



**PROSTATE  
CANCER UK**

# **Annual report and financial statements**

**for the year ended  
31 March 2018**



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# Overview of the year

## A message from our Chief Executive, Angela Culhane



The past year has seen prostate cancer put well and truly on the map – and not before time. Our story, that prostate cancer had overtaken breast cancer as the third most common cancer killer, hit the headlines in January and generated huge interest. It was shortly followed by announcements from well-loved celebrities Stephen Fry and Bill Turnbull, who shared news of their respective diagnoses. Soon after, the Government made a public statement committing to do more to tackle prostate cancer. The message that prostate cancer cannot be ignored any longer certainly appears to be getting through.

Two years ago, we launched our ambitious strategy to tame prostate cancer, which promised to prioritise investment into research for better diagnosis, better treatments and better prevention of the disease. We pledged to continue to battle for a better deal for men facing prostate cancer, empowering men to campaign themselves, while we continue to provide award-winning services, influence decision makers and educate health professionals. And we called on our army of supporters to help us raise the profile of this issue and vital funds for life-saving research.

Following on from our first, successful year since the launch of our strategy, I'm delighted to report a second highly productive year in which we've made significant progress. We've committed £5.3 million on research awards alone, £2.6 million of which will go towards our latest round of Research Innovation Awards, our programme that calls for bold, innovative research that has the real potential to impact the way prostate cancer is diagnosed, treated or prevented. The quality of applications we received was amazing. We would have loved to have been able to fund more and we're doing everything we can to grow our income to do just that.

Our new precision medicine programme, launched in October, aims to tailor treatments based on the genetic make-up of a man's prostate cancer. The results could extend the lives of more than 9,000 men with advanced disease every year in the UK. A highlight of the year for me is that, thanks to strong income growth, we have also been able to identify funding for a second precision medicine project which is now going ahead in 2018.

We are seeing our investment into 'liquid biopsies' begin to impact patient care in a trial setting. These advanced blood tests have the potential to track response to treatments in real time, as well as to detect genetic changes in the cancer, allowing tailored treatment that will be the most effective for each man.

Meanwhile, thanks to the work of our team of staff, volunteers and celebrity ambassadors, we've continued to increase knowledge about prostate cancer. The second year of our Stronger Knowing More campaign has helped us reach more black men and inform them about their increased risk of developing the disease.

Our team of Specialist Nurses had a record breaking year – answering nearly 14,000 enquiries from people who had questions about prostate cancer. We've also made significant progress with our campaign to ensure all men have access to a multiparametric MRI (mpMRI) scan before biopsy.

Progress on our cutting edge engagement programme has been rapid during the year and this is helping us to achieve really strong income growth in line with our strategic plan to enable us to increase investment in research in years to come.

To all of our fantastic supporters, thank you for everything you've done over the last 12 months. We've made some huge strides towards taming prostate cancer and we couldn't have achieved any of this without you. Together we will stop prostate cancer being a killer.

Angela Culhane  
Chief Executive, Prostate Cancer UK

# A message from our Chairman, Charles Packshaw



In my first full year as Chairman at Prostate Cancer UK, I am pleased to reflect on the huge steps we have taken towards stopping prostate cancer from being a killer. In the last 12 months, we have some incredible achievements, many of which you'll find detailed within this report. We simply could not have done this without the commitment and irresistible enthusiasm of the charity's staff and volunteers. Their dedication, hard work and professionalism have got us to the point where, thanks to investments in research and support for men, we're starting to see the fruition of years of hard work.

Of course, we could not do any of this without the tireless efforts of our supporters, whose fundraising and campaigning have got us in a position where we're now grabbing headlines, and the Government is starting to take notice. I hope those reading this report will feel as proud as I do of what their support has enabled us to achieve.

Whilst progress has been impressive, and the additional commitment from Government is very welcome, there still remains a significant challenge to resolve the decades of under-funding in prostate cancer research and treatment. We believe we still have many more tens of millions to raise before we will have tamed prostate cancer. So I urge our fantastic fundraisers to continue to support our cause just as passionately as ever. You'll see in our 'Plans for the future' section we have some exciting plans for the year ahead, and we need every penny to work towards a future when prostate cancer is a disease that men need not fear.

In my role as Chairman of the Board, I've had the privilege of working alongside my fellow Trustees, all of whom are hugely dedicated to taming prostate cancer. We've welcomed three new members this year, Lynne Robb, who is taking up the role of Treasurer, Simon Peck and Professor David Neal CBE, all of whom bring with them a wealth of knowledge and expertise to the charity. On behalf of my fellow Trustees, I'd like to thank our outgoing members of the board for their hard work and commitment: Jacky Wright, our former Treasurer Bob Humphreys, and Ray Kelly, whose knowledge of the charity and support in his position as Vice Chairman was a huge asset to me in my first year at the charity.

Prostate Cancer UK is unashamedly ambitious in its plans – and this means our precious resources must be focused, our standards of governance, transparency and accountability must be kept high. I am proud of the standards we have attained thanks to our excellent Executive Team and Board of Trustees. We remain vigilant to ensure that the problems which have affected some others in the sector during the past year cannot happen at Prostate Cancer UK and we can continue to deserve the trust people put in us. There are many governance and regulatory challenges facing the sector, and we have worked hard to ensure we remain in a robust position to address these, and to understand and manage our risks.

We are grateful for the confidence in us shown by our supporters who have helped us to achieve such impressive progress over the year. With continuing support from them and others willing to join the fight, we will be well positioned to deliver on our aim of taming prostate cancer.

A handwritten signature in black ink, reading "C. M. Packshaw". The signature is fluid and cursive, with a long horizontal stroke at the end.

Charles Packshaw  
Chairman, Prostate Cancer UK

# Trustees' report: STRATEGIC REPORT ACHIEVEMENTS AND PERFORMANCE

The Trustees are pleased to present the strategic report highlighting the key achievements of the charity during the year and to provide insight into our main objectives and strategy.

## SHIFTING THE SCIENCE

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Our strategic focus is to shift the science in prostate cancer to stop this disease being a killer. To that end, this year Prostate Cancer UK awarded £5.3 million in research grants as we aim to fund research that will advance our understanding of prostate cancer and deliver major improvements in how the disease is diagnosed, treated and, in the longer term, even prevented. None of this would be possible without the generous donations we have received this year from many different groups and individuals. We are particularly grateful to the Movember Foundation who continue to support Prostate Cancer UK, and this year donated £3 million to us.

### Research Innovation Awards

2017/18 saw us make the second round of our Research Innovation Awards, a funding scheme aiming to attract applications that align with our strategy and have the potential to really improve the lives of men affected by, or at risk of, prostate cancer. We were delighted by the scope, ambition and quality of the applications we received. Certainly the seven awards we made (at a total investment of £2.6 million) address multiple parts of our strategy and are now up and running in labs and clinics across the UK. Specific research projects funded include developing a vaccine to trigger an immune response, testing the effect of exercise on slowing the spread of the disease to bones and targeted radiotherapy to slow resistance to hormone therapy. You can read more about all of the Research Innovation Awards we made on our website. We had more projects rated as 'highly fundable' by our

expert committee than we could afford to fund, demonstrating the high quality of the applications and the pressing need to grow our income. We're now well into the process of granting the 2018/19 Research Innovation Awards and it looks likely that the number of excellent applications will be even higher than last year.

### Precision medicine

This year saw the launch of our new precision medicine programme for advanced prostate cancer. Many other cancers have seen significant benefits in being able to tailor a patient's treatment to the precise changes in the cancer that are driving its growth. Currently, men face a 'one size fits all' approach, with large differences in how men respond to the treatment being given. This funding call was grounded in feedback from experts that the science was not advanced enough to go straight into clinical trials; instead, we called for a combined approach where a pipeline would bring findings from the lab and apply them to the clinic.

We received two excellent proposals, both of which were recommended for funding. The two proposals complemented one another, with one focused on early treatments alongside hormone therapy and the other focused on the later stage when the cancer had become resistant. Thanks to the support of the Movember Foundation, The Mike Gooley Trailfinders Charity and an incredibly generous anonymous donor, we were able to fund both projects giving us the best chance of rapidly moving successes from one project into the other, bringing benefit to as many men as possible sooner than would have been possible otherwise.

The two projects were funded with a combined investment of £2.7 million and are expected to take three years to complete.



## PROGRESS REVIEW

Over the last year, we have started to see the pay-off for the investments we have made into so-called 'liquid biopsies'. These advanced blood tests can detect and monitor genetic changes in the cancer, allowing tailored treatment that will be the most effective. One publication detailed a test to predict if a man will respond to treatment with the drug abiraterone. The test should cost under £50 and would save the NHS money by not using abiraterone unnecessarily. We are now funding a clinical trial to demonstrate that this test can help men to live longer by getting the right treatment for them.

Similarly, another test that we funded was published last year focusing on genes that mean men would respond to the ovarian cancer drug olaparib. A clinical trial is now underway to recruit men with these genetic changes.

Results from the STAMPEDE trial showed that giving abiraterone alongside hormone therapy extended survival for men with advanced prostate cancer, compared to giving the drug once the cancer has become resistant to hormone therapy. Similar results were found previously for the chemotherapy drug docetaxel and earlier treatment is now standard of care.

