



**PROSTATE  
CANCER UK**

# **Annual report and financial statements**

**for the year ended  
31 March 2017**



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# Overview of the year



Just over 12 months ago, one of my first jobs as the new Chief Executive of Prostate Cancer UK was to launch our ambitious strategy to tame prostate cancer. We made some bold promises to men. We promised to prioritise investment in research in three significant areas of our strategy: better diagnosis, better treatment and better prevention. We pledged to continue to provide award winning services whilst also empowering men, campaigning for the best possible treatment and care at both a local and national level, influencing decision makers and educating health professionals. And we promised to mobilise our army of supporters to help raise awareness and much-needed funds for life-saving research.

I'm delighted that we have made significant strides in delivering against these promises in a year of huge progress in the fight against prostate cancer. Putting men at the heart of everything we do, we've invested over £8 million in research this year as we seek to change the game so the next generation need not fear prostate cancer. We've been at the forefront in promoting the use of multiparametric MRI scanning before biopsy, even ahead of the research findings being published during the year. This will revolutionise how men are diagnosed, and crucially, how accurately.

Innovative models of care tested via our recently completed Health and Social Care Professionals programme have provided valuable evidence of what works, resulting in most now being taken forward. Further exciting results have started to come in from the first of eight major improving care projects to

complete, under the TrueNTH UK programme funded by the Movember Foundation, with the potential to transform care for thousands of men every year.

Our Specialist Nurses have directly supported more people than ever before and our award-winning information has also reached an even wider audience, helping to make difficult days easier all year round.

We've launched a major public awareness campaign, featuring a whole host of famous faces to make sure more black men know about their increased risk of developing this disease. We campaigned to ensure men with erectile dysfunction after prostate cancer treatment get the best care. And we've celebrated the success of our campaign to have docetaxel, a type of chemotherapy, given earlier in the treatment pathway across all parts of the UK, regardless of region or country, to extend life expectancy for the men who need it.

I am delighted that we have been able to grow our income by nearly four per cent year on year despite the challenging times facing the sector. You can read more about how we've done this in the Strategic report section of this document.

12 months on from launching our ambitious strategy, we are on the way to taming prostate cancer. This report shows just how much we have achieved and gives you a flavour of what's to come.

I would like to say a huge thank you to everyone who has supported us in the past year. I hope you feel as proud as we do of the progress made, since, without your help, we would not have been able to achieve any of it.

Together we can keep accelerating progress in the battle to stop prostate cancer being a killer.

Angela Culhane  
Chief Executive, Prostate Cancer UK

# A message from our Chairman, Charles Packshaw



Having taken over as Chairman mid-way through this financial year, I have been impressed by the huge commitment everyone involved with Prostate Cancer UK devotes to the goal of taming prostate cancer.

I am grateful to my fellow trustees for the warm welcome they have given me. I'd like to thank former Chairman, William Russell, who was a terrific ambassador for Prostate Cancer UK throughout his time on the Board, as well as our other outgoing trustees, Professor Roger Kirby (now Vice President) and Hugh Richardson (former Treasurer).

Everyone at Prostate Cancer UK was deeply saddened by the death of Sir Christopher Bland in early 2017, from prostate cancer. We were grateful to have his support as a trustee between December 2014 and July 2016, when ill health forced him to step down. We probably didn't need the reminder of how cruelly this disease can strike, but nonetheless it brings home the importance and urgency of Prostate Cancer UK's work. Our thoughts remain with his family.

It has been a pleasure to meet many of the dedicated staff since I joined Prostate Cancer UK in December 2016 and observe for myself their dedication to the cause as well as their professionalism. I have also been fortunate to meet some of our wonderful volunteers, whose tireless support helps us every day. Thank you to all the team, staff, volunteers and trustees alike, for the hard work and commitment they show in the fight against prostate cancer.

We are so fortunate to have a growing band of supporters committed to making a real difference. Their generosity provides the vital resources we need to work towards a future when prostate cancer will be a disease that men need not fear. We have a lot of work to do to get us to that point, but, as you'll see in our 'Plans for the future' section – and relying on the ongoing generosity of all of our supporters – we have some very exciting times ahead.

With so much on the agenda, and a determination to achieve so much more in the months and years ahead, our precious resources must be focused on the activities which make a difference with value for money underpinning our choices. We are proud of our very high standards of governance, transparency and accountability. We know our supporters' generosity is built on trust in these standards and we always aim to be deserving of that trust.

I look forward to working with trustees, staff, volunteers, supporters and all involved in the work of Prostate Cancer UK as we continue our mission to tame prostate cancer over the coming years.

Charles Packshaw

# Trustees' report

## Structure, governance and management

### OBJECTIVES AND ACTIVITIES

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The charity's objectives, 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 Council's report is the strategic report, required under s414C(11) of the Companies Act 2006, which contains the following headings:

- i. Achievements and performance
- ii. Financial review
- iii. Plans for the future
- iv. Reserves policy
- v. Treasury policy
- vi. Grants policy
- vii. Remuneration policy
- viii. Public benefit, and
- ix. Principal risks and uncertainties

### STRUCTURE

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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 2017.

The charity is a charitable company limited by guarantee and was set up on 14 October 1991. This report provides information on the charity's activity and financial performance from April 2016 to March 2017.

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

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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.

Trustees are generally recruited by open advertisement to ensure the widest field of applicants. A number of the Trustees have been personally affected by prostate cancer. During the year, four Trustees retired and two 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 18 occasions during the year, either as a full Board or in the committees.

## TRUSTEES AND DIRECTORS

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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)*

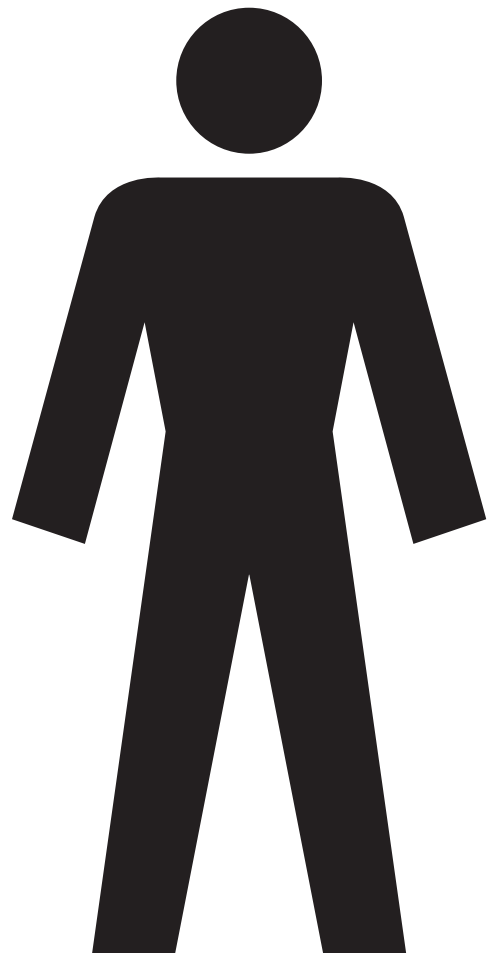
- Professor Jonathan Waxman (*President*) <sup>(2,5)</sup>
- Charles Packshaw (*appointed 08.12.16*)  
(*Chairman*) <sup>(1,2,4,5)</sup>
- Ray Kelly (*Vice Chairman*) <sup>(2,3,4)</sup>
- Robert Humphreys (*Treasurer*) <sup>(1,2)</sup>
- Professor Sara Faithfull <sup>(3)</sup>
- Steve Ford <sup>(3)</sup>
- Simon Hammett <sup>(1,5)</sup>
- Marion Leslie (*appointed 14.07.16*) <sup>(1)</sup>
- Andrew Mitchell <sup>(4)</sup>
- Professor David Neal CBE (*appointed 27.07.17*)
- Professor Martin Roland CBE <sup>(3,5)</sup>
- Tom Shropshire <sup>(3)</sup>
- Mike Tye <sup>(2,4)</sup>

