MacKay, Director of Operations and Marketing Communications (interim)

## 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 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

- (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 J Waxman

Professor P Forster

Mr J Anderson (co-opted 18.12.08 and elected 26.03.09)

Mr A Blessley

Mrs J Bridge

Mr I Chate

Mr G Duncan

Mr L Moffat (resigned 24.07.08)

Mr M Price

Mr W Russell

Ms S Sayer OBE

Mr A Sealey OBE

Dr T Walker CB

Mr J Wotherspoon

## Auditors

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

A special resolution was passed on 10th November 2008 authorising the Directors of the Company to fix the remuneration of the Company's auditors for 2009/10 and subsequent years.

This report was approved by the Council of Management (Board of Trustees) on 23rd July 2009 and authorised to be signed on its behalf by:



Professor Paul Forster  
Chairman  
23rd July 2009

## 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 2009 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 2009 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.

*Ma McIntyre Hudson Ltd*

**MacIntyre Hudson LLP**  
**Chartered Accountants and**  
**Registered Auditors**  
**New Bridge Street House**  
**30-34 New Bridge Street**  
**London, EC4V 6BJ**

**23rd July 2009**

## The Prostate Cancer Charity Statement of Financial Activities for the year ended 31 March 2009

	Notes	Unrestricted Fund £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
<b>Incoming resources</b>					
<b>Incoming resources from generated funds:</b>					
Voluntary income	3	6,931	622	<b>7,553</b>	5,741
Activities for generating funds					
Fundraising	4	–	35	<b>35</b>	36
Trading subsidiary turnover	5	57	–	<b>57</b>	82
Investment income	6	121	–	<b>121</b>	164
<b>Other incoming resources</b>	7	–	55	<b>55</b>	30
<b>Total incoming resources</b>		<b>7,109</b>	<b>712</b>	<b>7,821</b>	<b>6,053</b>
<b>Resources expended</b>					
<b>Costs of generating funds:</b>					
Cost of generating voluntary income	3	2,498	–	<b>2,498</b>	1,996
Costs of activities for generating funds	4	–	–	<b>–</b>	64
Trading subsidiary expenditure	5	50	–	<b>50</b>	74
<b>Charitable activities</b>	8	<b>3,735</b>	<b>678</b>	<b>4,413</b>	2,990
<b>Governance costs</b>	10	<b>121</b>	<b>–</b>	<b>121</b>	219
<b>Other resources expended</b>	7	<b>–</b>	<b>61</b>	<b>61</b>	47
<b>Total resources expended</b>		<b>6,404</b>	<b>739</b>	<b>7,143</b>	<b>5,390</b>
Net incoming resources before other recognised gains and losses		705	(27)	<b>678</b>	663
<b>Other recognised gains and losses</b>					
Loss on investment assets		(451)	–	<b>(451)</b>	(268)
<b>Net Movement in funds</b>		<b>254</b>	<b>(27)</b>	<b>227</b>	395
<b>Total funds brought forward</b>		<b>2,583</b>	<b>256</b>	<b>2,839</b>	2,444
<b>Total funds carried forward</b>		<b>2,837</b>	<b>229</b>	<b>3,067</b>	2,839

## The Prostate Cancer Charity Income and Expenditure Account for the year ended 31 March 2009

	Notes	2009 £'000	2008 £'000
<b>Income</b>			
<b>Incoming resources from generated funds:</b>			
Voluntary income	3	7,553	5,741
Activities for generating funds	4	35	36
Trading subsidiary income	5	57	82
Investment income	6	121	164
<b>Other incoming resources</b>	7	<b>55</b>	30
		<b>7,821</b>	6,053
<b>Expenditure</b>			
<b>Costs of generating funds:</b>			
Costs of generating voluntary income	3	2,498	1,996
Costs of activities for generating funds	4	–	64
Trading subsidiary expenditure	5	50	74
Charitable activities	8	4,413	2,990
Governance costs	10	121	219
<b>Other resources expended</b>	7	<b>61</b>	47
		<b>7,143</b>	5,390
<b>Surplus for the year</b>		<b>678</b>	663
<b>Statement of total recognised gains and losses</b>			
		<b>2009</b>	<b>2008</b>
		<b>£'000</b>	<b>£'000</b>
Surplus for the year		678	663
Unrealised loss on investment assets		(451)	(268)
<b>Total gains and losses recognised since 31 March 2009</b>		<b>227</b>	395