For other research we continue to see strong performance in terms of early lead indicators of quality. The number of papers that have been published as a result of our funding continues to grow year on year. We have identified 95 papers published in 2017 thanks to our funding – an increase of 12 per cent on 2016. These publications are the way that scientific breakthroughs at all stages are announced and the discoveries shared for all to use and so this is a really important indicator of progress although it sometimes takes a series of publications to take a new treatment or test all the way from initial idea to clinical implementation.

Further details on the promising progress in diagnosing, treating and preventing prostate cancer as a result of research supported by us can be found on our website: [prostatecanceruk.org/research/research-we-fund](http://prostatecanceruk.org/research/research-we-fund)

## SUPPORTING MEN, DRIVING CHANGE

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We are determined to ensure that men can get the best available treatment, care and support wherever they live and whatever their background. We do this by supporting men and their families directly, and by driving change in the way that care is delivered, as well as influencing government policy and the way that resources are allocated. We take a flexible approach, directing our resources to where they are most needed based on our knowledge of care delivery and men's experiences across the UK. Our work supports delivery of our strategy and fulfilment of our ambition to tame prostate cancer in 10 years.

### SUPPORTING MEN

Our commitment to supporting men remains as strong as ever, and our award-winning clinical and information services continue to empower men and demystify prostate cancer for those who have questions that need to be answered.

There were 13,776 contacts to our Specialist Nurses in the year, an increase of 5 per cent from 2016/17. We've also seen a continued increase in people visiting our health information pages on our website, with 1.5 million unique visitors, up from 1.3 million in 2016/17. In addition, we distributed 572,600 printed publications – an increase of 13 per cent on last year.

We measure the impact of the interactions men are having with our Specialist Nurses and one-to-one volunteers. Results continue to show that both services are making a major contribution to improving the health and wellbeing of many of the people using these services and allaying common fears associated with prostate cancer through the information and support given.

We are always looking for new ways to convey our health information to help men and their families access and understand the complex area of prostate cancer. With the launch of our online self-management guides in May, we gave men and their families a new and interactive way to access and understand information about managing side effects of treatment. In 2017/18 the guides had over 112,000 unique page views.

Support groups are an important resource for men diagnosed with prostate cancer. We support independent groups with advice, resources, training and small grants. We continue to look for ways to ensure that everyone can benefit from the support of others who have experience of prostate cancer. This year we set up an online support group for gay and bisexual men with prostate cancer and will be trialling further online groups in the future.

## **DRIVING CHANGE**

### **Improving awareness**

We continued our Stronger Knowing More campaign to alert black men to their increased risk of prostate cancer – 1 in 4 black men will get prostate cancer in their lifetime compared to 1 in 8 in the population as a whole. We ran a major public awareness campaign using outdoor advertising in areas of the UK with the highest black population, combined with targeted print and social media, fronted by 14 men including well known faces from the world of politics, sport and the arts. We worked with the Hear Me Now Coalition (BME Cancer Communities, Cancer Black Care, Prostate Cancer UK and Janssen) to deliver a programme aimed at ensuring GPs in these areas were aware of black men's higher risk of prostate cancer.

### **Improving diagnosis**

Our activity to ensure all men have access to a multiparametric MRI (mpMRI) scan before a biopsy secured a funded commitment from NHS England to make this a reality by 2020, and we are now working to support Cancer Alliances to achieve this change while ensuring high quality. We also achieved a commitment by the Welsh Urology Board for mpMRI before biopsy to be a priority, and we are now focused on making sure men in the north of Wales have the same access as men in the south. Our aim is to ensure that men have access across the whole of the UK.

Radiologists now have access to both e-learning and face-to-face training for mpMRI that we developed in collaboration with the Royal College of Radiologists. Within months, radiologists will also be able to access the quality assurance system that has been under development this year. All this activity has been underpinned by the clinical consensus on mpMRI before biopsy standards that we secured during the course of the year.

### **Access to treatment**

This year we started looking at the use of active surveillance in the prostate cancer pathway. Active surveillance is a structured approach used to monitor men with low-risk disease who may be able safely to avoid treatment. The ProtecT trial (which provided evidence of the long-term impacts of surgery, radiation and active surveillance on outcomes and quality of life of patients with localised prostate cancer) showed that men with localised disease who go on active surveillance have the same chances of living for 10 years or more as men who choose surgery or radiotherapy. However, we found that there is no consistency across the UK about how it should be offered and managed. Working with men and with leading clinicians and researchers, we set out to achieve consensus on exactly how active surveillance should be offered and carried out – we achieved this in March.

We have also worked with the Medical Research Council to produce an evidence paper that has motivated NHS England to progress the commissioning of earlier docetaxel and hormone therapy in men with high-risk locally advanced prostate cancer. This will be one of the few times a treatment is commissioned without the need for overall survival data, offering the opportunity to shorten clinical trials and make new treatments more affordable.



### **Improving care**

We have campaigned for improved support for men experiencing erectile dysfunction following prostate cancer treatment, focusing on the four Cancer Alliances in England with the lowest service provision. We have worked with these Alliances to improve their support pathways for men, increase access to erectile dysfunction services, improve the skills and knowledge of primary care staff and set up communities of practice for the clinicians. In Scotland we are developing a psychosexual support programme with Maggie's, which will be trialled in three locations for all men experiencing sexual dysfunction as a result of prostate cancer treatment.

We have been leading eight major projects across the UK under the TrueNTH programme funded by Movember, tackling critical areas of prostate cancer care. In 2017/18 four of these projects were completed, and we are now using the findings to roll out improvements more widely across the UK. In particular we want follow-up care for men who have completed their treatment to be made more personalised and appropriate to the situation of each individual.

### **Working with health professionals**

We are working to ensure that every man with prostate cancer has access to the expertise of nurse specialists throughout their treatment and care journey, and in relation to their specific needs. With our expert advisory group we are developing a career pathway into prostate cancer for those wishing to specialise. We also had a number of recommendations included in the report of the Health Select Committee's Nursing Workforce inquiry. And in areas where we have identified variation in access to nurses, we are supporting staff planning to meet future need.

We have continued to develop our online learning platform to meet the needs of the workforce with 668 health professionals taking an online module. Our face-to-face programme of support for primary care has targeted areas where variation in care was identified, with a total of 321 health professionals attending our training sessions.

### **Knowledge and impact**

We are now in the final year of our Life After Prostate Cancer Diagnosis study, funded by the Movember Foundation, which aims to determine the impact of prostate cancer on everyday life by directly asking UK men how their diagnosis and treatment have affected their physical health, mental and emotional wellbeing and social activities. The planned two rounds of the survey have now been completed across England, Scotland, Wales and Northern Ireland and publication of the first paper with overarching findings is imminent, with further analysis of the data to follow throughout 2018. We will build the insight gained into our existing knowledge base, to help us develop solutions to ensure that all men get the same access to care and treatment.

We have completed the first version of our Best Practice Pathway across the whole of diagnosis, treatment and support for prostate cancer, with input and oversight from leading clinical experts. This can be found at [prostatecanceruk.org/bestpracticepathway](http://prostatecanceruk.org/bestpracticepathway)

We will be using it in three ways: to provide a baseline for our work to drive improvements in care in those parts of the UK where this does not meet best practice; to make it available to health professionals, encouraging them to use it; and to build it into our information for men so they are aware of what their care should look like. We will be updating the pathway on a regular basis as new evidence comes through.

## ENGAGING PEOPLE TO TAME PROSTATE CANCER

Last year, we made a commitment to transform how we engage with people, in order to truly put them at the heart of all we do. Why? Because we're here to help men faced with prostate cancer and because we can't achieve our strategy alone.

We started by exploring who is most likely to engage with us – be that because they need support, information, want to share experiences, take part in an event or support us financially. Mechanisms are now in place to learn more about these groups of people day by day and we are using that insight to decide what we do, what we offer and how and when we communicate with people. This will help us to provide the very best experience for each person. Increasingly, we will be able to ensure that people can engage with us in a manner and at a time of their choosing and will feel more a part of what we do.

We committed to growing our digital footprint, ensuring no matter where you are in the UK, our services, information and activities are just a few clicks away. We have learnt more about digital behaviour and creating better experiences for users, refining and developing new ways for those who want to connect with us to do so. We have been streamlining our communications through social media and building a community of individuals freely sharing their personal stories and situations, empowering others and poised for action.

We continue to invest in media partnerships to raise the profile of the organisation and the disease using a range of channels, especially those which reach men very directly via sport. High-profile media stories, including one we released about deaths from prostate cancer overtaking breast cancer, and two influential well-loved celebrities, Stephen Fry and Bill Turnbull, revealing their personal journeys with the disease, contributed to a spike of 500,000 new people visiting our web platforms and looking for support.

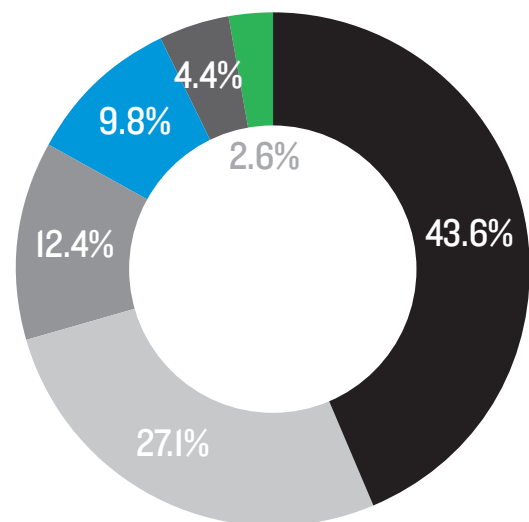
We have had another phenomenal year of growth. Our new approach to engagement is providing us with a clearer focus and is ensuring that we have a greater presence, and are better understood for what we do.