Retired in period:

- William Russell (*resigned 08.12.16*)
- Sir Christopher Bland (*resigned 06.07.16*)
- Hugh Richardson (*resigned 14.07.16*)
- Professor Roger Kirby (*resigned 08.12.16*)
- Jacky Wright (*resigned 23.05.17*)

Independent committee members serving during the period:

- William Dickinson (*Finance Audit and Risk Committee*)





## COMMITTEES OF THE BOARD

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### 1. Finance Audit and Risk Committee

- Reviews in-depth budget and financial plans.
- Monitors the charity's financial performance.
- Makes recommendations to the Board on financial policy matters.
- Reviews strategic HR issues.
- Scrutinises support services and undertakes any other work delegated to it by the Board.
- Monitors the charity's internal systems and controls.
- Leads on external audit matters.
- Reviews arrangements for the management of risk.

### 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 service delivery and of its influencing work.
- Monitors delivery of support and influencing activities against the business plan through regular review of outcomes against key performance indicators.
- Monitors the charity's compliance with campaigning and lobbying regulations.

### 4. Business Development Committee

- Reviews existing income generation and communications-related activity, as well as considering future opportunities in these areas.
- Monitors the charity's compliance with fundraising regulations.

### 5. Research Strategy Group

- Reviews the broad field of prostate cancer research and makes recommendations to the Director of Research and the Board of Trustees on the areas in which the charity should focus its research effort.
- Monitors the effectiveness of research and programme grants.

Terms of reference for committees are regularly reviewed.

## RESEARCH ADVISORY COMMITTEE

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This Committee exists to advise the Board of Trustees and Chief Executive by making recommendations as to which research grants the charity should support. The membership of the Committee has been carefully selected to ensure a broad range of expert, user and organisational inputs. The involvement of clinicians/researchers who are independent of the charity is essential in achieving rigorous and transparent advice.

## EXECUTIVE TEAM

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Executive team as at 31 March 2017:

- **Chief Executive**  
Angela Culhane
- **Director of Research**  
Dr Iain Frame
- **Director of Support and Influencing**  
Heather Blake
- **Director of Engagement – new role**  
Tracey Pritchard (*appointed 20.03.17*)
- **Director of Resources**  
George Ruiz (*appointed 01.02.17*)
- **Company Secretary**  
Angela Culhane

Other members of the Executive team during the year:

- **Director of Resources**  
Karen Atkinson (*Acting Director of Finance until 06.09.16*)  
Jonathan Bell (*Interim Director of Resources from 02.08.16 until 28.02.17*)
- **Director of Communications – role removed from 20.03.17**  
Alison Day (*Acting Director of Communications until 20.03.17*)
- **Director of Fundraising – role removed from 20.03.17**  
James Beeby (*Acting Director of Fundraising until 20.03.17*)

The Fundraising and Communications teams now report through the Director of Engagement to ensure the focus on all our stakeholders' needs is effective and efficient.

## LEGAL AND ADMINISTRATIVE DETAILS OF THE CHARITY

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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

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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

## BANKER

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

## AUDITOR

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

## LEGAL ADVISOR

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Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT



# Strategic report

## Achievements and performance

### 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 spent £8.05 million on research – a significant increase on our 2015/16 spend of £3.80 million – as we aim to fund research that will shift 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 £2.59 million to us.

#### Research Innovation Awards

2016/17 saw us make the first round of our exciting new Research Innovation Awards, a new funding scheme aiming to attract applications that matched our new strategy and had 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 eight awards we made (for a total cost of over £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 targeting hardy cancer cells that survive radiotherapy, using new drugs to block instructions from a cancer-promoting gene, and personalising treatments for the different ways that individual cancer cells respond. You can read more about all of the Research Innovation Awards we made on our website. We're now well into the process of granting the 2017/18 Research Innovation Awards and it looks likely that the number of excellent applications will be even higher than last year.

#### Movember Centres of Excellence

With support and funding from the Movember Foundation we have been able to ensure that the two Movember Centres of Excellence (London and Belfast-Manchester) can complete their exciting five year programmes of work. After a rigorous process to ensure that both centres were still leading the field and had made good progress in the first two and a half years of operation our expert panel advised us that continuing to fund for the remainder of the five year period represented a good investment, building on the progress already made. You can read more about the Movember Centres of Excellence on our website.

#### Movember Foundation Prize Fellowships

After awarding our first ever prize fellowship in 2015/16, we built on that success with support from the Movember Foundation by awarding two more prize fellowships in 2016/17. The fellows are prostate cancer researchers who have recently completed PhDs and have been identified as future research leaders in the field of prostate cancer. The idea of the fellowship is to get them to 'research leader' career stage as quickly as possible.

This award scheme also requires these rising stars to spend at least six months in another lab – ideally international which allows them to work independently of their previous supervisors, build their own networks of collaborators, and learn skills and techniques that they can then bring back to the UK.

## PROGRESS REVIEW

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Over the last year we have been supporting a major breakthrough in prostate cancer diagnosis. The final full results of a ground breaking research study – PROMIS – were published in the Lancet in January 2017. The findings show that giving a man a multi-parametric MRI (mpMRI) scan before a biopsy can radically improve the accuracy of the diagnostic process for prostate cancer, increasing the number of clinically significant cancers detected. And some men may be able to avoid even having biopsy and, in some cases, unnecessary treatment, if nothing suspicious shows up on the mpMRI scan. With support from the Movember Foundation, we backed this breakthrough at an early stage by awarding a grant that allowed the researchers to collect the data to make the case for the big trial. We've also funded the collection of samples from many of the men on the trial and we expect to start seeing the benefit of that valuable resource in the next couple of years. You can read more about how our early funding enabled this huge breakthrough in diagnosis of prostate cancer on our website.

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 85 papers published in 2016 thanks to our funding – an increase of 35 per cent on 2015. These publications are the way that scientific breakthroughs at all stages are announced 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 exciting progress in diagnosing, treating and preventing prostate cancer as a result of research supported by us can be found on our website.



