

**Worldwide Cancer Research
Limited by Guarantee**

**Directors' report and financial statements
for the period 1 October 2017 to 31 December 2018**

Company number SC152991

Charity number SC022918

Worldwide Cancer Research

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Worldwide Cancer Research

Company information

Directors	David MB Sole OBE (Chair) (appointed 7 December 2017) Prof C Simon Herrington MA MB BS DPhil FRCP FRCPATH Prof C Michael Steel MB PhD DSc FRSE Prof Kairbaan M Hodivala-Dilke BSc (Hons) PhD FMedSci Rosalind A Cuschieri BSc (Hons) Ian C Adam CA Jane S Brydon MA (Hons) MBA (appointed 13 September 2018) Julia M Porter BA MBA (appointed 13 September 2018)	
Chief executive	Dr Helen Rippon BSc (Hons) PhD	
Secretary	Jonathan Beck BA CA	
Registered office	1st floor, Canning Exchange 10 Canning Street Edinburgh EH3 8EG	
Auditors	Henderson Loggie Chartered Accountants The Vision Building 20 Greenmarket Dundee DD1 4QB	
Bankers	The Royal Bank of Scotland plc South Street St Andrews Fife KY16 9QB	
Investment advisors	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU	Cornelian Asset Managers Ltd 21 Charlotte Square Edinburgh EH2 4DF
Solicitors	Thorntons Law LLP Kinburn Castle St Andrews Fife KY16 9DR	
Charity number	SC022918	

Worldwide Cancer Research

Directors' report

General

The Directors have pleasure in presenting their annual report and the financial statements of the charity for the period ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued during July 2014.

Objectives and activities

Worldwide Cancer Research's vision is no life cut short by cancer. Its objectives are to promote, fund and support bold, innovative research into the causes, prevention, treatment and cure of all forms of cancer, wherever in the world such research is carried out, and to promote the publication of the useful results of such research.

The main criterion for the funding of research is scientific quality, however there is also a strategic focus on supporting early career scientists. Through the funding of bold and innovative research, Worldwide Cancer Research seeks to accelerate progress in the understanding of cancer, thereby enhancing the quality of life of people suffering from cancer throughout the world.

Worldwide Cancer Research utilises various fundraising strategies in order to meet its objectives. Historically, these activities were founded on individual giving and prize-led strategies, which have resulted in a core group of supporters donating to the charity by direct debit and participation in the prize-led programme. These supporters continue to be the lifeblood of the charity, but the Board has recognised that supporter numbers must be increased and fundraising activities diversified to ensure the long term stability of the charity. Worldwide Cancer Research is presently in a transitional period where continued investment is necessary to increase awareness of its work, the number of its supporters and its income. Investment areas include the development of more compelling fundraising propositions and strategies within individual giving and prize-led programmes, as well as relationship-based fundraising via events, corporate partners and other supporter groups.

The funds raised by the charity are reduced by the cost of raising the funds and the governance costs of the charity. The Board aims to ensure costs are kept to a minimum, while ensuring proper controls, procedures and governance are upheld. These efforts aim to maximise the net availability of funds for the support of high quality cancer research.

Worldwide Cancer Research's policy for grant making is to award grants only to projects which meet demanding criteria set by the charity's Scientific Advisory Committee. The Committee comprises 24 of Europe's leading researchers across a wide range of cancer-related fields. The work of the Committee is further enhanced by a global peer review process involving over 1,000 scientists around the world, all of whom are specialists in their field. The procedures followed by the Committee and the peer reviewers are rigorous and make considerable time demands, all of which is provided on a voluntary basis.

While the Board may from time to time vary the grant making policy and determines the financial limit of funding, it does not interfere with the Committee's recommendations on project funding. The work of successful grant applicants is monitored through regular reporting and communication with the research team and their institution. Worldwide Cancer Research reserves the right to terminate grant funding in accordance with the contract with the grant holder. This would generally only be exercised if the terms of the grant award are not met.

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Directors' report (continued)

Achievements and performance

Worldwide Cancer Research's charitable activities in the current period permitted funding of a further £4.2 million, mainly three-year project grants, for research in 9 countries, with a first year cost of £1.4 million. This level of commitment is consistent with the charity's objectives and is judged to be manageable within the charity's overall financial position.

During the period, the charity suffered a further fall in fundraising income on a pro rata basis, predominantly due to a continued decline in the charity's historic fundraising streams and a lack of traction in the regionally-based relationship fundraising strategy. The Directors are disappointed with the lack of progress in these areas but remain confident that further investment will result in a reversal of the decline over the coming years.

Fundraising costs increased during the period primarily due to investment in fundraising campaigns and staff, while not compromising on the good governance of the charity.

The Directors were pleased to open a grant round during the period, which culminated in a decision to fund £4.2 million of new research in November 2018. This comprised 21 new grants across 9 countries. In addition, the charity entered into two new research funding partnerships to co-fund research that meets the charitable objectives of each partner. These partnerships, with The Brain Tumour Charity and Pancreatic Cancer Research Fund, allow the charity to leverage the work of the Scientific Advisory Committee to ensure more research is funded overall.