## The Prostate Cancer Charity Balance sheet as at 31 March 2009

	Note	Group 2009 £'000	Group 2008 £'000	Charity 2009 £'000	Charity 2008 £'000
<b>Fixed assets</b>					
Tangible fixed assets	14	130	105	130	105
Investments	15	1,487	1,544	1,487	1,544
		<b>1,617</b>	1,649	<b>1,617</b>	1,649
<b>Current assets</b>					
Debtors	16	1,282	908	1,305	947
Investments	15	–	–	–	–
Cash and short term deposits		2,588	2,387	2,525	2,355
		<b>3,870</b>	3,295	<b>3,830</b>	3,302
<b>Creditors</b>					
Amounts falling due within one year	17	1,006	1,343	1,005	1,358
<b>Net current assets/liabilities</b>		<b>2,864</b>	1,129	<b>2,825</b>	1,129
<b>Total assets less current liabilities</b>		<b>4,481</b>	3,601	<b>4,442</b>	3,593
<b>Creditors</b>					
Amounts falling due after more than one year	18	1,414	762	1,414	762
<b>Net assets</b>		<b>3,067</b>	2,839	<b>3,028</b>	2,831
<b>Unrestricted funds</b>					
	20				
General		2,813	2,558	2,774	2,550
Designated		25	25	25	25
		<b>2,838</b>	2,583	<b>2,799</b>	2,575
<b>Restricted funds</b>					
	20				
Research related		–	180	–	180
Other		229	76	229	76
		<b>229</b>	256	<b>229</b>	256
		<b>3,067</b>	2,839	<b>3,028</b>	2,831

Approved by the Council of Management on 23 July 2009 and signed on its behalf by:



Professor Paul Forster – Chairman

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 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 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.

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 3. Voluntary income and costs of generating voluntary income

	2009 Unrestricted income £'000	2009 Restricted income £'000	2009 Total income £'000	2009 Direct costs £'000	2009 Support costs £'000	2009 Total costs £'000	2008 Total income £'000	2008 Total costs £'000
Direct marketing	1,210	251	<b>1,461</b>	606	180	<b>786</b>	1,462	593
Community fundraising	3,808	22	<b>3,830</b>	957	194	<b>1,151</b>	2,347	777
Charitable trusts	151	257	<b>408</b>	46	42	<b>88</b>	502	114
Corporate donors	667	42	<b>709</b>	178	139	<b>317</b>	499	222
Legacies	424	–	<b>424</b>	20	9	<b>29</b>	356	73
Major gifts	42	45	<b>87</b>	14	6	<b>20</b>	203	57
General donations	43	4	47	1	–	<b>1</b>	6	–
In memory	160	1	<b>161</b>	1	1	<b>2</b>	118	6
Events	24	–	<b>24</b>	72	32	<b>104</b>	28	154
Donated services	402	–	<b>402</b>	–	–	<b>–</b>	220	–
	6,931	622	<b>7,553</b>	1,895	603	<b>2,498</b>	5,741	1,996

### 4. Activities for generating funds

	2009 Unrestricted income £'000	2009 Restricted income £'000	2009 Total income £'000	2009 Direct costs £'000	2009 Support costs £'000	2009 Total costs £'000	2008 Total income £'000	2008 Total costs £'000
Sponsorship – Conference & Awareness Month	–	35	<b>35</b>	–	–	–	–	–
Ticket sales – gala dinner	–	–	–	–	–	–	36	64
	–	35	<b>35</b>	–	–	–	36	64

### 5. Net income from trading activities of subsidiary

The Charity has a wholly owned subsidiary incorporated 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 2009 is as follows:

	2009 Total £'000	2008 Total £'000
<b>Turnover</b>		
Sales of goods	24	43
Income from corporate partnerships	33	39
	<b>57</b>	82
Cost of sales	<b>34</b>	63
Gross profit	<b>23</b>	19
Administrative expenses	<b>16</b>	11
Interest received	<b>(1)</b>	–
Net profit	<b>8</b>	8
Income transferred by Gift Aid	<b>8</b>	8
Retained in subsidiary	–	–

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 6. Investment income

	Unrestricted £'000	Restricted £'000	2009 Total £'000	2008 Total £'000
Dividends received	33	–	33	66
Interest received	81	–	81	98
Proceeds from the sale of investments	7	–	7	–
	121	–	121	164

### 7. Other incoming resources and resources expended

	2009 Unrestricted income £'000	2009 Restricted income £'000	2009 Total income £'000	2009 Unrestricted costs £'000	2009 Restricted costs £'000	2009 Total costs £'000	2008 Total income £'000	2008 Total costs £'000
UK Prostate Link – monies received held on behalf of Prostate Cancer Charter for Action and Department of Health	–	55	55	–	61	61	30	47