### Growing our income

Total incoming resources in the year were £24.9 million, comprising fundraised income of £20.9 million, a donation from the Movember Foundation of £3 million, investment income of £0.2 million, and other income of £0.8 million.

The strong growth we have had in fundraising is down to the generosity of our many supporters, who have joined with us to beat prostate cancer. Our fundraised income this year reached nearly £21 million, an increase of 20 per cent on the previous year.

In addition, the Movember Foundation donated £3 million from their 2017 campaign, an increase of £0.45 million from the previous year.



- Individual donors and legacies
- Community and events
- Movember Foundation
- Major donors and charitable trusts
- Corporate donors
- Other

In 2017/18, 6,500 more people chose to make regular gifts to the charity, which is an increase of 37 per cent over the previous year. Many are giving through our online or public facing activities, providing sustainable income growth for future years. In a similar vein, a record number of people pledged to leave the charity a gift in their Will. Legacies are such an important and growing source of funds for the charity, enabling supporters to leave the ultimate gift, and to know that after their death they will be able to make a lasting difference. We were honoured this year to receive our largest ever legacy, a single gift of £2 million from a supporter, which has already enabled us to increase our research spend into prostate cancer diagnosis.

An important part of our approach has always been to be where our supporters are, offering them opportunities to participate. This year our second Jeff's March took place, with Jeff Stelling walking 15 marathons in 15 days. As a long-lasting legacy to Jeff's walks, for the first time in 2017 we offered our supporters the opportunity to take part in a March for Men in London, Leeds and Glasgow; the success of these events has led to expansion of the events, with seven nationwide events planned for 2018.

We have continued to grow our fundraising from golf, walking, classic cars and pubs, with fundraising activities across all of these areas available for our supporters up and down the country.

Our partners continue to be a vital part of getting our message out. This year Homebase delivered prostate cancer awareness through their stores over Father's Day, whilst Burton promoted our events in store. Keyline continue to be a critical partner to us, their network of depots up and down the country being loyal and long-standing supporters. And this year saw the successful conclusion of our three-year partnership with FirstGroup, with a total value of £1.5 million in cash or media coming to us to help stop more men dying of prostate cancer.

Our valued trust supporters gave vital funding for our Specialist Nurses and our research programme, with special thanks to the February Foundation, The Childwick Trust, The Kidani Memorial Trust,

EBM Charitable Trust, Peacock Charitable Trust, The Adint Charitable Trust, The Simon Gibson Charitable Trust, The FJ Wallis Charitable Settlement, The Borrowes Charitable Trust, The PF Charitable Trust, Moondance Foundation and an exceptionally generous anonymous donor. Yet more people joined our network of generous and passionate Pioneers by making major donations towards our ambitious research programme and helping to accelerate the pace of progress.

Even with this level of growth, we are not resting on our laurels, and are redoubling our efforts in 2018/19 to grow income even further. We will need even more than is already available to pay for our ambitious strategy to tame prostate cancer within 10 years, and we are confident that our increased investment in fundraising will deliver this. We will need to continually learn from all supporters about what they like and don't like, re-applying these lessons back into our activities to drive higher levels of engagement.

We take our responsibilities to our supporters very seriously, and this year have made sure to tighten up how our supporters can control how they hear from us, as well as ensuring that we are complying with the upcoming GDPR guidelines.

We are a member of the Fundraising Regulator and adhere to its Code of Fundraising Practice. Our Board of Trustees continue to oversee a programme of work to make sure our fundraising activities are compliant with all relevant rules and regulations, remain ethical and deliver to high standards.

We take a highly responsible approach towards communicating with individuals, ensuring that their preferences are respected at all times and that we are mindful of the needs of vulnerable people, protecting them from unreasonable intrusion. For some activities we use the services of third party agencies (under written terms), ensuring that those partners operate at the highest standard and have not contravened any codes of conduct. We monitor our partners' activities closely including a thorough initial briefing, including our policies to identify and safeguard vulnerable people; Service Level

Agreement in all contracts and regular partnership reviews. In addition, we listen to three per cent of all calls made and conduct regular mystery shopping.

We have a complaints handling process to deal in an open and honest manner without prejudice with complaints from members of the public. In 2017/18, we received 55 complaints, which accounts for just 0.002 per cent of all of our outbound communications.

## OUR VOLUNTEERS

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Volunteers enable us to do more with the resource we have, reach more men through their networks and give us a local presence throughout the UK. We are hugely grateful to them for contributing their professional skills, personal experience, local knowledge, energy and enthusiasm to our work. Volunteers raise awareness and funds across the UK, campaign for change to improve the lives of men with prostate cancer and deliver vital services such as peer support.

The 1,600 people who gave time this year are key to delivering our strategy through empowerment, services and support, influencing, education and fundraising. More than 900 volunteers supported 82 collections at matches in partnership with the English Football League to raise money and reach out to hundreds of thousands of men with our life-saving messages.

Working with volunteers, we have set up Hubs across the UK, growing the number to 14 with groups now in Chichester, Exeter, Bristol, London, Milton Keynes, Birmingham, South Yorkshire, Fylde Coast, Newcastle, Wigan, Belfast, Cardiff, Glasgow and Edinburgh. The Hubs bring together volunteers who might not have otherwise met because they're involved in different areas of our work and empower them to support us at a local level. Each Hub has its own personality based on the experience and interests of the members and they may choose to support us by organising their own fundraising events or using their contacts and networks to arrange awareness events.

We have been building on the legacy of a funded awareness programme, increasing activity by 34 per cent compared to the same period in the previous year. Whilst the funded programme focused on reaching men with health information pre-diagnosis, we have broadened our remit to include raising awareness of the information and support available to men living with prostate cancer. This has opened new opportunities including regular information stands at hospital urology clinics where we can support men where and when they need it most.

We received the prestigious Investing in Volunteers accreditation in July 2015, in recognition of the value and commitment we place on recruiting and developing our volunteers. Work is well underway to gain reaccreditation in 2018. We are delighted more people are engaging in our work and they have told us they would recommend Prostate Cancer UK as a good place to volunteer.

## PLANS FOR THE FUTURE

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Our vision is to tame prostate cancer by dramatically improving diagnosis, treatment and prevention of prostate cancer, and providing men and their families with the support they need. We are on the brink of remarkable progress.

Our planned research activity in the immediate future is focused on two key areas: Research Innovation Awards to support research projects which have the potential to be game-changing for men across the country and Better Diagnosis research to develop a risk assessment tool to assess a man's risk of having clinically significant prostate cancer. In addition, we will be continuing to bring the experts together to share their ideas and identify the major blockers and potential solutions needed to crack the disease in areas such as immunology.

We will continue to deliver high-quality support to men and their families, working in particular to address some of the unmet needs that we have found through our research in 2017/18.

We will also carry on driving change, influencing and campaigning for the improvements that will have the biggest impact on diagnosis, treatment and support. In relation to early and accurate diagnosis, we will continue to raise awareness in men at higher risk, focusing on black men and looking at extending this work to cover men with a family history of prostate cancer and areas of the UK with a higher proportion of late diagnosis. Alongside this we will be working with GPs to increase their knowledge of prostate cancer and risk. And the roll-out of high-quality multiparametric MRI scans before biopsy across the whole of the UK will continue to be a very high priority for us.

In relation to access to effective treatments, we will be working alongside other cancer charities to make sure the drugs appraisal system works better for the new generation of precision medicines. The renegotiation of the Pharmaceutical Price Regulation Scheme this year is one route for this though we are looking more broadly as well. We will also promote adoption of our clinical consensus on the use of active surveillance across the UK, and educate health professionals alongside this.

We also want men to have better access to specialist support, and we will continue the work we have started to roll out the findings of the Movember-funded TrueNTH projects to achieve this. In a situation of continuing shortage in the nursing workforce, we will support clinical nurse specialists and inspire the next generation. We will also input to the Health Education England nursing workforce strategy for spring / summer 2018. And we will work with Cancer Alliances in England to trial alternative workforce models.

It is becoming increasingly clear that the lack of a cancer strategy in Northern Ireland makes it more difficult to improve outcomes there across all of the areas above. We will therefore work with other cancer charities to press for a cancer strategy here, something that exists in all other parts of the UK.

Finally, in order to raise the necessary funds to enable delivery of our strategic aim to tame prostate cancer, we have committed to increasing the investment in income generation to make possible the transformative increase in investment in research, support, and awareness-raising activities that is so urgently needed.

## FINANCIAL REVIEW

In 2017/18 the group's total incoming resources were £24.9 million, which represented a 20.2 per cent increase on the previous year (£20.7 million). The donation received from the Movember Foundation this year totalled £3.05 million, an increase of £0.45 million over 2016/17. We have continued to record a strong performance across all of the charity's other income streams, which showed an overall increase of 20.6 per cent to £21.9 million. The key drivers of this increase include high legacy receipts throughout the year and the continued success of our sporting events and community fundraising activities. Key highlights are stated within our fundraising review on page 10.

Total group expenditure for the year was £24.7 million (2016/17: £24.5 million). This included £6.1 million on research; £5.1 million on supporting men and their families and influencing change in the delivery of care, and £7 million on awareness activities. Total charitable expenditure in the year amounted to 73p of every £1 expended (2016/17: 78p).