## **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. 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 ten 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.

Our Specialist Nurses were contacted via the phone, email or our Live Chat service 13,087 times this year, up 12 per cent from 11,648 in 2015/16.

We've also seen a continued increase in people visiting our health information pages on our website, with over 1.3 million unique visitors. In addition, we distributed 507,000 printed publications – five per cent up on last year.

We measure the impact of the interactions men are having with our Specialist Nurses and one-to-one volunteers. We are pleased to report that the results indicate that both services are making a major contribution to improving the state of mind and wellbeing of many of the people using these services and in allaying common fears associated with prostate cancer.

#### **Improving access**

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. This year we introduced new animated videos which explain some of the more specific concerns of prostate cancer patients, including understanding what prostate cancer is, the impact of advanced prostate cancer, and the common side effect of fatigue.

Support groups are an important resource for men diagnosed with prostate cancer. We do not run groups ourselves but we do support independent groups with advice, resources, training and small grants, and we are focusing our support particularly on helping to set up groups in areas which do not currently have one. We are also setting up online support groups for people who might have particular shared experiences such as a group for gay and bisexual men with prostate cancer.

### **DRIVING CHANGE**

#### **Improving awareness**

In January 2017 we launched 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 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 eight men including well known faces from the world of politics, sport and the arts. We are working with the Hear Me Now Coalition (BME Cancer Communities, Cancer Black Care, Prostate Cancer UK and Janssen) to develop and deliver an education programme aimed at ensuring GPs in these areas are aware of black men's higher risk of prostate cancer.

#### **Improving diagnosis**

Working with leading clinicians and their professional bodies, we are working out what needs to change in healthcare practice across the UK to make prostate mpMRI before biopsy a routine part of diagnosis. We are developing a bespoke training programme for radiologists with the Royal College of Radiologists. We've also worked with clinical experts to develop a checklist for those who commission and fund cancer services. And we are working in partnership with University College London Hospital (who ran the PROMIS trial) to develop a clinical consensus that will set standards and guidelines for best practice and consistency for this complex technique.

We have also carried out research across the UK to find out where mpMRI before biopsy is being used already, and found that one third of men with suspected prostate cancer are currently being diagnosed using the PROMIS trial's method. So we are speaking to national health bodies to establish where resources can be targeted to increase the numbers of men accessing this new technique, in a way that makes the most of stretched NHS funding.

Following our publication of a clinical consensus on the best way to use the PSA test in men without symptoms of prostate cancer at the end of last year, we have continued to follow this up by asking men to tell us about their experience of the PSA test, and surveying GPs to understand their knowledge and practice relating to national guidelines and our consensus.

### **Access to treatment**

We've been working to help men with prostate cancer get better access to the drugs they need. We campaigned successfully in Wales to make docetaxel – a type of chemotherapy that's been found to extend life expectancy when it's given along side hormone therapy – available to men at an earlier stage of treatment. This brought Wales into line with England and Scotland, and we have now sought and received confirmation that men in Northern Ireland are able to access this treatment too.

Towards the end of the year we joined a group of other health charities to oppose the introduction of a new affordability test for the approval of new treatments in England, giving NHS England and the National Institute of Health and Clinical Excellence (NICE) the power to delay the introduction of treatments even if these had been shown to be cost effective. In spite of gaining the support of nearly 30,000 people for our petition, the new powers were agreed and are now in force, but we are continuing to talk to NHS England and NICE about how they plan to use them in order to minimise the potential delays in getting new treatments to men.

### **Improving care**

Our research shows that although 76 per cent of men who are treated for prostate cancer experience erectile dysfunction, only 30 per cent say their erectile dysfunction treatment met their needs. In December 2016 we launched a campaign to improve care for men with erectile dysfunction, focusing on those parts of the country with the poorest service provision. The campaign alerted men to the five key interventions that make up best practice, and directed them to a website where they could find out if these were provided in their local area – if not they could use the website to email their local health funding body to ask for this to change. Over 8,000 men visited the website, 3,000 searched their postcode and nearly 500 took action. We are continuing to monitor whether the situation has improved and will be continuing the campaign in 2017/18.



We have been leading seven major projects across the UK under the TrueNTH programme funded by the Movember Foundation, tackling critical areas of prostate cancer care, including decision support, exercise and diet, post-surgery follow up, and continence management. During 2016/17 most of the projects had put in place the improved care models that we are testing, directly improving the lives and experiences of men with prostate cancer, as well as their partners, carers and family members. A new project to improve the sexual health and wellbeing of men with prostate cancer also started during the year. One project was completed this year and we expect five projects to finish next year. We are already working out how to move successful new ways of working into mainstream practice.

### **Working with health professionals**

We have now reached the end of our Health and Social Care Professionals programme, funded by the Movember Foundation and Royal Mail, although a few projects are continuing into 2017/18. We have funded 59 posts throughout the UK to test new ways of improving care and support for men. At the end of March 2017, 54 of the projects were complete. 75 per cent of these had robust plans in place to continue either the post or the activity, and learning from one project originally based in Croydon has been adopted across 11 London Clinical Commissioning Groups with the potential to support 13,000 men.

A total of 918 health professionals attended our face-to-face training sessions (a significant increase from 637 in 2015/16).

### **Knowledge and impact**

We are now in the third year of our Life After Prostate Cancer Diagnosis study, funded by the Movember Foundation, which aims to find out 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 first rounds of the survey have been completed across England, Scotland, Wales and Northern Ireland and we expect the first findings for England to be published in early 2017/18. We will build the insight gained in to our existing knowledge base, to help us develop solutions to ensure that all men get the same access to care and treatment.

We have been working throughout the year to develop a Best Practice Pathway across the whole of diagnosis, treatment and support for prostate cancer, with input and oversight from leading clinical experts. The pathway is nearly complete and 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 practice develops and improves.

We continue to measure the impact of our work to make sure we're making a difference for those affected by prostate cancer. Measuring our impact allows us to see what we do well, what we can do better and what to work on in the future to help more men. Our reports are published on our website so others can learn from them as well.

## **SPREADING THE WORD**

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Last year, we said we would grow our army of supporters and make our digital platforms even more effective for those who need them. We would also continue to invest in media and work with strategic partners to grow our presence and awareness of prostate cancer amongst men.

We said we would deepen engagement with existing supporters, bringing them closer to the cause, whilst bringing new supporters in to the charity, to start a long term journey with us.

### **Engaging supporters**

We are currently working on a programme to transform how we engage with all individuals, so that we can truly put them at the heart of all we do, by reflecting their wishes and needs. The first part of this is work to get to know who we engage with, whether they be donors, beneficiaries, volunteers, campaigners, or social media followers. Then we will be able to refine and focus the ways in which we communicate to better match the needs of these audiences.