### 8. Charitable Activities

	Direct costs £'000	Support costs £'000	2009 Total costs £'000	2008 Total costs £'000
Research (including write backs and admin)	1,123	36	1,159	744
Information services	254	160	414	323
Helpline	339	281	620	516
Community engagement	410	215	625	417
Awareness	1,191	87	1,278	827
Policy and campaigns	190	127	317	163
	3,507	906	4,413	2,990

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 9. Grants awarded

	Unrestricted £'000	Restricted £'000	2009 Total £'000	2008 Total £'000
<b>Research grants:</b>				
University of Sheffield	–	–	–	211
Edinburgh Cancer Research Centre	–	–	–	108
Queen's Institute for Medical Research, Edinburgh	–	–	–	146
University of Cambridge	–	26	26	–
Institute of Cancer Research, Sutton	–	375	375	152
Imperial College, London	–	124	124	102
Queen Mary, University of London	–	66	66	–
University of Southampton	–	107	107	–
University of Ulster	–	96	96	–
Queens College Belfast	–	158	158	–
University of Bath	–	102	102	–
Jeremy Gambrell Memorial Award	25	–	25	–
	25	1,054	1,079	719

	2009 £'000	2008 £'000
<b>Reconciliation of grants payable:</b>		
Commitments at 1 April 2008	1,441	1,275
Commitments made in the year	1,079	719
Grants cancelled or recovered	–	(75)
Grants paid during the year	(533)	(478)
<b>Commitments at 31 March 2009</b>	<b>1,987</b>	<b>1,441</b>

#### Commitments at 31 March 2009 are payable as follows:

Within one year (note 17)	573	679
After more than one year (note 18)	1,414	762
	1,987	1,441

### 10. Governance

	Unrestricted £'000	Restricted £'000	2009 Total £'000	2008 Total £'000
<b>Research grants:</b>				
Legal and professional fees	5	–	5	25
External audit	7	–	7	14
Trustee expenses	5	–	5	12
Apportionment of staff & support costs	–	104	104	168
	17	104	121	219

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 11. 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 2009 travelling and other expenses amounting to £3,144 were reimbursed to five Council members (in 2007/08, £1,844 was reimbursed).

#### The average full time equivalent number of persons employed by the Charity during the year was:

	2009	2008
Fundraising	15	19
Charitable activities	27	21
Finance, facilities, ICT, database and human resources	13	8
Management and administration	2	2
	<b>57</b>	<b>50</b>

#### Amounts paid to employees by the Charity during the year increased by 21% and were:

	2009 £'000	2008 £'000
Salaries and wages	1,903	1,561
Social security costs	202	172
Pension costs	66	62
	<b>2,171</b>	<b>1,795</b>

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

#### The number of employees of the Charity paid within each of the following ranges was:

	2009	2008
£50,000 to £60,000	3	1
£60,000 to £70,000	-	2
£80,000 to £90,000	1	1

### 12. 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 £66,538 (2008 – £62,344)

### 13. Support costs

The breakdown of support these are costs and how allocated are shown below:	Cost of generating income £'000	Charitable activities £'000	Governance £'000	2009 Total costs £'000	2008 Total costs £'000
Staff and similar costs	346	499	88	933	623
Telephone, publications, postage, stationery	31	52	2	85	327
Premises costs	208	324	13	545	176
Depreciation	18	31	1	50	38
	<b>603</b>	<b>906</b>	<b>104</b>	<b>1,613</b>	<b>1,164</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.

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 14. Tangible fixed assets – group and charity

	Lease improvements £'000	Fixtures & fittings £'000	Computer equipment/ software £'000	Total £'000
<b>Cost</b>				
At 1 April 2008	69	108	204	381
Additions	25	18	32	75
At 31 March 2009	94	126	236	456
<b>Depreciation</b>				
At 1 April 2008	10	103	163	276
Charge for the year	16	7	27	50
At 31 March 2009	26	110	190	326
<b>Net Book Value</b>				
Net book value at 31 March 2009	68	16	46	130
Net book value at 31 March 2008	59	5	41	105

### 15. Investments – group and charity

	2009 £'000	2008 £'000
<b>Market value:</b>		
At 1 April 2008	1,544	1,821
Additions	1,700	–
Disposals	(1,306)	(9)
Unrealised (losses)/gains	(451)	(268)
At 31 March 2009	1,487	1,544
Historical cost as at 31 March 2009	1,874	1,674
<b>UK listed investments:</b>		
GlaxoSmithKline plc	83	85
Other	86	120
<b>Common investment funds:</b>		
CAF Balanced Growth Fund	–	844
CAF Income Fund	–	461
CCLA Charities Investment Fund	917	–
CCLA Global Equity Fund	376	–
Unit trusts	25	34
	1,487	1,544
Fixed assets	1,487	1,544
Current assets	–	–
	1,487	1,544