The Directors report that Worldwide Cancer Research ended the period with a positive reserve position and having passed its reserve test, denoting a secure financial footing. The Directors also highlight the significant research funding that continued during the period, with over £6.6 million paid to grant holders.

Having sold Madras House, the charity relocated from St Andrews to a leased office in Edinburgh in February 2019. The office move has been undertaken to support the overall strategy of the charity in seeking greater opportunities for skills recruitment, fundraising, marketing and partnerships. Unfortunately, some members of staff were unable to relocate to Edinburgh necessitating a small number of redundancies that cost the charity less than £0.05 million. In addition, the charity committed to certain fit out and furnishing costs for the leased office of less than £0.2 million.

The Directors wish to thank all members of staff for their continuing commitment in a wide range of roles, particularly in this period where there has been significant staff turnover. Without their efforts and enthusiasm, Worldwide Cancer Research's work would be impossible and it is thanks to all of them that the charity remains an inspiring place to work. Above all, the Directors offer heartfelt thanks to our thousands of supporters. Every contribution is valued, no matter how large or small.

Financial review

Worldwide Cancer Research changed its financial year end from 30 September to 31 December. Accordingly, these financial statements represent the 15 month period from 1 October 2017 to 31 December 2018, with comparatives representing the year ended 30 September 2017.

The charity reported reduced (pro rata) fundraising income for the period, but strict control over the quantum of grant awards and the costs of running the charity ensured an improved financial position by the period end. Income for the period was £13.0 million (2017 - £11.7 million) and expenditure on charitable activities was £5.6 million (2017 - £4.7 million). Fundraising costs for the period were £4.4 million (2017 - £3.3 million) as the charity made every effort to control its costs, while still investing in its fundraising strategies. Net negative return on investments totalled £0.2 million (2017 - positive return £0.7 million) as the charity's investment portfolio performed poorly during the period on an absolute basis, although better than the investment market on a

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Directors' report (continued)

Financial review (continued)

relative basis. The resulting Income and Expenditure account shows net income of £2.4 million (2017 – £4.1 million).

The charity's accounting policy requires that all liabilities of whatever duration be accounted for each year. The continued deployment of a prudent financial strategy has improved the balance sheet to a net asset position as at 31 December 2018 of £3.7 million (2017 – £1.2 million). The Directors are confident that existing cash of £2.1 million and investments of £10.9 million (2017 - £1.6 million and £11.6 million) are more than adequate to cover all of the charity's liabilities.

Reserves policy and going concern

In addition to net assets on the Balance Sheet, the Directors utilise a reserve test to ensure that Worldwide Cancer Research maintains a stable and liquid financial position so that it can meet all of its commitments when they are due. The reserve test requires that liquid assets (cash and investments) must be greater than 24 months of projected cash outflows for grant commitments plus 6 months of projected operating expenses. At the period end, the reserve test was passed by a margin of £0.6 million. The Directors therefore believe it is appropriate to present these financial statements on a going concern basis.

Plans for future periods

Worldwide Cancer Research's key goals are to open for applications for grant funding in the new fiscal year, to ensure the charity retains its financial stability and to invest in fundraising initiatives to significantly increase the number of supporters of the charity. The Directors will continually assess fundraising and financial performance in order to ensure these goals can be met, recognising that significant growth may take many years.

Over the medium term, the goal is to raise increasing sums of money cost-effectively so that more high quality research can be funded. During the transitional period of investment in fundraising, the Directors will closely monitor progress against plans, including fundraising pipelines, and will ensure that the financial stability and sustainability of the charity is protected, while also making tactical adjustments to maximise the probability of success. The strategic plan also looks at the longer term and will be reviewed annually to ensure substantive progress towards this goal is being met. The Directors are confident that this strategy will, over several years, yield a sustainable basis for meeting the charitable objectives.

Structure, governance and management

Worldwide Cancer Research is a private company limited by guarantee, governed by a Memorandum and Articles of Association and is a registered charity (Charity Number SC022918). The liability of the members is limited to £1. Permission has been granted by the Secretary of State for Business, Energy and Industrial Strategy for the word "Limited" to be omitted.

The Directors are the Trustees of Worldwide Cancer Research. The Board of Directors meets no fewer than four times per year. There are two committees of Directors: a Nominations Committee to oversee the recruitment of new Directors and an Audit Committee to supervise the charity's finances. To date, both Committees have exercised their responsibilities in combination with the full Board of Directors.

Worldwide Cancer Research

Directors' report (continued)

Structure, governance and management (continued)

The Board of Directors is responsible for the overall direction and control of the charity's activities. The Directors are independent and come from a wide range of backgrounds; any potential conflicts of interest are declared (Note 17 to the financial statements). Apart from approved expenses, no Director receives remuneration from Worldwide Cancer Research.

The Board of Directors seeks to ensure that its members possess the diverse skills and experience required for the good governance of the charity. Whenever a vacancy occurs, or is anticipated, a replacement candidate matching the Board's skill needs is sought by the Nominations Committee. The procedure for subsequent appointment to the Board is set out in Worldwide Cancer Research's Articles of Association. No external body has any right of appointment to the Board.

