

# Annual report and financial statements for the year ended 31 March 2015



**PROSTATE  
CANCER UK**

**Men United.  
Keeping friendships alive.**

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# Overview of the year

**This year – as with every one – we've put men at the heart of everything we do.**

**Thank you to everyone who has contributed to yet another successful year for Prostate Cancer UK.**

## Supporting men

We have continued to help men across the UK living with prostate cancer. There were over 12,000 contacts with our Specialist Nurses through our telephone, email or new Live chat service, and over 860,000 visitors to the health information pages on our website. Our UK-wide support services supported over 36,000 men and their partners, over three times as many as last year.

## Finding answers

Our work to fund ground-breaking research to develop better treatments and diagnosis continued apace. Working with the Movember Foundation, we awarded 26 new research awards – totalling £5.3 million – and launched a major programme to develop a risk assessment tool to help us reduce the number of unnecessary biopsies. Having recognised there was a lack of funding in African/African Caribbean research and survival research, we launched a research call in these areas and have made three awards. If we see a fundamental gap in prostate cancer knowledge, we aim to fill it.

## Leading change

This year, we built an army of 220,000 supporters through our Men United campaign, our movement for everyone who believes men are worth fighting for. Over 90% of men over the age of 45 in the UK saw our integrated national campaign, and we took our message out wherever we had an audience, be it football grounds, golf courses, or pubs.

Men United continues to be the banner under which we operate and work with our supporters and partners to drive real change for men's health in the UK. It's been a successful year, but with prostate cancer set to be the most common cancer in the UK by 2030, we cannot afford to take our foot off the pedal and still have a lot of work to do both now and in the future.



# Trustees' report

## Structure, governance and management

### Objectives and activities

The charity's objectives, set out in its Memorandum and Articles of Association (last amended 03.08.12), are to invest in prostate cancer research and to publish 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.

In our Manifesto, which was published in 2012, we have summarised these objectives into the headings Supporting men, Finding answers and Leading change, and these headings are used to structure our Strategic report below.

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. Executive remuneration policy
- vii. Public benefit, and
- viii. Principal risks and uncertainties

### Structure

The Members of the Council of Management ('The Trustees') of Prostate Cancer UK ('the charity'), who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2015.

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 2014 to March 2015.

The charity has a trading subsidiary, Prostate Cancer Trading Limited (6157784) and also holds the following dormant companies: The Prostate Cancer Charity Limited (08183613), Prostate Cancer Research Foundation (05926197) and Prostate Action (07149009).

### Governance and management

Overall strategy and policy for the charity are agreed by the Council of Management (known as the 'Board of Trustees'), advised by the Chief Executive and Executive Directors who attend all meetings.

Trustees retire after three years but are then eligible for re-election. Officers of the Board (Chairman, Treasurer and Vice Chairman) are elected for an initial term of three years. They are then eligible for election for a further, final term of three years. These terms are extendable, exceptionally, at the discretion of the Board of Trustees.

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 four 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.

The charity has put in place Trustee indemnity insurance.

Trustees met on 14 occasions during the year, either as a full Board or in the committees.

## Trustees and directors

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

- Professor Jonathan Waxman (*President*)
- William Russell (*Chairman*)
- Ray Kelly (*Vice Chairman*)
- Hugh Richardson (*Treasurer*)
- Sharon Thorne
- Robert Humphreys
- Professor Roger Kirby
- David A Pretty CBE
- Michael Tye (*appointed 13.10.14*)
- Tom Shropshire (*appointed 11.12.14*)
- Jacky Wright (*appointed 11.12.14*)
- Sir Christopher Bland (*appointed 11.12.14*)

Retired in year:

- Christopher Smith (*retired 11.12.14*)
- Dr Mark Britnell (*retired 01.01.15*)
- Laurance Racke (*retired 11.12.14*)
- Dr Christopher Adams (*retired 01.03.15*)

## Committees of the board

Finance and General Purposes Committee (F&GPC)

- Reviews in-depth budget and financial plans.
- Monitors the charity's financial performance.
- Makes recommendations to the Board on financial policy matters (e.g. Treasury Management and Reserves).
- Reviews strategic HR issues.
- Scrutinises support services and undertakes any other work delegated to it by the Board.

Audit and Risk: a Sub-Committee of F&GPC

- Leads on external audit matters.
- Responsible for reviewing arrangements for the management of risk.

Nominations Committee

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

Services Committee

- Provides strategic attention to the development of the charity's 'front line' service.
- Provision of services to men affected by prostate cancer and prostate disease.

Business Development Committee

- Reviews existing income generation and communications-related activity, as well as considering future opportunities in these areas.

Terms of reference for committees are regularly reviewed.

## Research advisory committee

Additionally, the Research Advisory Committee advises the Board on research investment.