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

16. Debtors	Group 2009 £'000	Group 2008 £'000	Charity 2009 £'000	Charity 2008 £'000
Legacies and donations	153	168	153	168
Tax recoverable	389	179	389	179
Other debtors	4	56	27	100
Accrued income	168	163	168	158
Prepayments	568	342	568	342
	<b>1,282</b>	<b>908</b>	<b>1,305</b>	<b>947</b>

17. Creditors	Group 2009 £'000	Group 2008 £'000	Charity 2009 £'000	Charity 2008 £'000
<b>Falling due within one year:</b>				
Trade creditors	221	139	222	138
Accruals and other creditors	212	525	210	541
Commitments	573	679	573	679
	<b>1,006</b>	<b>1,343</b>	<b>1,005</b>	<b>1,358</b>

18. Creditors	Group 2009 £'000	Group 2008 £'000	Charity 2009 £'000	Charity 2008 £'000
Falling due after more than one year:				
Commitments	1,414	762	1,414	762

19. Analysis of net assets between funds	Group total funds £'000	Charity general funds £'000	Charity designated funds £'000	Charity restricted funds £'000	Charity total funds £'000
Tangible fixed assets	130	130	–	–	130
Investments	1,487	1,487	–	–	1,487
Current Assets less liabilities	1,450	1,157	25	229	1,411
<b>Net assets at 31 March 2009</b>	<b>3,067</b>	<b>2,774</b>	<b>25</b>	<b>229</b>	<b>3,028</b>

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 20. Movement in funds

	Group as at 31.3.2009 £'000	Group as at 1.4.2008 £'000	Charity incoming £'000	Charity outgoing £'000	Charity transfers £'000	Charity as at 31.3.2009 £'000
<b>Restricted funds:</b>						
Research						
– Action Fund	–	180	297	(477)	–	–
– General Research	<b>113</b>	–	113	–	–	<b>113</b>
– Research Nurse	<b>1</b>	1	–	–	–	<b>1</b>
Helpline	<b>18</b>	3	75	(60)	–	<b>18</b>
Information Services	–	22	–	(22)	–	–
Scotland Development – Other	<b>52</b>	22	30	–	–	<b>52</b>
Scotland Development – The Big Lottery Fund	<b>7</b>	11	51	(55)	–	<b>7</b>
African Caribbean Projects	<b>4</b>	4	–	–	–	<b>4</b>
Volunteer programme	<b>11</b>	11	–	–	–	<b>11</b>
Masterclasses	<b>3</b>	(10)	13	–	–	<b>3</b>
Older and Wiser	<b>14</b>	–	29	(15)	–	<b>14</b>
Marketing and Communications	–	–	12	(12)	–	–
UK Prostate Link Project	<b>6</b>	12	55	(61)	–	<b>6</b>
Other	–	–	1	(1)	–	–
<b>Total restricted funds</b>	<b>229</b>	256	676	(703)	–	<b>229</b>
<b>Unrestricted funds:</b>						
General fund	<b>2,813</b>	2,558	7,088	(6,872)	–	<b>2,774</b>
Designated funds	<b>25</b>	25	–	–	–	<b>25</b>
<b>Total unrestricted funds:</b>	<b>2,838</b>	2,583	7,088	(6,872)	–	<b>2,799</b>
Total funds:	<b>3,067</b>	2,839	7,764	(7,575)	–	<b>3,028</b>

## The Prostate Cancer Charity Notes Forming Part of the Financial Statements for the Year Ended 31 March 2009

### 21. 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 was 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.

### 22. Purposes of designated fund

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

	As at 1.4.2008 £'000	Transfer £'000	As at 31.3.2009 £'000
Jeremy Gambrell Memorial Award	25	–	25
	25	–	25

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.

### 23. Commitments under an operating lease

At 31 March 2009, the Charity had three commitments under operating leases.

Firstly, for its London office with an annual rent of £289,471 + VAT which can be terminated by the Charity on 8 May 2012 or else lapses on 7 May 2017.

Secondly, for its Glasgow Office with an annual rent of £7,237 + VAT which lapses on 29 July 2009, or if not terminated then is ongoing with three months' notice on either side.

Thirdly, for two photocopiers with an annual charge of £25,980 for 5 years from July 2008.



**Free and confidential Helpline**

**0800 074 8383\***

**Mon - Fri 10am - 4pm, Wed 7pm - 9pm**

\*Calls are free of charge from UK landlines. Mobile phone charges may vary. Calls may be monitored for training purposes. Confidentiality is maintained between callers and The Prostate Cancer Charity.

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