It is the policy of Worldwide Cancer Research that any new Director thoroughly understands the aims and objectives of the charity and its methods of operation. Implementation of this policy starts before appointment to the Board via informal discussions with existing Directors and the Chief Executive and continues with on-going briefings and explanations. A package of induction materials is provided to new Directors on their appointment.

Induction and training ensures that Directors understand their statutory duties and responsibilities in general and, more specifically, with reference to Worldwide Cancer Research. Most of the current Directors have many years of experience of working in the charity sector but external training is brought to the attention of Directors and, where a need is identified, is supported by the charity.

Worldwide Cancer Research currently employs less than 40 staff. Fundraising and marketing activities by the charity's staff raise significant amounts of money, but a major part of fundraising is contracted out to third party agencies. Contract negotiations and ongoing monitoring ensure that the activities of third party agencies are cost-effective and ethical. Training by charity staff, including the Chief Executive, emphasises a code of conduct to govern the relationship between fundraiser and potential donor. Any queries or complaints are dealt with promptly, by telephone or in writing as appropriate.

The Board of Directors discharges its responsibilities by well-informed and open discussion at meetings of the Board, which are always preceded by circulation of an agenda and relevant information papers. The aim of these meetings is to ensure that the Chief Executive and Senior Management team have a clear strategic and financial framework within which to exercise their delegated authority. Whilst the Board reserves to itself the authorisation of major capital expenditure, it delegates to the Chief Executive wide authority to act within plans and budgets approved by the Board. The Chief Executive thus has powers sufficient for the day to day management of the organisation; she may, at her discretion, delegate powers to other members of staff. The Chief Executive is also required to identify and develop new policies and strategic ventures for consideration by the Board.

Directors

The Directors of the charitable company who held office at the date of this report are shown on page 1.

James C Murray resigned as Director on 13 September 2018 and James W Dee resigned as Director on 17 September 2018.

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Directors' report (continued)

Structure, governance and management (continued)

Related parties

Professor C S Herrington has links with the Universities of Dundee, St Andrews and Edinburgh. Professor K M Hodivala-Dilke is a grantholder and has links with Queen Mary University of London. Grants may be awarded to these Universities.

Risk management

The Directors assess the major risks to which Worldwide Cancer Research is exposed at every Board meeting in order to satisfy themselves that systems are in place to mitigate the exposure to those risks.

The Directors have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity faces;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that, despite a stable reserve position, medium term financial sustainability is the major risk facing the charity due to reducing levels of income. To address this, the charity continues to invest in a diversified fundraising strategy and to prudently manage expenditure in order to protect the financial stability of the charity.

The charity has suffered significant staff turnover during the financial period, primarily due to the impending office move, and, as a small organisation, faces the risk of further disruption due to staff departures or under-performance. This risk is mitigated by robust recruitment processes, formal probationary reviews and the deployment of a performance, development and review process to ensure that all staff are capable, motivated and receive training and development.

The charity is also faced by the risk of future poor performance in its investment portfolio. The Directors consider variability of investment returns to constitute the charity's financial risk. This risk is mitigated by the allocation of a significant portion of the portfolio to less volatile assets and is further mitigated by retaining expert investment managers, together with a diversified investment portfolio strategy. The illiquidity of the charity's investment in heritable property (Madras House) has been mitigated by its sale, however this risk will not be eliminated until title passes to the purchaser, expected to be in May 2019.

Unrestricted funds and dividends

The Constitution of the charitable company specifically prohibits the distribution of income by way of dividend, bonus or otherwise to the members of the charitable company.

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Directors' report (continued)

Structure, governance and management (continued)

Key management

The Directors consider key management to be the Board of Directors, in terms of setting strategy and policy and assessing risk, and the Chief Executive Officer in terms of directing and operating the charity on a day to day basis.

The remuneration of the Chief Executive Officer is reviewed annually and may be increased in certain circumstances, including benchmarking against other charitable companies of a similar size and nature. The Chief Executive received an 11% salary increase during the period as a result of such a benchmarking exercise. No Director received any remuneration from the company, other than approved expenses. Details of remuneration and expenses are disclosed in note 7 to the financial statements.

Status of company and liability of members

On the winding up of the charitable company every member has undertaken to contribute to the assets of the charitable company for the payment of the debts and liabilities and of the cost of winding up of the charitable company, such amount as may be required not exceeding one pound. If the winding up occurs within one year of a member ceasing to be a member then the above applies for debts and liabilities of the charitable company contracted for before he ceased to be a member.

Auditors

So far as each Director is aware there is no relevant audit information of which the auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of all relevant audit information and to establish that the auditor is aware of it.

The auditors have expressed their willingness to continue in office and will be deemed to be reappointed under Section 487 of the Companies Act 2006.

The financial statements and the report on pages 2 to 7 were approved by order of the Board of Directors:



David M B Sole
Chair

14.3..... 2019

Worldwide Cancer Research

Statement of Directors' responsibilities

The Directors (who are also the Trustees of Worldwide Cancer Research for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Financial statements (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors 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.