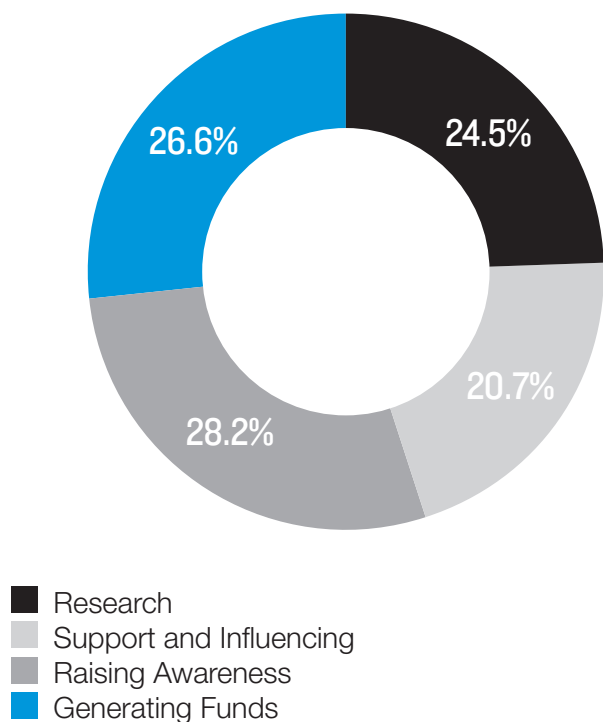
The activity levels in 2017/18 resulted in a surplus of £211k for the year (2016/17: £3.75 million deficit). This is the first reported annual surplus for five years, reflecting that the reserves position is now more balanced between restricted and unrestricted funds. We continued to use our restricted reserves, which reduced by £1.4 million to £6.1 million as at 31 March 2018, to invest as much as possible into medical research. Unrestricted general reserves increased by £1.7 million to £10 million at the year end. Designated reserves, representing our net investment in fixed assets, decreased by £0.1 million, to £0.5 million at the year end. Our reserves policy on page 18 and Note 18 on movements in funds provide further detail.

The group holds cash and short term deposits of £20.5 million, compared to £23.9 million at the start of the year, reflecting payments that have now been made in respect of grants committed in previous years. We remain in a strong position to be able to meet our £19.2 million commitment to long-term projects (see Note 6) on both our research and

programme awards. Our treasury policy on page 18 provides information on how the charity invests balances held.

The charity also operates a wholly-owned subsidiary, Prostate Cancer Trading Limited (PCTL), which is responsible for all commercial activities of the group. All surplus funds earned are paid under gift aid to the charity. The company has its own board of directors, responsible for all governance matters. Financial details for PCTL are shown in Note 3.

## HOW WE SPENT OUR MONEY





# Trustees' report:

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### OBJECTS AND ACTIVITIES

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The charity's objects, set out in its Memorandum and Articles of Association (last amended 12.04.16), are to invest in prostate cancer research and to make available useful results, to provide information and support to men and their families affected by prostate cancer and to raise public awareness of prostate cancer and other prostate diseases and their symptoms.

Within the Trustees' report is the strategic report, required under s414C(11) of the Companies Act 2006, which summarises the charity's activities, achievements and performance.

### STRUCTURE

The Members of the Council of Management ('The Trustees') of Prostate Cancer UK ('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 group for the year ended 31 March 2018.

The charity is a charitable company limited by guarantee and was set up on 14 October 1991. The Strategic Report provides information on the charity's activity and set out below are details of its financial performance from April 2017 to March 2018.

The charity has a trading subsidiary, Prostate Cancer Trading Limited (06157784) and also owns the following dormant companies: The Prostate Cancer Charity Limited (08183613), Prostate Cancer Research Foundation (05926197) and Prostate Action (07149009).

### 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 Executive Directors who attend all meetings.

Trustees retire after three years but are then eligible for re-election. Officers of the Board (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 three years. These terms are extendable, exceptionally, at the discretion of the Board of Trustees.

It is our policy to recruit Trustees by open advertisement to ensure the widest field of applicants, and a good spread of relevant skills. A number of the Trustees have been personally affected by prostate cancer. During the year, three Trustees retired and three new Trustees were appointed.

It is the charity's policy to train new Trustees to ensure they have the knowledge and skills to perform their roles. New Trustees undertake an induction programme, meeting with staff from across the charity and are provided with relevant background briefing information.

Trustees periodically review governance arrangements to ensure that appropriate structures and mechanisms are in place as the charity evolves, including reviewing Board effectiveness.

The charity has put in place Trustee indemnity insurance.

Trustees met on 21 occasions during the year, either as a full Board or in the committees.

## TRUSTEES AND DIRECTORS

The Trustees and Directors who served the charity during the period were:

(Trustees are members of the committees as indicated by the numbers in brackets)

- Professor Jonathan Waxman (*President*) <sup>(2,5)</sup>
- Charles Packshaw (*Chairman*) <sup>(1,2,3,4,5)</sup>
- Mike Tye (*Vice Chairman*) <sup>(2,4)</sup>
- Lynne Robb (*Treasurer*) <sup>(1,2)</sup> (*appointed 23.01.18*)
- Professor Sara Faithfull <sup>(3)</sup>
- Steve Ford <sup>(3)</sup>
- Simon Hammett <sup>(1,5)</sup>
- Marion Leslie <sup>(1)</sup>
- Andrew Mitchell <sup>(4)</sup>
- Professor David Neal CBE <sup>(6)</sup> (*appointed 27.07.17*)
- Professor Martin Roland CBE <sup>(2,3,5)</sup>
- Tom Shropshire <sup>(2,3)</sup>
- Simon Peck <sup>(4)</sup> (*appointed 26.03.18*)

Retired in period:

- Jacky Wright (*resigned 23.05.17*)
- Ray Kelly (*resigned 15.03.18*)
- Robert Humphreys (*resigned 26.07.18*)

Independent committee members serving during the period:

- William Dickinson (*Finance Risk and Audit Committee*)
- Nick Kendall (*Engagement Fundraising and Communications Committee*)
- Nick Lemoine (*Board Research Committee*)

## COMMITTEES OF THE BOARD

### 1. Finance Risk and Audit

- Reviews in-depth budget and financial plans
- Monitors the charity's financial performance and compliance with accounting requirements
- Makes recommendations to the Board on financial policy matters
- Reviews strategic HR issues
- Scrutinises support services
- Leads on external audit matters
- Reviews arrangements for the management of risk, including those around data protection and safeguarding

### 2. Nominations Committee

- Recommends to the Board the reward arrangements and appointment of new Trustees, Officers and the Chief Executive

### 3. Support and Influencing Committee

- Provides oversight on behalf of the Board of the charity's delivery of support services and of its influencing work
- Monitors delivery of support and influencing activities against the business plan
- Monitors the charity's compliance with campaigning and lobbying regulations

### 4. Engagement Fundraising and Communications Committee

- Reviews existing income generation and communications-related activity, as well as considering future opportunities in these areas
- Reviews progress against the strategy to develop deeper and long-lasting relationships with our supporters, both existing and potential and with all those who need our services
- Monitors the charity's compliance with fundraising regulations

## 5. Board Research Committee

- Reports to the Board on general matters relating to research
- Monitors the research strategy, including its implementation

Terms of reference for committees are regularly reviewed.

## RESEARCH ADVISORY COMMITTEE RESEARCH STRATEGY GROUP

These committees exist to advise the Board of Trustees and CEO by making recommendations as to which research grants the charity should support, and in which areas the charity should focus its research effort. The membership of both bodies, which includes independent clinicians/researchers, has been carefully selected to ensure a broad range of opinions and advice.

Prostate Cancer UK is a member of the Association of Medical Research Charities (AMRC) and complies with its guidelines. The AMRC is dedicated to helping medical and health charities deliver high quality research that improves people's lives.

## EXECUTIVE TEAM

Executive team as at 31 March 2018

- **Chief Executive**  
Angela Culhane
- **Director of Research**  
Dr Iain Frame
- **Director of Support and Influencing**  
Heather Blake
- **Director of Engagement**  
Tracey Pritchard
- **Director of Resources**  
George Ruiz

## LEGAL AND ADMINISTRATIVE DETAILS OF THE CHARITY

Registered in England and Wales with the Charity Commission under charity number 1005541.

Registered in Scotland by the Office of the Scottish Charity Regulator under charity number SCO39332.

Registered company number 02653887.

## REGISTERED ADDRESS AND PRINCIPAL PLACE OF BUSINESS

Prostate Cancer UK  
Fourth Floor  
The Counting House  
53 Tooley Street  
London SE1 2QN

## [prostatecanceruk.org](http://prostatecanceruk.org)

Prostate Cancer UK (Scotland)  
Unit F22-24  
Festival Business Centre  
150 Brand Street  
Glasgow G51 1DH

## COMPANY SECRETARY

George Ruiz

## BANKER

National Westminster Bank plc  
Park Royal Branch  
1 Abbey Road  
London NW10 7RA

## AUDITOR

MHA MacIntyre Hudson  
Chartered Accountants & Statutory Auditor  
New Bridge Street House  
30-34 New Bridge Street  
London EC4V 6BJ

## LEGAL ADVISOR

Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT

## RESERVES POLICY

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**The charity operates within a reserves policy which is reviewed annually as part of the charity's budget and planning processes.**

The charity holds free reserves to ensure uninterrupted delivery of the charity's objectives regardless of short to medium term fluctuations in income and expenditure. The Trustees review reserves levels to ensure there are adequate funds available to support the work of the charity. During the year, the Trustees considered that a sufficient level of reserves for the organisation would be between three and six months of forward-looking unrestricted expenditure. The free reserves requirement is monitored on a monthly basis, with formal reporting to the Board of Trustees on a quarterly basis.