### **Growing digitally**

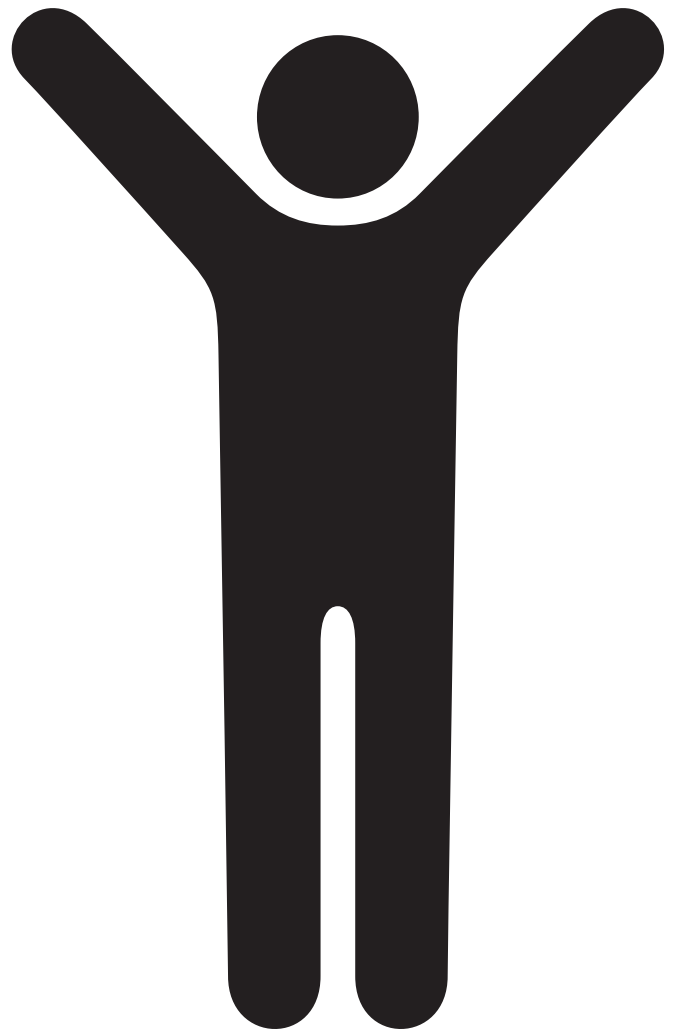
We saw a huge increase in the unique users visiting our website throughout 2016. Nearly 3 million individuals have used our website to seek health information and pledge their support through fundraising, direct donations and volunteering. This is 21 per cent up on the previous year and was predominantly driven by brand advertising and high profile news stories like American actor Ben Stiller, talking about his diagnosis.

Other digital platforms continue to grow including Facebook and Twitter. Last year we hit the milestone of 69,000 Facebook users, generated 12.3 million impressions on Twitter and spoke to 615,000 people through email newsletters. We initiated a community management programme in-house, allowing us to respond to the hundreds of questions and messages of support we receive daily.

### **Joining the fight**

We continue to invest in media and to work with key partners to share our messages. Our Spring 2016 media campaign asked supporters to join us in the fight against prostate cancer. Over 200,000 people came to the website, with many sharing their personal prostate cancer stories. A second burst of the campaign, in late autumn, saw us further increase the reach of these important messages.

During the summer we kicked off our pro bono TV partnership with Quest, the global Freeview channel. Quest developed a two week Father's Day campaign using their roster of celebrity talent encouraging viewers to find out about prostate cancer and support our work. This partnership reached 800,000 men over the weekend.





## FUNDRAISING

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### Raising funds

We are pleased to have had another year of solid growth, with fundraising income (donations and legacies) showing a 3.9 per cent increase on the previous year. This is testament to the passion of our generous supporters, and our activities to continue to increase our reach to people affected by and passionate about prostate cancer, and offer a greater number of activities for people to get involved in.

### Our army of supporters

We have continued to grow the number of individuals who join us in the fight against prostate cancer. This has resulted in our direct appeals delivering our best ever results, and a growth in the number of regular givers. We have also looked to increase the ways in which people can support us.

We have seen a 40 per cent increase in the number of people who pledge to remember Prostate Cancer UK in their Will, and the generosity of these supporters will see a permanent legacy left after they die.

### Being where our supporters are

We remain committed to our strategy of aligning ourselves to activities and hobbies about which our supporters are passionate. By doing this we are able to engage with even more people, growing awareness of prostate cancer, as well as encouraging people to support us.

Football remains a key area for us and our partnership with the English Football League is now into its fifth year, allowing us to talk to men and women through their favourite teams. This has helped us to grow our Football to Amsterdam cycle ride, which saw 400 football fans cycle from London or Yorkshire to Amsterdam to support the fight against prostate cancer, and to hold collections on match days at 45 clubs across the country.

We have seen strong growth in fundraising from golf clubs and golfers across the country, and classic car owners uniting to raise funds, with the first Jaguar E-Type Round Britain Coastal Drive taking place. Alongside our biggest ever team in the Ride London cycling event, plus runners and riders in marathons, half marathons and rides up and down the country, our supporters are a pretty active bunch.

Pubs up and down the country became 'The Men United Arms' in September, and many took part in the 'World's Biggest Pub Quiz' in February, a partnership with PubAid; both of which highlighted the role of the pub in providing a space where men talk about their health as well as becoming part of the fight against prostate cancer.

### Strong partnerships

We are grateful for the commitment our partners have towards bringing about a better future for men. The third year of our partnership with the Distinguished Gentleman's Ride saw dapper bikers up and down the country take to the roads and make a serious statement; about defeating prostate cancer.

Our corporate partners continue to go above and beyond the call of duty: Keyline, Thales, Iceland, DPD and First Group have all got their staff behind raising serious funds for us, and as long standing partners have really shown commitment to the cause.

Menswear brands in particular have gone the extra mile, with Charles Tyrwhitt, Burton and Jacamo all committing to exciting partnerships in-store and online. We've launched a branded golf ball with Srixon and had our own branded ale with Fullers, 'Wise Men', which went down so well it sold out.

We've also seen a record breaking year of commitment from our major donors and charitable trust supporters, and are grateful to them for the massive support they are able to give.



## Putting our supporters at the heart of all we do

As we grow the size of our supporter base we are committed to giving them the right level of care based on their wishes.

The year ahead sees us continuing with our plans to grow income to enable us to achieve our aims. As so many of our supporters enjoy walking, we have launched our March for Men series, taking place in June 2017, with regional walks in three UK cities plus Jeff Stelling topping his March 2016 triumph by walking 15 marathons in 15 days. Exciting plans like this to build on all the successes of recent years mean we are in good shape to grow our army of supporters even more, and crucially the amount of funds required to fulfil our ambitious strategy of taming prostate cancer within ten years.

Prostate Cancer UK has joined the new Fundraising Regulator. Our fundraising activities and compliance with fundraising regulations and best practice are closely scrutinized by our Finance Audit and Risk Committee and Business Development Committee, which in turn report to the Board of Trustees.



## OUR VOLUNTEERS

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Volunteers help us to do more for men and we are grateful for the skills, experience, knowledge and enthusiasm they bring to every area of 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. This year, over 500 volunteers supported our Men United Match days in partnership with the English Football League to raise money and reach out to hundreds of thousands of men with our life saving messages.