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Independent Auditor's Report to the Directors and Members of Worldwide Cancer Research

Opinion

We have audited the financial statements of Worldwide Cancer Research (the 'charitable company') for the period ended 31 December 2018 which comprise the statement of financial activities (including income and expenditure account), balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its income and expenditure for the period 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 Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you, where:

- The Directors' (who are also the Trustees of the charitable company for charity law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

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Independent Auditor's Report to the Directors and Members of Worldwide Cancer Research

Other information

The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- The information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

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Independent Auditor's Report to the Directors and Members of Worldwide Cancer Research

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Directors, 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 Members and the charitable company's Directors 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, its Members as a body and its Directors as a body, for our audit work, for this report, or for the opinions we have formed.



Ian J Cameron (Senior Statutory Auditor)

For and on behalf of Henderson Loggie, Statutory Auditor

(Eligible to act as an auditor under the terms of Section 1212 of the Companies Act 2006)

Dundee

25/3/2019

Worldwide Cancer Research

Statement of financial activities for the period ended 31 December 2018 (incorporating income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total funds 15m to 31 December 2018 £	Total funds Year to 30 September 2017 £
Income:					
Donations and legacies	3	12,209,886	62,231	12,272,117	10,847,592
Charitable activities		323,323	-	323,323	484,148
Investment income		455,594	-	455,594	383,153
Total income		12,988,803	62,231	13,051,034	11,714,893
Expenditure:					
Raising funds		4,366,977	43,126	4,410,103	3,341,327
Charitable activities		5,581,194	24,483	5,605,677	4,649,027
Total expenditure	6	9,948,171	67,609	10,015,780	7,990,354
Net income/(expenditure) before gains and losses on investments		3,040,632	(5,378)	3,035,254	3,724,539
Net (losses)/gains on investments	9	(646,770)	-	(646,770)	372,313
Gain on sale of heritable property		62,650	-	62,650	-
Net income/(expenditure) for the period		2,456,512	(5,378)	2,451,134	4,096,852
Transfer between funds		(10,378)	10,378	-	-
Net movement in funds		2,446,134	5,000	2,451,134	4,096,852
Reconciliation:					
Total funds brought forward		1,201,487	-	1,201,487	(2,895,365)
Total funds carried forward	12	3,647,621	5,000	3,652,621	1,201,487

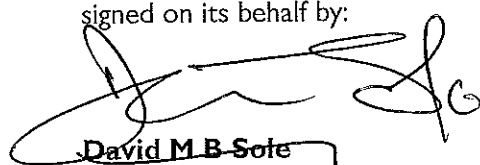
All of the above activities relate to continuing operations.

Worldwide Cancer Research

Balance sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	8	6,120	1,171,263
Investments	9	10,923,290	11,610,671
		<u>10,929,410</u>	<u>12,781,934</u>
Current assets			
Debtors	10	1,782,534	870,982
Short term bank deposits		1,862,287	1,430,482
Cash at bank and in hand		215,400	141,763
		<u>3,860,221</u>	<u>2,443,227</u>
Creditors			
Amounts falling due within one year	11	(5,879,456)	(8,340,529)
Net current liabilities		<u>(2,019,235)</u>	<u>(5,897,302)</u>
Total assets less current liabilities		<u>8,910,175</u>	<u>6,884,632</u>
Creditors			
Amounts falling due after more than one year	11	(5,257,554)	(5,683,145)
Net assets/(liabilities)		<u><u>3,652,621</u></u>	<u><u>1,201,487</u></u>
Accumulated funds			
Unrestricted	12, 13, 14	3,494,940	1,038,428
Designated	12, 13, 14	152,681	163,059
		<u>3,647,621</u>	<u>1,201,487</u>
Restricted	12, 13, 14	5,000	-
Members' funds		<u><u>3,652,621</u></u>	<u><u>1,201,487</u></u>

These financial statements were approved by the Board of Directors on14.3..... 2019 and were signed on its behalf by:


David M.B. Soie
 Chair

Worldwide Cancer Research

Cash flow statement for the period ended 31 December 2018

	Note	15m to 31 December 2018 £	Year to 30 September 2017 £
Net cash used in operating activities	15	(1,175,445)	(1,455,608)
Cash flows from investing activities			
Interest received		79	878
Investment income		455,515	382,275
Receipts from sale of heritable property		1,200,000	-
Payments to acquire tangible fixed assets		(15,468)	(21,516)
Payments to acquire fixed asset investments		(1,599,246)	(7,478,441)
Receipts from sale of fixed asset investments		1,640,007	8,440,950
Net cash flows from investing activities		1,680,887	1,324,146
Net (decrease)/increase in cash and cash equivalents		505,442	(131,462)
Cash and cash equivalents at the beginning of the period		1,572,245	1,703,707
Cash and cash equivalents at the end of the period		2,077,687	1,572,245

Worldwide Cancer Research

Notes to the financial statements

i Accounting policies

Charity information

Worldwide Cancer Research is a charitable company registered in Scotland. The principal address is First Floor, Canning Exchange, 10 Canning Street, Edinburgh EH3 8EG. The company moved from its previous address at Madras House, South Street, St Andrews, Fife, KY16 9EH in February 2019.