The level of free reserves at the balance sheet date in March 2018 was £9.5 million, £1.8 million higher than that for 2016/17. This represents 5.4 months of unrestricted expenditure at 2018/19 budget levels and is in line with our policy.

A designated fund of £479k was held, representing the net book value of fixed assets.

The charity had restricted reserves of £6.1 million at the year end. Of this, £5.1 million relates to funds from the Movember Foundation, which will be fully committed to spending across the areas of research and survivorship.

## TREASURY POLICY

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**The charity has a risk-averse treasury policy, which is reviewed annually by Trustees.**

The charity has a low risk appetite with regard to deposits, with a primary objective of capital preservation, and a secondary objective of generating income. Deposits are restricted to cash or near-cash products, held in:

- individual banking institutions;
- UK government debt instruments;
- pooled funds.

It is our policy to spread funds to mitigate risk and to take into account institutions' credit ratings.

Balances held are managed in order to meet working capital requirements, with accessibility maintained should phasing assumptions for income or expenditure be changed.

## GRANTS POLICY

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**The charity awards grants for research funding in line with the standards and guidelines set out by the Association of Medical Research Charities.**

Calls for applications are advertised through our website, researcher newsletter and appropriate specialist media. All applications for funding are sent to a minimum of three external independent expert reviewers who provide a written assessment of the quality, novelty, importance and relevance of the proposal. We also seek input from men affected by prostate cancer, and/or their families, to ensure that the research proposed has been explained well for a lay audience and that it has the potential to make a difference from their experience. Once all peer reviews are received a final funding recommendation is made by our Research Advisory Committee.

## REMUNERATION POLICY

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The charity's remuneration policy is designed to attract, retain and motivate a high performing team to deliver the charity's aims as well as to demonstrate to our stakeholders an effective use of charitable funds.

The objectives of our remuneration policy are to:

- reward staff appropriately and enable the recruitment of high-calibre staff
- ensure the proper use of the charity's resources in accordance with its aims and within affordable limits based on the financial circumstances of the charity
- be non-discriminatory, just and equitable in the evaluation of jobs and their remuneration by providing a stable framework for the remuneration of the team
- operate within the law
- pay at a competitive level taking account of external market rates, with the aim being to set pay at the median level or above for comparable posts in the voluntary sector, subject to the charity's financial position.

Remuneration is reviewed on an annual basis and agreed by the Board of Trustees. When setting pay levels, the charity gives consideration to external benchmark comparators, changes in the national average earnings index, affordability and other internal and external pressures including recruitment and retention.

The above policy applies to all staff, including the charity's key management personnel (as defined on page 37). The annual salary of the Chief Executive, appointed in March 2016, was £110,561 at 31 March 2018.

## PUBLIC BENEFIT

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We have considered the Charity Commission's guidance on 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 and prostate disease in the United Kingdom. Our strategic aims and the charity's activities are designed to achieve this benefit.

The beneficiaries of our work are men and their families – reached either directly or through healthcare professionals. Those who have benefited from our services are detailed in the Strategic Report. 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 Prostate Cancer UK satisfies the public benefit test.

## PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate these risks. A risk register summarises the principal risks facing the charity, graded according to their

likelihood and impact, and identifies actions to manage them. The register is regularly reviewed and updated by risk owners, the Executive Team, and the Finance Risk and Audit Committee. Any 'red light' issues are brought to the attention of the Board of Trustees.

RISK	MITIGATION
Failure to make the right strategic choices that give the best impacts for men.	<ul style="list-style-type: none"> <li>Regular review of our strategy, including horizon scanning by Trustees monitor developments external to the charity.</li> </ul>
Not delivering the programmes of activity that we have committed to deliver.	<ul style="list-style-type: none"> <li>Rigorous monitoring and reporting processes are in place and scrutinised at a senior level with oversight provided by Trustees.</li> <li>Learnings from earlier programmes, including research, incorporated into planning for new or ongoing ones.</li> </ul>
Incidents occur that damage our reputation and/or negatively impact operations (e.g. data breaches, cyber security threats, safeguarding issues and serious fraud).	<ul style="list-style-type: none"> <li>Proactive detection, investigation and reporting of potential adverse events.</li> <li>Proactive and reactive media plan.</li> <li>Dedicated specialist resource in key areas such as data protection and legal to support events and operations.</li> <li>Regular review of fundraising practices.</li> <li>Continuing technology strategy to drive IT improvements and strengthen infrastructure and security to protect the charity's assets.</li> <li>Clear whistleblowing policy.</li> <li>Risk assessments undertaken for all events.</li> </ul>
There is a significant shortfall in our income against target restricting our ability to deliver our charitable objectives in a sustainable way.	<ul style="list-style-type: none"> <li>Exposure to this risk reduced by increasing the spread of fundraising sources.</li> <li>Effectiveness of fundraising activities monitored by the Executive Team, with corrective action taken as necessary.</li> <li>Close control over commitments maintained with grants only agreed when we have funds available.</li> </ul>
Attracting, developing and retaining talented staff and volunteers in a competitive market.	<ul style="list-style-type: none"> <li>Employee and volunteer engagement surveys and follow-up plans.</li> <li>An active communication plan to ensure our people are always informed on the strategy and progress against it.</li> <li>Regular benchmarking of compensation and benefits.</li> <li>Ongoing proactive staff and volunteer recruitment campaigns.</li> </ul>



## TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Prostate Cancer UK for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP) 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended)

and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## AUDITOR

MHA MacIntyre Hudson has been appointed as the charity's auditor. The Trustees review the appointment of the auditor on an annual basis and have delegated power to set the auditor's remuneration to the Finance Risk and Audit Committee.

The Trustees' Annual Report and Strategic Report were approved by the Council of Management (Board of Trustees) on 26 July 2018 and authorised to be signed on its behalf by:



Charles Packshaw, Chairman  
26 July 2018

# Independent Auditor's report to the members and Trustees of Prostate Cancer UK

(registered company no. 02653887)

We have audited the financial statements of Prostate Cancer UK for the year ended 31 March 2018 which comprise the Group and Charity Statement of Financial Activities including summary income and expenditure accounts, Group and Charity Balance Sheets, and the Group Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

## RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement in the Trustees' Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances

and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report, Overview and Strategic Report (if not part of the Trustees' Annual Report) to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2018, and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2018, and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees 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 charitable company, the charitable company's members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Sudhir Singh** (*Senior Statutory Auditor*)

For and on behalf of:

**MHA MacIntyre Hudson**

Chartered Accountants & Statutory Auditor  
New Bridge Street House  
30-34 New Bridge Street House  
London EC4V 6BJ

Date: 3 August 2018

MHA MacIntyre Hudson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# Group statement of financial activities including summary income and expenditure account for the year ended 31 March 2018

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
<b>INCOME FROM</b>					
Donations and legacies	2	19,503	5,058	<b>24,561</b>	20,358
Other trading activities	3	233	-	<b>233</b>	100
Investments		154	-	<b>154</b>	289
<b>Total</b>		<b>19,890</b>	<b>5,058</b>	<b>24,948</b>	20,747
<b>EXPENDITURE ON</b>					
Raising funds	2	6,575	-	<b>6,575</b>	5,295
Charitable activities	5	11,660	6,502	<b>18,162</b>	19,205
<b>Total</b>		<b>18,235</b>	<b>6,502</b>	<b>24,737</b>	24,500
<b>Net income/(expenditure)</b>	4	<b>1,655</b>	<b>(1,444)</b>	<b>211</b>	<b>(3,753)</b>
Transfers between funds		-	-	-	-
Net movement in funds		<b>1,655</b>	<b>(1,444)</b>	<b>211</b>	<b>(3,753)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		8,297	7,527	<b>15,824</b>	19,577
<b>Total funds carried forward</b>	18	<b>9,952</b>	<b>6,083</b>	<b>16,035</b>	15,824

The comparative figures for each fund are shown in the notes to the accounts.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 28 to 43 form part of these financial statements.

# Charity statement of financial activities including summary income and expenditure account for the year ended 31 March 2018

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
<b>INCOME FROM</b>				
Donations and legacies	19,676	5,058	24,734	20,438
Investments	154	-	154	289
<b>Total</b>	<b>19,830</b>	<b>5,058</b>	<b>24,888</b>	<b>20,727</b>
<b>EXPENDITURE ON</b>				
Raising funds	6,515	-	6,515	5,279
Charitable activities	11,660	6,502	18,162	19,201
<b>Total</b>	<b>18,175</b>	<b>6,502</b>	<b>24,677</b>	<b>24,480</b>
<b>Net income/(expenditure)</b>	<b>1,655</b>	<b>(1,444)</b>	<b>211</b>	<b>(3,753)</b>
Transfers between funds	-	-	-	-
Net movement in funds	1,655	(1,444)	211	(3,753)
<b>Reconciliation of funds:</b>				
Total funds brought forward	8,297	7,527	15,824	19,577
<b>Total funds carried forward</b>	<b>9,952</b>	<b>6,083</b>	<b>16,035</b>	<b>15,824</b>

The comparative figures for each fund are shown in the notes to the accounts.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 28 to 43 form part of these financial statements.