We commissioned a review of our volunteer-led awareness programme in October 2016 as it transitions from a standalone Deloitte-funded programme to become part of our core activities. Over the last three years, our 250 speaker volunteers reached over 420,000 people and ran over 1,600 events in workplaces, clubs and community settings across the UK. Evidence from the programme's evaluation shows that the people our volunteers spoke to improved their understanding of the signs of prostate cancer; those most at risk of prostate cancer; and what to do if worried about prostate cancer. We have now built the continued delivery of awareness talks and information stands into our main volunteer programme.

Building on our successful accreditation by Investing in Volunteers in July 2015, the number of volunteers has grown by almost a third to more than 2,400 people giving time in 2016/17. 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.

## FINANCIAL REVIEW

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In 2016/17 the group's total incoming resources were £20.7 million, which represented a 3.6 per cent increase on the previous year (£20 million). The donation received from the Movember Foundation this year totalled £2.59 million including £457,000 from the Distinguished Gentleman's Ride (DGR). Excluding the DGR income to give a like for like comparison, this is a small reduction of £0.04 million from that received in 2015/16 (£2.18 million). We have continued to record a strong performance across the charity's other income streams, which showed an overall increase of 4.6 per cent to £18.2 million. The key drivers of this increase include high legacy receipts throughout the year and an increase in income from major donors and trusts. Key highlights are stated within our fundraising review on page 15.

Total group expenditure for the year was £24.5 million (2015/16: £21.2 million). This included £8.05 million on research commitments; £5.0 million on supporting men and their families and influencing change in the delivery of care, and £6.1 million on awareness activities. Total charitable expenditure in the year amounted to 78p of every £1 expended (2015/16: 75p).

The activity levels in 2016/17 resulted in a deficit of £3.75 million for the year (2015/16: £1.1 million deficit). We continued to apply our restricted reserves, which reduced by £3.33 million to £7.5 million as at 31 March 2017. Unrestricted general reserves fell by £139,000, to £7.7 million at the year end. Designated reserves, representing our net investment in fixed assets, decreased by £278,000, to £611,000 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 £23.9 million, compared to £30.9 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 commitments made to long-term projects, with £22 million being identified in Note 6 as due to be paid out 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.



## RESERVES POLICY

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The charity operates within a reserves policy which is reviewed annually as part of the charity's budgetary 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 the higher of forward-looking unrestricted income or expenditure. The free reserves requirement is calculated on a quarterly basis and monitored on a monthly basis.

The level of free reserves at the balance sheet date in March 2017 was £7.7 million, £0.1 million lower than that for 2015/16. This represents 5.1 months of unrestricted expenditure at 2017/18 budget levels and is in line with our policy.

A designated fund of £611,000 was held, representing the net book value of fixed assets.

The charity had restricted reserves of £7.5 million at the year end. Of this, £4.1 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 the 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. The charity also makes grants under the TrueNTH programme. Specific grants are determined according to programme need, with proposals reviewed by the Programme Steering Group (which has external representation) and by Movember's Global Peer Review Panel.

## 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 38). The annual salary of the Chief Executive, appointed in March 2016 was £109,250 at 31 March 2017.

## 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 all of 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 review of activities. Our service is open to all men in the United Kingdom and their families, without charge.

As a result of the above, the Trustees consider that Prostate Cancer UK clearly 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 seeks to summarise 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 Audit and Risk Sub-Committee. Any 'red light' issues are brought to each meeting of the Board of Trustees.

The principal risks facing the charity during the year, and actions taken to manage them, are as follows:

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 to 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 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 (eg. data breaches, cyber security threats, 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> </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 over recent years.</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 all of our people are always informed on the strategy and progress against it.</li> <li>Regular benchmarking of compensation and benefits.</li> <li>On going proactive staff and volunteer recruitment campaigns.</li> </ul>

## PLANS FOR THE FUTURE

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Our vision is to improve diagnosis, treatment and prevention of prostate cancer dramatically. We are on the brink of remarkable progress. The day when men with aggressive forms of prostate cancer are diagnosed early and treated appropriately for their individual cancers is within our grasp, as is the day when men whose prostate cancer will never harm them are spared from painful and invasive diagnostic tests and treatment.

Our planned research activity in the immediate future is focused on two key areas: Research Innovation Awards to support multiple innovative research projects 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 fund work in the area of precision medicine to move away from a one-size-fits-all treatment approach to one that analyses a man's particular cancer and delivers the treatment most likely to work for his cancer.

We will continue to deliver high quality support to men and their families. We will work to make sure that our own services are accessible to men of all backgrounds and that service use is representative of the population as a whole. We are planning to review our service delivery during 2017/18 to see if there are gaps or areas where we can meet the needs of men and their families more effectively.

We have used our knowledge of what can make the biggest difference for men, and where there is greatest variation in care, to set change priorities for the coming year for our Change Delivery Programme. We will work in a range of ways to achieve these changes, by campaigning nationally and locally, influencing decision makers, supporting and educating health professionals, and empowering men. We will also continue to take action on specific issues or injustices that arise during the year, for example in relation to access to treatments.

Three priority areas from 2016/17 will continue as high priorities for us this year: alerting black men to their higher risk of prostate cancer and educating GPs about this higher risk; promoting the use of multiparametric MRI scans before biopsy; and driving improved care for men with erectile dysfunction.

In addition we will be looking at the use of active surveillance in the prostate cancer pathway – this is a structured approach used to monitor men with low risk disease who may be able safely to avoid treatment. If done well this can reduce the harms from over-treatment while enabling men to proceed rapidly to treatment when needed, so is likely to play a key role in getting to population wide screening for prostate cancer.

We are aware that not all men are easily able to access a Clinical Nurse Specialist to support them in their cancer journey, and of the difference that this makes to the quality of their care. The number of nurse specialists in urological cancers lags behind other cancer areas, and we will be encouraging nurses to specialise in prostate cancer care using our own educational resources and through other routes.

We also want to make sure that decisions about care are informed by the best data across the whole of the UK. The National Prostate Cancer Audit is increasingly recognised as an authoritative source on service standards and clinical practice but is only carried out in England and Wales – we will be pressing for it to be extended to Scotland and Northern Ireland.



## 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 their 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 Audit and Risk Sub-Committee.

The Trustees' Annual Report and Strategic Report were approved by the Council of Management (Board of Trustees) on 27 July 2017 and authorised to be signed on its behalf by:



Charles Packshaw, Chairman  
27 July 2017



# 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 2017 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'.

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.

## **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 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 2017, 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).