Status of company and liability of members

Worldwide Cancer Research is a company limited by guarantee and does not have a share capital. Each member has undertaken to contribute an amount not exceeding one pound towards any deficit arising in the event of the charitable company being wound up.

Basis of accounting

The financial statements are prepared under the historical cost convention and include the results of the operations of the charitable company as modified by the revaluation of certain fixed assets and include the results of the operations of the charitable company as indicated in the Directors' report. The financial statements incorporate the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

These financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

Worldwide Cancer Research meets the definition of a public benefit entity under FRS 102.

The following is a summary of the significant accounting policies adopted by the charitable company in the preparation of the financial statements.

Reporting period

Due to a change in financial year end, these financial statements are prepared for a 15 month period to 31 December 2018. Comparatives are presented for the 12 month period to 30 September 2017.

Consolidated accounts

These financial statements represent the results for the charitable company only, as an Australian subsidiary ceased trading during the year to 30 September 2017. The results for the Australian subsidiary are not considered material to the presentation of the comparatives.

Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

Income

Charitable activities income is derived from fundraising events and is recognised in the period in which the charitable company is entitled to the income, it is probable that the income will be received and the amount can be measured reliably.

Worldwide Cancer Research

Notes to the financial statements (continued)

I Accounting policies (continued)

Income (continued)

Legacies are included in income when the charitable company is advised by the personal representative of an estate that payment will be made, property transferred, or there is entitlement. The amount involved must be reliably quantifiable and receipt must be probable.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is upon notification by our investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the bank.

Expenditure and irrecoverable VAT

All expenditure is included on an accruals basis and is recognised when there is a legal obligation or constructive obligation to pay for expenditure, it is probable settlement will be required and can be measured reliably. Irrecoverable VAT is charged against the category of resources expended for which it was incurred as follows:

- Raising funds include expenditure associated with investment management and fundraising costs.
- Charitable activities include expenditure associated with grant making and support costs allocated on a basis consistent with the use of resources.

Expenditure in connection with donor recruitment is written off as incurred. Amounts paid in advance for other fundraising are carried forward and written off in the period in which the funds are raised.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of time spent on these activities within the charitable company's whole operations including support costs as follows:

Raising funds – Fundraising and events costs	-	78%
Charitable activities – grants, education and governance	-	22%

Research grants for most projects and programmes are awarded on a multi-year basis, with an ongoing review process. Grants are recorded as creditors for the full award as at the date of the Scientific Advisory Committee decision, since this creates a constructive obligation for the full grant period as the liability is probable.

Worldwide Cancer Research

Notes to the financial statements (continued)

I Accounting policies (continued)

Depreciation

Heritable property is included at fair valuation.

The cost or valuation of fixed tangible assets is depreciated to their estimated residual value over their estimated useful economic lives as follows:

Heritable property	-	2% straight line
Office equipment	-	20% straight line
Computer equipment	-	33 $\frac{1}{3}$ % straight line

The charitable company does not capitalise any expenditure on individual items, or groups of items, of less than £5,000.

Retirement benefits

The charitable company operates an auto-enrolment defined contribution pension scheme for eligible employees who have not opted out. Employees who have opted out continue to receive pension contributions to their personal pension schemes. The charge in the financial statements represents amounts payable to employees' personal pensions and the company pension scheme for the period.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income and expenditure account.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's Balance Sheet when the company becomes party to the contractual provisions of the instrument.

The charitable company only has financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised as transaction value and subsequently measured at their settlement value.

Worldwide Cancer Research

Notes to the financial statements (continued)

I Accounting policies (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Investments

Investments are included at fair value. Realised gains and losses, representing the difference between sale proceeds and cost or fair value are dealt with in the Statement of Financial Activities. Unrealised gains and losses, representing the movement in the fair value of investments over the financial period, or from their date of purchase if acquired during the financial period, are shown in note 9 and within the Statement of Financial Activities.

Unlisted investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in income and expenditure.

Research grants

Research grants are awarded at the discretion of the Directors normally for periods of one, two or three years. Research grants that are awarded and payable are disclosed as creditors.

Funds

All income and expenditure is dealt with through the Statement of Financial Activities. Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific trusts, which may be declared by the donor or with their authority (e.g. by the restrictive wording of an appeal).

Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the charitable company.

Designated funds are unrestricted funds earmarked by the Directors for identifiable future expenditure. Transfers are made from designated funds to restricted funds to cover additional expenditure incurred on grants funded by those restricted funds.

Worldwide Cancer Research

Notes to the financial statements (continued)

2 Judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Grant awards

Research grants for most projects and programmes are awarded on a multi-year basis, with an ongoing review process. Grants are recorded as creditors for the full award as at the date of the Scientific Advisory Committee decision, since this creates a constructive obligation for the full grant period as the liability is probable

Legacies

Legacies are included in income when the charitable company is advised by the personal representative of an estate that payment will be made, property transferred, or there is entitlement. The amount involved must be reliably quantifiable and receipt must be probable. Legacies advised that meet these criteria will be accounted for as a receivable in current assets until such time as distributions are received from the estate.