# Balance sheets

## as at 31 March 2018

	Notes	GROUP		CHARITY	
		2018 £'000	2017 £'000	2018 £'000	2017 £'000
<b>Fixed assets</b>					
Intangible assets	10	96	49	96	49
Tangible assets	11	383	562	383	562
Investments	12	-	-	-	-
Total fixed assets		479	611	479	611
<b>Current assets</b>					
Stocks	13	34	43	-	-
Debtors	14	17,334	15,864	17,572	15,959
Short-term deposits		13,530	15,512	13,530	15,512
Cash at bank and in hand		6,962	8,357	6,743	8,296
Total current assets		37,860	39,776	37,845	39,767
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	9,861	16,099	9,846	16,089
<b>Net current assets</b>		27,999	23,677	27,999	23,678
<b>Total assets less current liabilities</b>		28,478	24,288	28,478	24,289
Creditors: amounts falling due after more than one year	16	12,443	8,464	12,443	8,464
<b>Net assets</b>		16,035	15,824	16,035	15,824
<b>Funds</b>					
<b>Restricted income funds</b>	18	6,083	7,527	6,083	7,527
<b>Unrestricted funds</b>					
General	18	9,473	7,686	9,473	7,686
Designated	18	479	611	479	611
		9,952	8,297	9,952	8,297
<b>Total funds</b>		16,035	15,824	16,035	15,824

Approved and authorised for issue by the Council of Management (Board of Trustees) on 26 July 2018 and signed on its behalf by Charles Packshaw, Chairman.



The notes on pages 28 to 43 form part of these financial statements.



# Group statement of cash flows for the year ended 31 March 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities:</b>					
Net cash provided by (used in) operating activities	22		(3,440)		(7,352)
<b>Cash flows from investing activities:</b>					
Interest		154		289	
Purchase of fixed assets		(91)		(51)	
Net cash provided by (used in) investing activities			63		238
Change in cash and cash equivalents in the reporting period			(3,377)		(7,114)
Cash and cash equivalents at the beginning of the reporting period			23,869		30,983
Cash and cash equivalents at the end of the reporting period			20,492		23,869

The notes on pages 28 to 43 form part of these financial statements.

# Notes forming part of the financial statements for the year ended 31 March 2018

## General information and basis of preparation

- 1.1 Prostate Cancer UK is a charitable company limited by guarantee incorporated in England, Wales and Scotland. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)) and the Charities Act 2011 and the Companies Act 2006. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.
- 1.2 These financial statements consolidate the results of the charitable company and its wholly-owned active subsidiary Prostate Cancer Trading Limited on a line-by-line basis. Transactions and balances between the charitable company and its active subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. The three dormant subsidiaries are not consolidated as their inclusion is not material in order to provide a true and fair view. The financial statements are prepared in sterling which is the functional currency of the group, and rounded to the nearest £000.

## Going concern

- 1.3 The financial statements have been prepared on a going concern basis as the trustees consider that there are no material uncertainties about the group's ability to continue as a going concern. This is on the basis of the charitable company and its active subsidiary having sufficient income and levels of reserves to continue for at least 12 months from the date of authorising these financial statements.

## Accounting policies

- 1.4 Income is shown gross.
- 1.5 Donations and legacies are accounted for when the charity has entitlement, the amount can be measured reliably and the receipt is probable. Information that is received after the balance sheet date is adjusted for where the financial effect is material. Legacies in the form of property or investments are included at fair value when recognised.
- 1.6 Registration fees for specific fundraising events received in advance of the event are deferred until the events take place.
- 1.7 Donated goods and services are included at the estimated value to Prostate Cancer UK. These include goods and services provided for use within the charity, with amounts received stated in note 2. In accordance with Charities SORP (FRS 102), no amounts have been included in these financial statements to reflect the value of services provided free of charge to the charity, by volunteers.
- 1.8 Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of production of the claim and allocated to the appropriate income stream.
- 1.9 Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.

- 1.10 Charitable activities include expenditure associated with research, support and influencing and awareness.
- 1.11 Grants awarded are included in the Statement of Financial Activities, when approved by the Trustees and agreed with the recipient organisation.
- 1.12 Expenditure on raising funds relates to the costs of attracting income, and that incurred in trading activities that raise funds.
- Expenditure on awareness includes delivering national and local integrated communications campaigns, to raise awareness of the cause and the brand.
- 1.13 Governance costs include the costs of governance arrangements which relate to the general running of the charity, as opposed to the direct management functions inherent in charitable activity and fundraising activities. These include external audit, trustee indemnity insurance and strategic planning processes, that relate to the future development of the charity.
- 1.14 Support costs (including governance costs) are allocated between fundraising and charitable activities, on the basis of a combination of staff numbers and the use of resources within the department for each activity.
- 1.15 Rentals payable under operating leases are charged to the Statement of Financial Activities over the life of the lease, on a straight line basis.
- 1.16 Most employees are members of a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. Contributions in respect of the scheme are charged against net incoming resources in the year in which they are due.
- 1.17 When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.
- 1.18 Intangible fixed assets and amortisation:
- Expenditure on individual intangible assets (software) with a value greater than £5,000 is capitalised. Software is stated at amortised historical cost. Amortisation is provided on a straight line basis at the following annual rate in order to write off each asset over its estimated useful life:
- |          |             |
|----------|-------------|
| Software | 33 per cent |
|----------|-------------|
- 1.19 Tangible fixed assets and depreciation:
- Expenditure on individual tangible assets with a value greater than £5,000 is capitalised. Tangible assets are stated at depreciated historical cost. 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                          | over period of Lease |
| Computer equipment and website developments | 33 per cent          |
| Fixtures and fittings                       | 33 per cent          |
- 1.20 Stock:
- Stock consists of purchased goods for resale, which are valued at the lower of cost and net realisable value on a first-in first-out basis.
- Provision is made for any obsolete or slow-moving items.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 1.21 Short term deposits:

Short term deposits are highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

## 1.22 Financial assets and liabilities:

Financial assets and financial liabilities, including debtors and creditors, are recognised when the charity becomes party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost.

## 1.23 The following funds are held by the charity:

### **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.

### **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 purposes.

## 1.24 Grant commitments and other long term liabilities are measured at cost and, in accordance with accounting practice, are discounted where material.

## 1.25 Financial Instruments:

The Group only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Group are as follows:

- Debtors – trade and other debtors (including accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments amounting to £882,000 (2017: £672,000) for the Group and Charity are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.
- Liabilities – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in note 15 and 16. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income amounting to £6,990 (2017: £13,000) for the Group and Charity is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 2. INCOME FROM DONATIONS AND LEGACIES AND EXPENDITURE ON RAISING FUNDS

	INCOME		2018	2017
	Unrestricted £'000	Restricted £'000	Total income £'000	Total income £'000
Individual donors and legacies	10,687	23	10,710	6,918
Community and events	6,645	13	6,658	5,080
Movember Foundation	-	3,048	3,048	2,594
Major donors and charitable trusts	599	1,813	2,412	3,989
Corporate donors	860	152	1,012	1,432
Donated goods and services	395	-	395	108
Other donations	317	9	326	237
	<b>19,503</b>	<b>5,058</b>	<b>24,561</b>	<b>20,358</b>

Of which in 2017:

<b>Restricted</b>	6,516
<b>Unrestricted</b>	13,842
	<b>20,358</b>

During the year the Charity was grateful to receive donated media services which allowed us to spread the awareness of the disease. The charity is very grateful to the donor for this generous donation. The Trustees feel that value of these services to the charity cannot be reliably measured and as such have not recognised income or expense in this regard.

	EXPENDITURE ON RAISING FUNDS		2018	2017
	Direct costs £'000	Support costs £'000	Total costs £'000	Total costs £'000
Individual donors and legacies	2,687	596	3,283	2,352
Community and events	1,754	389	2,143	1,947
Major donors and charitable trusts	436	97	533	420
Corporate donors	472	104	576	564
Trading	40	-	40	12
	<b>5,389</b>	<b>1,186</b>	<b>6,575</b>	<b>5,295</b>

All expenditure on raising funds was unrestricted in both years.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 3. NET INCOME AND ASSETS OF ACTIVITIES OF TRADING SUBSIDIARY

The charity has a wholly-owned subsidiary incorporated in England and Wales, Prostate Cancer Trading Limited (registered number 06157784), which raises funds through trading activity, marketing and the sale of goods. The company pays its profits under Gift Aid to Prostate Cancer UK under a legal obligation created by a deed of covenant between the two entities. Audited accounts are filed with the Registrar of Companies. A summary of its trading results, which represent unrestricted funds in both years, is as follows:

	<u>2018</u>	<u>2017</u>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	233	100
Cost of goods sold	(52)	(2)
Gross profit	<u>181</u>	<u>98</u>
Administrative expenses	(77)	(30)
Interest payable	(2)	(2)
Net profit	<u>102</u>	<u>66</u>
Income transferred by Gift Aid	<u>(102)</u>	<u>(66)</u>
Retained in subsidiary	<u>-</u>	<u>-</u>
	<u>2018</u>	<u>2017</u>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Total current assets as at 31 March	265	114
Total current liabilities as at 31 March	(265)	(114)
Net assets held as at 31 March	<u>-</u>	<u>-</u>

Other subsidiaries wholly owned or controlled by Prostate Cancer UK are Prostate Cancer Research Foundation, The Prostate Cancer Charity Limited and Prostate Action, all of which are dormant and have nil net assets.