### 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 2017, 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.



**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: 1 August 2017

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 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
<b>INCOME FROM</b>					
Donations and legacies	2	13,842	6,516	<b>20,358</b>	19,588
Other trading activities	3	100	-	<b>100</b>	143
Investments		289	-	<b>289</b>	296
<b>Total</b>		14,231	6,516	<b>20,747</b>	20,027
<b>EXPENDITURE ON</b>					
Raising funds	2,3	5,295	-	<b>5,295</b>	5,322
Charitable activities	5	9,353	9,852	<b>19,205</b>	15,841
<b>Total</b>		14,648	9,852	<b>24,500</b>	21,163
<b>Net expenditure</b>	4	<b>(417)</b>	<b>(3,336)</b>	<b>(3,753)</b>	(1,136)
Transfers between funds		-	-	-	-
Net movement in funds		(417)	(3,336)	<b>(3,753)</b>	(1,136)
<b>Reconciliation of funds:</b>					
Total funds brought forward		8,714	10,863	<b>19,577</b>	20,713
<b>Total funds carried forward</b>	18	8,297	7,527	<b>15,824</b>	19,577

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 29 to 46 form part of these financial statements.

# Charity statement of financial activities including summary income and expenditure account for the year ended 31 March 2017

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
<b>INCOME FROM</b>				
Donations and legacies	13,922	6,516	<b>20,438</b>	19,692
Investments	289	-	<b>289</b>	296
<b>Total</b>	<b>14,211</b>	<b>6,516</b>	<b>20,727</b>	<b>19,988</b>
<b>EXPENDITURE ON</b>				
Raising funds	5,279	-	<b>5,279</b>	5,286
Charitable activities	9,349	9,852	<b>19,201</b>	15,838
<b>Total</b>	<b>14,628</b>	<b>9,852</b>	<b>24,480</b>	<b>21,124</b>
<b>Net expenditure</b>	<b>(417)</b>	<b>(3,336)</b>	<b>(3,753)</b>	(1,136)
Transfers between funds	-	-	-	-
Net movement in funds	(417)	(3,336)	<b>(3,753)</b>	(1,136)
<b>Reconciliation of funds:</b>				
Total funds brought forward	8,714	10,863	<b>19,577</b>	20,713
<b>Total funds carried forward</b>	<b>8,297</b>	<b>7,527</b>	<b>15,824</b>	<b>19,577</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 29 to 46 form part of these financial statements.

# Balance sheets

## as at 31 March 2017

	Notes	GROUP		CHARITY	
		2017 £'000	2016 £'000	2017 £'000	2016 £'000
<b>Fixed assets</b>					
Intangible assets	10	49	89	49	89
Tangible assets	11	562	800	562	800
Investments	12	-	-	-	-
Total fixed assets		<b>611</b>	889	<b>611</b>	889
<b>Current assets</b>					
Stocks	13	43	33	-	-
Debtors	14	15,864	13,181	15,959	13,329
Short-term deposits		15,512	16,692	15,512	16,692
Cash at bank and in hand		8,357	14,291	8,296	14,175
Total current assets		<b>39,776</b>	44,197	<b>39,767</b>	44,196
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	16,099	14,911	16,089	14,910
<b>Net current assets</b>		<b>18,793</b>	29,286	<b>18,793</b>	29,286
<b>Total assets less current liabilities</b>		<b>19,404</b>	30,175	<b>19,404</b>	30,175
Creditors: amounts falling due after more than one year	16	8,464	10,598	8,464	10,598
<b>Net assets</b>		<b>15,824</b>	19,577	<b>15,824</b>	19,577
<b>Funds</b>					
<b>Restricted income funds</b>	18	7,527	10,863	7,527	10,863
<b>Unrestricted funds</b>					
General	18	7,686	7,825	7,686	7,825
Designated	18	611	889	611	889
		<b>8,297</b>	8,714	<b>8,297</b>	8,714
<b>Total funds</b>		<b>15,824</b>	19,577	<b>15,824</b>	19,577

Approved and authorised for issue by the Council of Management (Board of Trustees) on 27 July 2017 and signed on its behalf by Charles Packshaw, Chairman.



The notes on pages 29 to 46 form part of these financial statements.

# Group statement of cash flows for the year ended 31 March 2017

		<b>2017</b>		<b>2016</b>	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities:</b>					
Net cash provided by (used in) operating activities	22		(7,352)		(5,058)
<b>Cash flows from investing activities:</b>					
Interest		289		296	
Purchase of fixed assets		(51)		(165)	
Net cash provided by (used in) investing activities			238		131
Change in cash and cash equivalents in the reporting period			(7,114)		(4,927)
Cash and cash equivalents at the beginning of the reporting period			30,983		35,910
Cash and cash equivalents at the end of the reporting period			23,869		30,983

The notes on pages 29 to 46 form part of these financial statements.

# Notes forming part of the financial statements for the year ended 31 March 2017

## 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 (FRS 102), 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 (FRS 102)) 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 market 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.
- 1.9 Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.



# Notes forming part of the financial statements for the year ended 31 March 2017

- 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 **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%
----------	-----

- 1.18 **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%
Fixtures and fittings	33%

- 1.19 **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.

- 1.20 **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.

# Notes forming part of the financial statements for the year ended 31 March 2017

## 1.21 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.

1.22 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.

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

## 1.24 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 15. Prepayments amounting to £673,000 (2016: £630,000) 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 16 and 17. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income amounting to £13,000 (2016: £33,400) 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 2017

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

	INCOME		2017	2016
	Unrestricted £'000	Restricted £'000	Total income £'000	Total income £'000
Individual donors and legacies	6,817	101	6,918	6,177
Community and events	5,063	17	5,080	6,046
Movember Foundation	-	2,594	2,594	2,175
Major donors and charitable trusts	517	3,472	3,989	2,351
Corporate donors	1,112	320	1,432	2,199
Donated goods and services	108	-	108	428
Other donations	225	12	237	212
	<b>13,842</b>	<b>6,516</b>	<b>20,358</b>	<b>19,588</b>

Of which:

Restricted	5,637
Unrestricted	13,951
	<b>19,588</b>

	COST		2017	2016
	Direct costs £'000	Support costs £'000	Total costs £'000	Total costs £'000
Individual donors and legacies	1,935	417	2,352	2,046
Community and events	1,602	345	1,947	2,190
Major donors and charitable trusts	346	74	420	415
Corporate donors	464	100	564	634
Merchandising	12	-	12	37
	<b>4,359</b>	<b>936</b>	<b>5,295</b>	<b>5,322</b>

All expenditure on raising funds was unrestricted in both years.