Worldwide Cancer Research

Notes to the financial statements (continued)

3 Donations and legacies

	15m to 31 December 2018 £	Year to 30 September 2017 £
Donations from direct mail fundraising	3,268,325	2,793,387
Regular giving	6,578,407	5,708,677
Other fundraising	316,441	126,613
	<u>10,163,173</u>	<u>8,628,677</u>
Legacies	2,108,944	2,218,915
	<u>12,272,117</u>	<u>10,847,592</u>

4 Net income

	15m to 31 December 2018 £	Year to 30 September 2017 £
This is stated after charging/(crediting):		
Auditor's remuneration		
- audit services	14,500	15,900
- non-audit services	300	1,464
Depreciation	43,111	47,512
Gain on foreign exchange	-	(150)
Operating lease rentals	13,975	11,142
	<u>13,975</u>	<u>11,142</u>

Worldwide Cancer Research

Notes to the financial statements (continued)

5 Grants payable	2018 £	2017 £
Reconciliation of grants payable		
Commitments accrued at 30 September 2017	13,503,742	18,155,650
Commitments made in the period	4,489,897	4,025,000
Grants cancelled or recovered	(413,036)	(510,034)
Grants payable for the period (note 6)	4,076,861	3,514,966
Grants paid during the period	(6,629,953)	(8,166,874)
Commitments accrued at 31 December 2018	10,950,650 =====	13,503,742 =====

Commitments accrued at 31 December 2018 are payable as follows:

	2018 £	2017 £
Within one year (note 11)	5,693,096	7,820,597
After more than one year (note 11)	5,257,554	5,683,145
	10,950,650 =====	13,503,742 =====
Grants are payable as follows:		
Within 1 year	5,693,096	7,820,597
Between 1 - 2 years	3,565,696	4,260,995
Between 2 -5 years	1,691,858	1,422,150
	10,950,650 =====	13,503,742 =====

Grants are applied as creditors based on the award letter date as this creates a constructive obligation.

Research grants into the causes, prevention, treatment and cure of cancer and associated conditions are paid quarterly in arrears, on application by the grant holder.

All research grants are payable to institutions. Details of the 50 largest grants can be found in a separate document held by the charitable company at its registered office, from which copies can be requested.

Worldwide Cancer Research

Notes to the financial statements (continued)

6 Total expenditure including allocation of support costs

	Fundraising costs		Grants		Education		Governance costs	Total 15m to 31 December 2018	Total Year to 30 September 2017
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted			
	£	£	£	£	£	£	£	£	£
Grants (note 5)	-	-	4,065,508	11,353	-	-	-	4,076,861	3,514,966
Mailing costs	1,558,057	15,738	-	-	432,497	4,369	-	2,010,661	1,644,845
Donor recruitment	907,340	9,165	-	-	68,163	689	-	985,357	506,799
Office costs	345,536	3,490	76,066	768	71,708	724	4,515	502,807	296,352
Bank charges	39,856	402	8,736	88	5,460	54	552	55,148	53,800
Staff costs (note 7)	1,087,101	10,981	468,438	4,732	50,743	513	188,059	1,810,567	1,525,582
Professional fees	75,743	765	16,601	168	10,376	105	4,618	108,376	36,382
Audit fees	-	-	-	-	-	-	14,500	14,500	14,417
Investment managers fees	1,973	20	432	4	270	3	28	2,730	(2,004)
Legal fees	13,546	137	2,969	30	1,856	19	187	18,744	14,160
Depreciation	31,156	315	6,829	69	4,268	43	431	43,111	47,512
Events costs	97,523	-	-	-	-	-	-	97,523	185,534
IT costs	209,146	2,113	45,840	463	28,650	289	2,894	289,395	152,009
	<u>4,366,977</u>	<u>43,126</u>	<u>4,691,419</u>	<u>17,675</u>	<u>673,991</u>	<u>6,808</u>	<u>215,784</u>	<u>10,015,780</u>	<u>7,990,354</u>

As agreed in our contract, Sarasin & Partners repay any fees charged on transactions in excess of the contracted costs. This resulted in a credit to the income and expenditure account during the prior year.

Worldwide Cancer Research

Notes to the financial statements (continued)

7 Staff costs and remuneration of key management personnel

	15m to 31 December 2018 £	Year to 30 September 2017 £
Wages and salaries	1,477,652	1,248,498
Social security costs	136,942	99,049
Pension costs	195,973	178,035
	<u>1,810,567</u> =====	<u>1,525,582</u> =====

The average number of employees, excluding Directors, analysed by function was:

	Number	Number
Grants administration	8	10
Fundraising	27	30
	<u>35</u> =====	<u>40</u> =====

The numbers of employees receiving emoluments, including pension contributions, of greater than £60,000 ranged as follows:

	2018	2017
£150,000 - £160,000	1	-
£110,000 - £120,000	-	1
£90,000 - £100,000	1	-
£80,000 - £90,000	2	1
£70,000 - £80,000	1	2
	<u>=====</u>	<u>=====</u>

Note that the ranges denoted apply to a 15 month period and comparatives to a 12 month period.