# Notes forming part of the financial statements for the year ended 31 March 2018

## 4. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	<u>2018</u>	<u>2017</u>
	£'000	£'000
Depreciation and amortisation	223	326
Auditor's remuneration – audit services	32	28
Operating lease rentals – property	455	455

## 5. CHARITABLE ACTIVITIES

			<u>2018</u>	<u>2017</u>
	Direct costs	Support costs	Total costs	Total costs
	£'000	£'000	£'000	£'000
Research	5,695	369	6,064	8,050
Support and influencing	3,938	1,186	5,124	5,038
Awareness	5,538	1,436	6,974	6,117
	<b>15,171</b>	<b>2,991</b>	<b>18,162</b>	<b>19,205</b>
Of which:				
Restricted				9,852
Unrestricted				9,353
				<b>19,205</b>

In the year ended 31 March 2018, total expenditure on charitable activities amounted to 73p of every £1 expended (2017: 78p). As stated within the Trustees' Report, a number of research awards were made in the early months of 2017/18.

The decrease in charitable activities is primarily due to 2016/17 charity spend including an element of drawing down on brought forward restricted reserves reflected in the 2016/17 deficit.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 6. GRANTS AWARDED

Grant commitments comprise research commitments and programme commitments.

Research grants are awarded to fund researchers in three key areas in line with our research strategy, better treatment, better diagnosis and better prevention.

	2018	2017	Better treatment	Better diagnosis	Better prevention
<b>Research grants were awarded to the following institutions:</b>	<b>Total £'000</b>	<b>Total £'000</b>			
University College London	1,761	300	✓		
The Institute of Cancer Research	1,301	1,890	✓	✓	✓
University of Sheffield	597	-	✓		✓
Royal Marsden NHS Foundation Trust	574	-	✓		
University of Oxford	469	-	✓		✓
Newcastle University	347	-	✓	✓	
Queen's University Belfast	276	2,120	✓	✓	✓
University of Manchester	-	1,299	✓	✓	✓
University of Cardiff	-	280	✓		
University of York	-	536	✓		
University of Essex	-	256	✓		
University of East Anglia	-	209			✓
University of Nottingham	-	183	✓		
University of West England	-	136	✓		
	<b>5,325</b>	<b>7,209</b>			

Research grants awarded in the year were for the following projects:

- Precision Medicine: Two awards totalling £2.74 million – £1.44 million to University College London and £1.30 million to the Institute of Cancer Research. One of our major aims over the next 10 years is to improve treatments for men with prostate cancer. A key element in improving treatments will be to move away from the current selection of treatments on a blunt one-size-fits-all basis which is ineffective for many men to an approach that is based on stratifying men to different treatments depending on the driving characteristics of their particular cancer.
- Research Innovation Awards: Seven awards totalling £2.58 million to fund bold, innovative research that has the real potential to impact the way prostate cancer is diagnosed, treated or even prevented. (In line with the new charity strategy, the Research Innovation Awards scheme was launched to replace our previous Project Grants and Pilot Awards).

# Notes forming part of the financial statements for the year ended 31 March 2018

## 6. GRANTS AWARDED (CONTINUED)

	2018	2017
	£'000	£'000
<b>Reconciliation of research grants payable:</b>		
Commitments at 1 April	18,455	16,163
Commitments made in the year	5,325	7,209
Grant adjustments and cancellations	(187)	(109)
Grants paid during the year	(5,665)	(4,808)
<b>Commitments at 31 March</b>	<b>17,928</b>	<b>18,455</b>
	2018	2017
	£'000	£'000
<b>Outstanding research commitments at 31 March 2018 are payable as follows:</b>		
Within one year (note 15)	5,706	13,015
After more than one year (note 16)	12,222	5,440
	<b>17,928</b>	<b>18,455</b>

The split of future payment dates is based upon contractual terms.

Programme commitments, included within Support and Influencing, comprise the following:

- Funding to a number of NHS and other bodies for part-time and full-time Health and Social Care Professionals (HSCP) for periods of between 18 months and two years. Programmes have been awarded to NHS Trusts, Care Commissioning Groups and Hospices. No new HSCP programme grants were made in 2017/18.
- Funding for TrueNTH (previously ASAP – A Survivorship Action Partnership), a three year programme. TrueNTH is a global initiative, led by the Movember Foundation, tackling critical areas of prostate cancer care. It puts the spotlight on helping men with prostate cancer and their families to overcome a range of prostate cancer side-effects, helping them return to a good quality of life following diagnosis and treatment. No new TrueNTH programme grants were made in 2017/18.
- Funding for Life After Prostate Cancer Diagnosis (formerly known as PROMS – Patient Recorded Outcome Measures), a three year programme. This research, funded by the Movember Foundation, aims to find out the impact of prostate cancer on everyday life by asking men and their families. The results will be key to improving the lives of men diagnosed with prostate cancer now and in the future. No further awards were committed to under this programme in either year.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 6. GRANTS AWARDED (CONTINUED)

	2018	2017
	Total £'000	Total £'000
<b>Total programme commitments:</b>		
TrueNTH	670	2,173
Health and Social Care Professionals (HSCP)	77	295
Life After Prostate Cancer Diagnosis	547	1,130
	<b>1,294</b>	<b>3,598</b>

	2018	2017
	£'000	£'000
<b>Reconciliation of programme grants payable:</b>		
Commitments at 1 April	3,598	5,748
Commitments made in the year	-	-
Grant adjustments and cancellations	(17)	(54)
Grants paid during the year	(2,287)	(2,096)
<b>Commitments at 31 March</b>	<b>1,294</b>	<b>3,598</b>

	2018	2017
	Total £'000	Total £'000
<b>Outstanding programme commitments at 31 March 2018 are payable as follows:</b>		
Within one year (note 15)	1,145	3,088
After more than one year (note 16)	149	510
	<b>1,294</b>	<b>3,598</b>

The split of future payment dates is based upon contractual terms.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 7. COUNCIL OF MANAGEMENT AND EMPLOYEE INFORMATION

No member of the Council received any remuneration from the charity in either year. Directly incurred expenses are reimbursed, if claimed.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £104 (2017: £293) incurred by one (2017: 2) member relating to attendance at meetings of the Trustees.

The key management personnel of the charity comprises the members of the Council of Management (Board of Trustees), the Chief Executive and the Executive Directors, as stated on pages 16 and 17 of the Annual Report. The total employee benefits of the key management personnel of the charity were £538,152 paid to five posts (2016/17: £646,519 paid to seven posts). Interest-free travel loans amounting to £9,164 were provided to two of these key personnel (2016/17: £8,916 to four key personnel). The amounts outstanding at the year end amounted to £5,666 (2016/17: £5,114).

The above benefits relate to the Chief Executive and Executive Directors only.

The average full-time equivalent number of persons employed by the group during the year was:

	<b>2018</b>	<b>2017</b>
Fundraising	52	47
Research	7	7
Support and Influencing	45	51
Communications	32	29
Resources, People and Facilities	35	37
Engagement	12	-
	<b>183</b>	<b>171</b>

The average number of employees (head count based on number of staff employed) during the year was as follows:

	<b>2018</b>	<b>2017</b>
Fundraising	54	49
Research	7	7
Support and Influencing	48	55
Communications	34	31
Resources, People and Facilities	36	38
Engagement	12	-
	<b>191</b>	<b>180</b>

The Engagement directorate was formed during the year, leading our supporter engagement to develop stronger, longer lasting relationships with our supporters.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 7. COUNCIL OF MANAGEMENT AND EMPLOYEE INFORMATION (CONTINUED)

Amounts paid in respect of employees were:

	<u>2018</u>	<u>2017</u>
	£'000	£'000
Salaries and wages	6,792	6,492
Social security costs	720	700
Pension costs	668	627
Compensation for loss of office	51	42
Total emoluments of employees	<u>8,231</u>	<u>7,861</u>
Agency staff	355	492
Total emoluments	<u>8,586</u>	<u>8,353</u>

The number of employees whose emoluments for the year were over £60,000 was:

	<u>2018</u>	<u>2017</u>
£60,001 to £70,000	4	3
£70,001 to £80,000	2	2
£80,001 to £90,000	4	2
£90,001 to £100,000	-	-
£100,001 to £110,000	-	1
£110,001 to £120,000	1	-

The changes in banding in the above table reflect movements within the senior team during the year, as shown on pages 16 and 17. In addition a severance payment caused an additional employee to fall into the lower band, without this they would not have been included in these numbers.

The charity made pension contributions under a defined contribution scheme amounting to £107,204 (2016/17: £76,826), in respect of the 11 higher paid employees in the table above (2016/17: 8).

Trustee indemnity insurance for the year was set at £5 million cover collectively at a cost of £4,032 (2016/17: £3,942).

## 8. 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, which represents contributions paid by the charity to these funds, amounted to £667,939 (2016/17: £626,071). The amount payable at the year end was £58,469 (2016/17: £53,309).