# Notes forming part of the financial statements for the year ended 31 March 2017

## 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. Audited accounts are filed with the Registrar of Companies. A summary of its trading results, which are all unrestricted in both years, is as follows:

	<b>2017</b>	<b>2016</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	100	143
Cost of goods sold	(2)	(16)
Gross profit	<b>98</b>	127
Administrative expenses	(30)	(36)
Interest payable	(2)	(1)
Net profit	<b>66</b>	90
Income transferred by Gift Aid	(66)	(90)
Retained in subsidiary	-	-
	<b>2017</b>	<b>2016</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Total current assets as at 31 March	114	169
Total current liabilities as at 31 March	114	169
Net assets held as at 31 March	-	-

Other subsidiaries 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 2017

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

This is stated after charging:

	<u>2017</u>	<u>2016</u>
	£'000	£'000
Depreciation and amortisation	326	460
Auditor's remuneration – audit services	28	27
Operating lease rentals – property	455	473

## 5. CHARITABLE ACTIVITIES

	<u>2017</u>	<u>2016</u>
	Total costs	Total costs
	£'000	£'000
Direct costs	£'000	£'000
Support costs	£'000	£'000
Research	7,632	418
Support and influencing	3,904	1,134
Awareness	4,962	1,155
	<u>16,498</u>	<u>2,707</u>
	<u>19,205</u>	<u>15,841</u>
Of which:		
Restricted		12,768
Unrestricted		3,073
		<u>15,841</u>

In the year ended 31 March 2017, total expenditure on charitable activities amounted to 78p of every £1 expended (2016: 75p). As stated within the Trustees' Report, a number of research awards were made in the early months of 2016/17.

# Notes forming part of the financial statements for the year ended 31 March 2017

## 6. GRANTS AWARDED

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

	2017	2016
<b>Research grants were awarded to the following institutions:</b>	<b>Total £'000</b>	<b>Total £'000</b>
Queen's University Belfast	2,120	506
The Institute of Cancer Research	1,890	1,589
University of Manchester	1,299	140
University of York	536	-
University College London	300	393
University of Essex	256	-
University of Cardiff	280	-
University of East Anglia	209	84
University of Nottingham	183	-
University of West England	136	-
Newcastle University	-	210
Imperial College London	-	126
	<b>7,209</b>	<b>3,048</b>

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

- Centre of Excellence award extensions: Two awards totalling £3.97 million and £1.89 million to the Institute of Cancer Research, £1.01 million to Queen's University Belfast and £1.07 million to the University of Manchester. Following an extensive review process the Movember Foundation and Prostate Cancer UK have agreed to continue to support both the London Movember Centre of Excellence and the Movember Manchester-Belfast Centre of Excellence. The work to date at both centres is impressive and has clearly demonstrated impact. This extension will continue to allow great strides towards making lives better for men with, and at risk of, prostate cancer.
- Research Innovation Awards: Eight awards totalling £2.644 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).
- Travelling Prize Fellowship: Two awards totalling £593,000 and £300,000 to University College London and £293,000 Queen's University Belfast to fund two outstanding young researchers, helping them to develop their independent research careers whilst gaining vital experience from working in the best research environments in the UK and overseas.

# Notes forming part of the financial statements for the year ended 31 March 2017

## 6. GRANTS AWARDED (CONTINUED)

	2017	2016
<b>Reconciliation of research grants payable:</b>	<b>£'000</b>	<b>£'000</b>
Commitments at 1 April	16,163	18,303
Commitments made in the year	7,209	3,048
Grant adjustments and cancellations	(109)	(84)
Grants paid during the year	(4,808)	(5,104)
<b>Commitments at 31 March</b>	<b>18,455</b>	<b>16,163</b>
	<b>2017</b>	<b>2016</b>
<b>Outstanding research commitments at 31 March 2017 are payable as follows:</b>	<b>£'000</b>	<b>£'000</b>
Within one year (note 16)	13,015	7,244
After more than one year (note 17)	5,440	8,919
	<b>18,455</b>	<b>16,163</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 2016/17.
- 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 2016/17.
- 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 2017

## 6. GRANTS AWARDED (CONTINUED)

	2017	2016
	Total £'000	Total £'000
<b>Programme grants awarded:</b>		
TrueNTH	-	536
Health and Social Care Professionals (HSCP)	-	24
	-	560

	2017	2016
	Total £'000	Total £'000
<b>Total programme commitments:</b>		
TrueNTH	2,173	2,670
Health and Social Care Professionals (HSCP)	295	1,205
Life After Prostate Cancer Diagnosis	1,130	1,873
	3,598	5,748

	2017	2016
	Total £'000	Total £'000
<b>Reconciliation of programme grants payable:</b>		
Commitments at 1 April	5,748	8,292
Commitments made in the year	-	560
Grant adjustments and cancellations	(54)	(339)
Grants paid during the year	(2,096)	(2,765)
<b>Commitments at 31 March</b>	<b>3,598</b>	<b>5,748</b>

	2017	2016
	Total £'000	Total £'000
<b>Outstanding programme commitments at 31 March 2017 are payable as follows:</b>		
Within one year (note 16)	3,088	4,212
After more than one year (note 17)	510	1,536
	3,598	5,748

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

# Notes forming part of the financial statements for the year ended 31 March 2017

## 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 £293 (2016: £4,308) incurred by two (2016: three) members 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 6 and 8 of the Annual Report. The total employee benefits of the key management personnel of the charity were £646,519 paid to seven posts (2015/16: £681,378 as restated to include employer's national insurance, seven posts). Interest-free travel loans amounting to £8,916 were provided to four of these key personnel (2015/16: £14,032 to five key personnel). The amounts outstanding at the year end amounted to £5,114 (2015/16: £8,154).

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>2017</b>	<b>2016</b>
Fundraising	47	43
Research	7	7
Support and Influencing	51	56
Communications	29	28
Resources, People and Facilities	37	35
	<b>171</b>	<b>169</b>

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

	<b>2017</b>	<b>2016</b>
Fundraising	49	44
Research	7	7
Support and Influencing	55	60
Communications	31	31
Resources, People and Facilities	38	36
	<b>180</b>	<b>178</b>

# Notes forming part of the financial statements for the year ended 31 March 2017

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

Amounts paid in respect of employees were:

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Salaries and wages	6,492	6,458
Social security costs	700	700
Pension costs	627	643
Compensation for loss of office	42	63
Total emoluments of employees	<b>7,861</b>	<b>7,864</b>
Agency staff	492	754
Total emoluments	<b>8,353</b>	<b>8,618</b>

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

	<b>2017</b>	<b>2016</b>
£60,001 to £70,000	3	5
£70,001 to £80,000	2	2
£80,001 to £90,000	2	2
£90,001 to £100,000	-	1
£100,001 to £110,000	1	-
£110,001 to £120,000	-	-

The changes in banding in the above table reflect movements within the senior team during the year, as shown on page 7.

The charity made pension contributions under a defined contribution scheme amounting to £76,826 (2015/16: £93,863), in respect of the eight higher paid employees in the table above (2015/16: 10).

Trustee indemnity insurance for the year was set at £5 million cover collectively at a cost of £3,942 (2015/16: £3,816).

## 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 £626,071 (2015/16: £643,049).

The amount payable at the year end was £53,309 (2015/16: £50,686).