None of the Directors received any emoluments in respect of services provided during this period or the preceding financial year. Total Directors' expenses reimbursed during the period for four directors was £1,772 (2017 – One Director - £789) all for travel and subsistence.

The remuneration of key management personnel is as follows:

	15m to 31 December 2018 £	Year to 30 September 2017 £
Salary	144,250	90,000
Employers' National Insurance	18,472	11,297
Pension	12,250	9,000
	<u>174,972</u> =====	<u>110,297</u> =====

Worldwide Cancer Research

Notes to the financial statements (continued)

7 Staff costs and remuneration of key management personnel (cont.)

On 1 January 2018, the Chief Executive's salary was increased by 11% (equating to £10,000 per annum) after a compensation benchmarking exercise against the voluntary sector was carried out for all staff. On 1 April 2018, Directors also provided the Chief Executive a travel allowance of £27,000 per annum, which is subject to tax and national insurance, to cover the costs of ordinary commuting between the charitable company's main office in Scotland and her place of work in London.

8 Tangible fixed assets

	Heritable property £	Office furnishings and equipment £	Computer equipment £	Total £
Cost or valuation				
At 30 September 2017	1,250,000	45,773	256,398	1,552,171
Additions	-	6,119	9,349	15,468
Disposals	(1,250,000)	-	-	(1,250,000)
At 31 December 2018	-	51,892	265,747	317,639
Depreciation				
At 30 September 2017	100,000	44,378	236,530	380,908
Charge for period	12,500	1,394	29,217	43,111
Disposals	(112,500)	-	-	(112,500)
At 31 December 2018	-	45,772	265,747	311,519
Net book value				
At 31 December 2018	-	6,120	-	6,120
At 30 September 2017	1,150,000	1,395	19,868	1,171,263

During the year ended 30 September 2017, the Directors entered into an agreement to sell the heritable property to a third party for a consideration of £1,200,000. The terms of the sale provide that the consideration is payable by three deposits of £200,000 each over a period of eighteen months, with the balance being payable upon vacant possession, up to four years after the agreement, when title to the heritable property will pass to the purchaser. By April 2018, deposits totalling £600,000 had been received and the Directors considered that, in substance, the heritable property should be treated as being sold at that date, with the remaining consideration receivable on vacant possession carried as a receivable on the balance sheet.

Worldwide Cancer Research

Notes to the financial statements (continued)

9 Investments	2018 £	2017 £
Listed investments	10,915,030	11,602,411
Unlisted investments	8,260	8,260
	<u>10,923,290</u>	<u>11,610,671</u>
		£
Historical cost at 30 September 2017		10,442,948
Unrealised profit		1,167,723
		<u>11,610,671</u>
Fair value at 30 September 2017		11,610,671
Movements during period:		
Purchases		1,599,246
Disposals		(1,521,933)
Decrease in unrealised appreciation		(764,694)
		<u>10,923,290</u>
Fair value at 31 December 2018		<u>10,923,290</u>
Historical cost at 31 December 2018		<u>10,520,261</u>
	2018 £	2017 £
Investments - within the UK	9,933,781	10,614,519
Investments - outwith the UK	989,509	996,152
	<u>10,923,290</u>	<u>11,610,671</u>
	15m to 31 December 2018	Year to 30 September 2017
Net (losses)/gains on investments:		
Realised gains on sales of investments	117,924	1,287,546
Decrease in unrealised appreciation of investments	(764,694)	(915,233)
	<u>(646,770)</u>	<u>372,313</u>

Worldwide Cancer Research

Notes to the financial statements (continued)

9 Investments (continued)

All listed investments are listed on a recognised Stock Exchange.

Included within cash and bank balances is £137,563 (2017 - £101,457) held within the charitable company's investment portfolio.

	Fair value
Investments held at 31 December 2018 which are over 5% of portfolio by fair value are:	£
Sarasin Alpha CIF for income & reserves (income units)	5,072,232
Sarasin Alpha CIF for endowments (income units)	2,935,700
	=====

Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The charitable company has exposure to these risks because of the investments it makes to implement its investment strategy. The Directors manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the charitable company's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the charitable company's investment managers and monitored by the Directors by regular reviews of the investment portfolios.

Further information on the Directors' approach to risk management and the charitable company's exposure to credit and market risks are set out below.

Credit risk

The charitable company invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Worldwide Cancer Research

Notes to the financial statements (continued)

9 Investments (continued)

Investment risks (continued)

Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Directors carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager.

Pooled investment arrangements used by the charitable company comprise authorised unit trusts.

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

Currency risk

The charitable company is subject to currency risk because some of the charitable company's investments are held in overseas markets, via the pooled investment vehicles. At the period end, the charitable company's exposure to funds investing in overseas securities was £2,401,576 (2017 - £2,357,812).

Interest rate risk

The charitable company is subject to interest rate risk through investments comprising bonds. At the period end the charitable company's exposure to funds investing in bonds was £4,852,865 (2017 - £5,796,754).

Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The charitable company manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets. At the period end the charitable company's exposure to these funds was £5,771,295 (2017 - £5,852,795).