# Notes forming part of the financial statements for the year ended 31 March 2018

## 9. ANALYSIS OF SUPPORT COSTS

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

			<b>2018</b>	<b>2017</b>
	<b>Raising funds</b>	<b>Charitable activities</b>	<b>Total costs</b>	<b>Total costs</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Staff and similar costs	621	1,565	<b>2,186</b>	2,093
Supplies and services	207	522	<b>729</b>	280
Premises costs	317	800	<b>1,117</b>	1,151
Depreciation	30	76	<b>106</b>	73
Governance costs	11	28	<b>39</b>	46
	<b>1,186</b>	<b>2,991</b>	<b>4,177</b>	<b>3,643</b>

Governance costs comprise:

	<b>2018</b>	<b>2017</b>
	<b>Total costs</b>	<b>Total costs</b>
	<b>£'000</b>	<b>£'000</b>
Audit fees	32	31
Legal fees	7	11
Consultancy costs	-	4
	<b>39</b>	<b>46</b>

## 10. INTANGIBLE FIXED ASSETS – GROUP AND CHARITY

	<b>Software</b>
<b>Cost</b>	<b>£'000</b>
At 1 April 2017	119
Additions	91
At 31 March 2018	<b>210</b>

<b>Amortisation</b>	
At 1 April 2017	70
Charge for the year	44
At 31 March 2018	<b>114</b>

<b>Net book value</b>	
Net book value at 31 March 2017	49
Net book value at 31 March 2018	<b>96</b>

# Notes forming part of the financial statements for the year ended 31 March 2018

## 11. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

	Lease improvements	Fixtures and fittings	Computer equipment and website development	Total
Cost	£'000	£'000	£'000	£'000
At 1 April 2017	601	582	993	2,176
Additions	-	-	-	-
At 31 March 2018	601	582	993	2,176
<b>Depreciation</b>				
At 1 April 2017	215	581	818	1,614
Charge for the year	62	-	117	179
At 31 March 2018	277	581	935	1,793
<b>Net book value</b>				
Net book value at 31 March 2018	324	1	58	383
Net book value at 31 March 2017	386	1	175	562

## 12. INVESTMENTS – CHARITY

The charity's investment in its active subsidiary undertaking Prostate Cancer Trading Limited (06157784) amounted to £100, being 100 ordinary shares, representing the entire share capital. The charity also wholly owns the following dormant companies: The Prostate Cancer Charity Limited (08183613), Prostate Cancer Research Foundation (05926197) and Prostate Action (07149009), which are not consolidated in these financial statements.

## 13. STOCK

	GROUP		CHARITY	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Stock for resale	34	43	-	-

# Notes forming part of the financial statements for the year ended 31 March 2018

## 14. DEBTORS

	GROUP		CHARITY	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trade debtors	70	74	58	65
Amounts due from subsidiary undertaking	-	-	250	103
Prepayments	882	672	882	672
Accrued income	1,889	1,656	1,889	1,656
Other debtors	253	295	253	296
	<b>3,094</b>	2,697	<b>3,332</b>	2,792
Movember Foundation accrued income	<b>14,240</b>	13,167	<b>14,240</b>	13,167
<b>Total debtors</b>	<b>17,334</b>	<b>15,864</b>	<b>17,572</b>	<b>15,959</b>

The group has been notified of certain legacies which have not been accrued in the financial statements as the recognition criteria in line with the Charities SORP had not been met at the year end.

There are no specific security or repayment terms in respect of the working capital agreement with the subsidiary company.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 15. CREDITORS – FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trade creditors	1,293	728	1,291	728
Research commitments	5,706	10,573	5,706	10,573
Programme commitments	1,145	3,088	1,145	3,088
Other taxes and social security	219	-	209	-
Accruals and deferred income	1,161	1,282	1,158	1,273
Other creditors	337	428	337	427
	<b>9,861</b>	<b>16,099</b>	<b>9,846</b>	<b>16,089</b>

Deferred income relating to fundraising activities taking place after the year end amounted to £6,990 (2016/17: £13,000).

	GROUP		CHARITY	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
<b>Deferred income analysis:</b>				
Balance at 1 April	13	33	13	33
Amounts released to incoming resources	(13)	(33)	(13)	(33)
Amount deferred in the year	7	13	7	13
Balance at 31 March	<b>7</b>	<b>13</b>	<b>7</b>	<b>13</b>

## 16. CREDITORS – FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP		CHARITY	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Research commitments	12,222	7,882	12,222	7,882
Programme commitments	149	510	149	510
Other creditors	72	72	72	72
	<b>12,443</b>	<b>8,464</b>	<b>12,443</b>	<b>8,464</b>

Other creditors consist of the initial rent-free period of the lease at Counting House. This will be released over the next five years and three months, being the remainder of the lease period.

# Notes forming part of the financial statements for the year ended 31 March 2018

## 17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General funds	Designated	Restricted	Total funds
	£'000	£'000	£'000	£'000
Fixed assets (note 10 and 11)	-	479	-	479
Current assets	12,555	-	25,305	37,860
Liabilities due within one year	(3,081)	-	(6,851)	(9,932)
Liabilities due after more than one year	(1)	-	(12,371)	(12,372)
Net assets at 31 March 2018	9,473	479	6,083	16,035

## 18. MOVEMENT IN FUNDS – GROUP

	As at 1.4.2017	Incoming	Outgoing	Transfers	As at 31.3.2018
	£'000	£'000	£'000	£'000	£'000
<b>Restricted funds:</b>					
Movember Foundation	4,582	3,048	(2,583)	4	5,051
<b>Other restricted funds:</b>					
General research	2,910	1,348	(3,346)	(36)	876
Specialist Nurses	12	-	-	-	12
Helpline	9	503	(455)	-	57
Awareness	-	159	(114)	30	75
Online guides	14	-	(4)	2	12
<b>Total other restricted funds</b>	<b>2,945</b>	<b>2,010</b>	<b>(3,919)</b>	<b>(4)</b>	<b>1,032</b>
<b>Total restricted funds</b>	<b>7,527</b>	<b>5,058</b>	<b>(6,502)</b>	<b>-</b>	<b>6,083</b>
<b>Unrestricted funds</b>	<b>7,686</b>	<b>19,890</b>	<b>(18,103)</b>	<b>-</b>	<b>9,473</b>
<b>Designated funds:</b>					
Fixed asset reserves	611	-	(132)	-	479
<b>Total designated funds</b>	<b>611</b>	<b>-</b>	<b>(132)</b>	<b>-</b>	<b>479</b>
<b>Total unrestricted funds</b>	<b>8,297</b>	<b>19,890</b>	<b>(18,235)</b>	<b>-</b>	<b>9,952</b>
<b>Total funds</b>	<b>15,824</b>	<b>24,948</b>	<b>(24,737)</b>	<b>-</b>	<b>16,035</b>

# Notes forming part of the financial statements for the year ended 31 March 2018

## 19. PURPOSES OF RESTRICTED FUNDS

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<b>Movember Foundation</b>	Movember Foundation income from its campaigns, restricted to spend on research and survivorship services for men with prostate cancer.
<b>General research</b>	Funding received to support either specific research awards or to be put towards other unfunded research activity.
<b>Specialist Nurses</b>	Funding for specialist/community nurses to deliver first class care to men living with prostate cancer.
<b>Helpline</b>	Funding for the specialist helpline to increase access and support for men and their families affected by prostate cancer.
<b>Awareness</b>	Funding for the prostate cancer awareness programme, to cover volunteer speaker recruitment, training and management.
<b>Online guides</b>	Funding for DIY online guides.

## 20. PURPOSES OF DESIGNATED FUNDS

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

<b>Fixed asset reserves</b>	Amount representing the net investment in fixed assets.
-----------------------------	---

## 21. COMMITMENTS UNDER OPERATING LEASES

---

The group has commitments under operating leases due within the periods stated below:

	Property	
	2018	2017
	£'000	£'000
Less than one year	147	424
Two to five years	2,411	105
Greater than five years	151	-
	<b>2,709</b>	<b>529</b>



# Notes forming part of the financial statements for the year ended 31 March 2018

## 22. NOTE TO GROUP STATEMENT OF CASH FLOWS

Reconciliation of net income/(expenditure) to net cash inflow from operating activities.

	<u>2018</u>	<u>2017</u>
	£'000	£'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	211	(3,753)
<b>Adjustments for:</b>		
Dividends and interest	(154)	(289)
Depreciation charges	223	329
Loss on sale of fixed assets	-	-
Decrease/(Increase) in stocks	9	(10)
(Increase) in debtors	(1,470)	(2,683)
(Decrease) in creditors	(2,259)	(946)
<b>Net cash provided by (used in) operating activities</b>	<b><u>(3,440)</u></b>	<b><u>(7,352)</u></b>

## 23. RELATED PARTY TRANSACTIONS

This note lists transactions with other entities in which either Trustees or key management personnel of Prostate Cancer UK or their close family members hold positions of authority.

**Related party:** University of Surrey.

**Connected party:** Professor Sara Faithfull — a Trustee of Prostate Cancer UK from 1 March 2016 and project lead for the Exercise and Diet project within the TrueNTH programme at the University of Surrey.

**Detail of transactions:** Total commitment of £430,782 with an outstanding commitment at 31 March 2018 of £11,304.

This commitment was made before Professor Faithfull became a Trustee of the charity.

Aggregate donations received from Trustees, key management personnel and connected parties during the year amounted to £13,849 (2016/17: £4,178).

Event and merchandise purchases by Trustees, key management personnel and connected parties amounted to £12,000 (2016/17: £5,928).

There were no other related party transactions in either year.

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