# Notes forming part of the financial statements for the year ended 31 March 2017

## 9. ANALYSIS OF SUPPORT COSTS

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

			<b>2017</b>	<b>2016</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	537	1,556	<b>2,093</b>	2,326
Supplies and services	72	208	<b>280</b>	201
Premises costs	296	855	<b>1,151</b>	1,130
Depreciation	19	54	<b>73</b>	362
Governance costs	12	34	<b>46</b>	57
	<b>936</b>	<b>2,707</b>	<b>3,643</b>	<b>4,076</b>

Governance costs comprise:

	<b>2017</b>	<b>2016</b>
	<b>Total costs</b>	<b>Total costs</b>
	<b>£'000</b>	<b>£'000</b>
Audit fees	<b>31</b>	28
Legal fees	<b>11</b>	13
Consultancy costs	<b>4</b>	-
Costs relating to our 10 year strategy	-	15

## 10. INTANGIBLE FIXED ASSETS – GROUP AND CHARITY

	<b>Software</b>
<b>Cost</b>	<b>£'000</b>
At 1 April 2016	<b>119</b>
Additions	-
At 31 March 2017	<b>119</b>
<b>Amortisation</b>	
At 1 April 2016	<b>30</b>
Charge for the year	<b>40</b>
At 31 March 2017	<b>70</b>
<b>Net book value</b>	
Net book value at 31 March 2017	<b>49</b>
Net book value at 31 March 2016	<b>89</b>

# Notes forming part of the financial statements for the year ended 31 March 2017

## 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 2016	601	582	942	2,125
Additions	-	-	51	51
At 31 March 2017	601	582	993	2,176
<b>Depreciation</b>				
At 1 April 2016	154	508	663	1,325
Charge for the year	61	73	155	289
At 31 March 2017	215	581	818	1,614
<b>Net book value</b>				
Net book value at 31 March 2017	386	1	175	562
Net book value at 31 March 2016	447	74	279	800

## 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	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Stock for resale	43	33	-	-

# Notes forming part of the financial statements for the year ended 31 March 2017

## 14. DEBTORS

	GROUP		CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors	74	40	65	23
Amounts due from subsidiary undertaking	-	-	103	167
Prepayments and accrued income	1,075	1,402	1,075	1,400
Other debtors	1,548	1,166	1,549	1,166
	<b>2,697</b>	2,608	<b>2,792</b>	2,756
Movember Foundation accrued income	<b>13,167</b>	10,573	<b>13,167</b>	10,573
<b>Total debtors</b>	<b>15,864</b>	13,181	<b>15,959</b>	13,329

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. An estimate of the known legacy income which is expected to be recognised in later accounting periods is £2,035,000. This includes the £2,000,000 legacy disclosed in note 24.

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 2017

## 15. CREDITORS – FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade creditors	728	930	728	929
Research commitments	10,573	7,244	10,573	7,244
Programme commitments	3,088	4,212	3,088	4,212
Other taxes and social security	-	230	-	230
Accruals and deferred income	1,282	2,012	1,273	2,012
Other creditors	428	283	427	283
	<b>16,099</b>	<b>14,911</b>	<b>16,089</b>	<b>14,910</b>

Deferred income relating to fundraising activities taking place after the year end amounted to £12,800 (2015/16: £33,400).

	GROUP		CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
<b>Deferred income analysis:</b>				
Balance at 1 April	33	17	33	17
Amounts released to incoming resources	(33)	(17)	(33)	(17)
Amount deferred in the year	13	33	13	33
Balance at 31 March	<b>13</b>	<b>33</b>	<b>13</b>	<b>33</b>

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

	GROUP		CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Research commitments	7,882	8,919	7,882	8,919
Programme commitments	510	1,536	510	1,536
Other creditors	72	143	72	143
	<b>8,464</b>	<b>10,598</b>	<b>8,464</b>	<b>10,598</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 2017

## 17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General funds £'000	Designated £'000	Restricted £'000	Total funds £'000
Fixed assets (note 11 and 12)	-	611	-	611
Current assets	10,196	-	29,580	39,776
Liabilities due within one year	(2,438)	-	(13,661)	(16,099)
Liabilities due after more than one year	(72)	-	(8,392)	(8,464)
Net assets at 31 March 2017	7,686	611	7,527	15,824

## 18. MOVEMENT IN FUNDS – GROUP

	As at 1.4.2016 £'000	Incoming £'000	Outgoing £'000	Transfers £'000	As at 31.3.2017 £'000
<b>Restricted funds:</b>					
Movember Foundation	8,309	2,594	(6,321)	-	4,582
<b>Other restricted funds:</b>					
General research	1,873	3,833	(2,796)	-	2,910
Specialist Nurses	30	-	(18)	-	12
Helpline	304	37	(332)	-	9
Awareness	272	52	(324)	-	-
Online guides	75	-	(61)	-	14
<b>Total other restricted funds</b>	<b>2,554</b>	<b>3,922</b>	<b>(3,531)</b>	<b>-</b>	<b>2,945</b>
<b>Total restricted funds</b>	<b>10,863</b>	<b>6,516</b>	<b>(9,852)</b>	<b>-</b>	<b>7,527</b>
<b>Unrestricted funds</b>	<b>7,825</b>	<b>14,231</b>	<b>(14,370)</b>	<b>-</b>	<b>7,686</b>
<b>Designated funds:</b>					
Fixed asset reserves	889	-	(278)	-	611
<b>Total designated funds</b>	<b>889</b>	<b>-</b>	<b>(278)</b>	<b>-</b>	<b>611</b>
<b>Total unrestricted funds</b>	<b>8,714</b>	<b>14,231</b>	<b>(14,648)</b>	<b>-</b>	<b>8,297</b>
<b>Total funds</b>	<b>19,577</b>	<b>20,747</b>	<b>(24,500)</b>	<b>-</b>	<b>15,824</b>

# Notes forming part of the financial statements for the year ended 31 March 2017

## 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.
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## 21. COMMITMENTS UNDER OPERATING LEASES

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

	Property	
	2017	2016
	£'000	£'000
Less than one year	424	423
Two to five years	105	510
Greater than five years	-	-
	<b>529</b>	<b>933</b>

# Notes forming part of the financial statements for the year ended 31 March 2017

## 22. NOTE TO GROUP STATEMENT OF CASH FLOWS

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

	2017	2016
	£'000	£'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(3,753)	(1,136)
<b>Adjustments for:</b>		
Dividends and interest	(289)	(296)
Depreciation charges	329	460
Loss on sale of fixed assets	-	-
(Increase) in stocks	(10)	(33)
(Increase)/decrease in debtors	(2,683)	(978)
Increase/(decrease) in creditors	(946)	(3,075)
<b>Net cash provided by (used in) operating activities</b>	<b>(7,352)</b>	<b>(5,058)</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 2017 of £98,345.

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

Aggregate donations received from related parties during the year amounted to £4,178 (2015/16: £10,630).  
Event purchases by related parties amounted to £5,928 (2015/16: £40,156).

There were no other related party transactions in either year.

## 24. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date the Charity was notified of a £2,000,000 legacy which is expected to be recognised at a future date. The Charities SORP criteria for recognition of this legacy as income in 2016/17 did not exist as at the balance sheet date. We have subsequently gained further information and expect to recognise this as income during 2017/18. We are very grateful to anyone who has chosen to remember our work in their will.

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