Worldwide Cancer Research

Notes to the financial statements (continued)

10 Debtors		2018 £	2017 £	
Amounts paid in advance for future fundraising		-	26,849	
Receivable on sale of heritable property (note 8)		600,000	-	
Other debtors and prepayments		1,182,534	844,133	
		<u>1,782,534</u> =====	<u>870,982</u> =====	
11 Creditors				
Amounts falling due within one year:				
Grants (note 5)		5,693,096	7,820,597	
Accruals		68,717	172,527	
Other creditors		85,873	122,453	
Deposits received (note 8)		-	200,000	
Other taxes and social security costs		31,770	24,952	
		<u>5,879,456</u> =====	<u>8,340,529</u> =====	
Amounts falling due after one year:				
Grants (note 5)		5,257,554	5,683,145	
		<u>5,257,554</u> =====	<u>5,683,145</u> =====	
12 Accumulated funds				
	Unrestricted	Designated	Restricted	Total
	£	£	£	£
At 30 September 2017	1,038,428	163,059	-	1,201,487
Income	13,051,453	-	62,231	13,113,684
Expenditure	(10,594,941)	-	(67,609)	(10,662,550)
Transfer	-	(10,378)	10,378	-
At 31 December 2018	<u>3,494,940</u> =====	<u>152,681</u> =====	<u>5,000</u> =====	<u>3,652,621</u> =====

Worldwide Cancer Research

Notes to the financial statements (continued)

13 Restricted and designated funds

	Prof. K. Ryan £	Dr S. Leedham £	Prof. K. Hiom £	Other Specified £	Prostate £	Restricted Funds £	Designated Prostate £
At 30 September 2017	-	-	-	-	-	-	163,059
Incoming resources	6,500	2,000	5,000	2,853	45,878	62,231	-
Outgoing resources	(6,500)	(2,000)	-	(2,853)	(56,256)	(67,609)	-
Transfer to/from restricted funds	-	-	-	-	10,378	10,378	(10,378)
At 31 December 2018	-	-	5,000	-	-	5,000	152,681

The restricted Prostate Fund is for the promotion of research into the cause, prevention and treatment of prostate cancer. Incoming resources represents income from three generous legacy gifts together with income from appeals carried out during the period. Expenditure represents grant payments and fundraising costs.

The Directors have designated a fund specifically for research into prostate cancer. Transfers between designated and restricted funds were to cover costs in restricted funds as these were for the same purpose.

Worldwide Cancer Research

Notes to the financial statements (continued)

14 Analysis of net assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Fixed assets	6,120	-	-	6,120
Investments	10,578,636	152,681	191,973	10,923,290
Cash at bank and in hand	2,077,687	-	-	2,077,687
Other net current liabilities	(3,959,919)	-	(137,003)	(4,096,922)
Creditors of more than one year	(5,207,584)	-	(49,970)	(5,257,554)
	<u>3,494,940</u>	<u>152,681</u>	<u>5,000</u>	<u>3,652,621</u>
	=====	=====	=====	=====

15 Reconciliation of net income to net cash used in operating activities

	15m to 31 December 2018 £	Year to 30 September 2017 £
Net income	2,451,134	4,096,852
Income shown in investing activities	(455,594)	(383,153)
Net realised and unrealised losses/(gains) on investments	646,770	(372,313)
Depreciation	43,111	47,512
Gain on sale of heritable property	(62,650)	-
	<u>2,622,771</u>	<u>3,388,898</u>
Increase in debtors	(911,552)	(178,946)
Decrease in creditors	(2,886,664)	(4,665,560)
Net cash used in operating activities	<u>(1,175,445)</u>	<u>(1,455,608)</u>
	=====	=====

Worldwide Cancer Research

Notes to the financial statements (continued)

16 Commitments under operating leases

	2018 £	2017 £
Leases terminating between two and five years	531,426 =====	29,877 =====

The lease for the new office was signed before the end of the period. The consideration will comprise an annual rental charge plus service charge. The service charge is capped at £22,234 per annum, adjusted for inflation each year. There will be a rent free period for the first two years and service charge break in the first year.

17 Related parties

Transactions with related parties

Professor C S Herrington has links with Universities of Dundee, St Andrews and Edinburgh. Professor K M Hodivala-Dilke is a grant holder and has links with Queen Mary University of London. Grants may be awarded to these Universities.

In April 2015, prior to her appointment as a Director, a grant of £249,167 was awarded to Professor K M Hodivala-Dilke for a three-year research project that commenced in early 2016. At the period end, £65,593 remained payable on this grant award.

In November 2018, Professor K M Hodivala-Dilke was awarded a further grant of £208,131 for a three-year research project to commence in April 2019. The Directors are satisfied that the stringent and independent nature of the Scientific Advisory Committee's ensures that there is no conflict of interest.

18 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Financial assets measured at amortised cost	600,000	-
Financial assets measured at fair value	10,923,290 =====	11,610,671 =====
Carrying amount of financial liabilities		
Financial liabilities measured at amortised cost	11,105,240 =====	13,998,722 =====

Financial assets measured at amortised cost comprises other debtors.
Financial assets measured at fair value comprises listed investments.

Financial liabilities measured at amortised cost comprises other creditors, accruals and grants.