## Senior management team

- **Chief Executive**  
Owen Sharp
- **Director of Research**  
Dr Iain Frame
- **Director of Policy and Strategy**  
Mikis Euripides  
*(Interim Director of Policy and Strategy until 07.07.14)*  
Dr Sarah Cant  
*(maternity leave until 02.06.14)*
- **Director of Services**  
Heather Blake
- **Director of Communications**  
Vivienne Francis  
*(appointed permanent Director of Communications from 30.09.14)*
- **Director of Fundraising**  
Mark Bishop
- **Director of Finance and Company Secretary**  
Angela Culhane

## Legal and administrative details of the charity

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

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

Registered company number 02653887.

### Address

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

prostatecanceruk.org

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

### Banker

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

### Auditor

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

### Legal advisor

Russell-Cooke LLP  
2 Putney Hill  
London SW15 6AB

# Strategic report

## Achievements and performance

### Supporting men

2014/15 was the final year of our three year Survivorship Programme, mainly funded by the Movember Foundation. We have achieved what we stated we would do last year: continued growth in most of the programmes through capitalising on the investments made and the experience of the first two years in learning what works and what makes the most difference for men and families. We have also evaluated the programmes during the year to get a more in-depth picture of the impact we have made.

### Support services for men

- We had a 23% increase in contacts with our Specialist Nurses (to 12,204) including our new Live chat service.
- 61% more visitors (taking this to 864,360) viewed the health information pages on our website.
- We have demonstrated that men using our information and speaking to our Specialist Nurses feel better informed about their decisions, more in control of their situation, and take actions to improve their lifestyle and their interaction with health professionals.
- More men used our Fatigue support and One-to-one support services, though the increases were not as great as we were aiming for.

### Volunteers

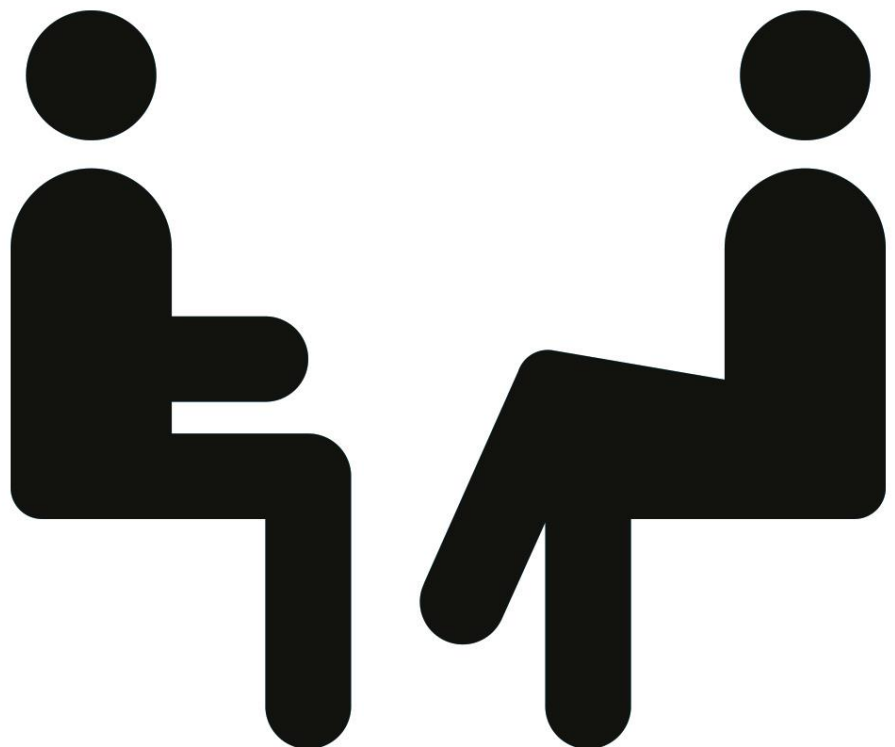
- We recruited 932 new volunteers and filled 1,389 new volunteer roles.
- Volunteers continued to support our programme to raise awareness of prostate cancer across the UK (funded by Deloitte), reaching over 62,000 people through talks and information stands.

### Reaching out to the community

- Our UK-wide support services helped over 9,600 men through local One-to-one support (over 1,300 more than last year) and supported over 46,000 men and partners in group sessions (compared to around 10,000 last year).
- Evaluation of individual projects (funded through our Health and social care professionals and Community support services programmes) has shown positive impacts such as improved physical wellbeing, reduction in anxiety and depression, and improved relationships for those affected by prostate cancer.
- We worked with community groups in African/African Caribbean communities to raise awareness of the higher risk of prostate cancer in these groups, reaching over 4,200 people.
- 18 independent support groups decided to become our partners in order to benefit from our offer of help to support their members.
- We hosted the first national conference on prostate cancer for gay and bisexual men and transgender women in March, and have backed two new support groups in London and Birmingham.

## Working with health professionals

- We had 64,875 visitors to our health professional web pages, nearly double last year's figure.
- We allocated funding for our last round of Health and social care professionals projects (funded by the Movember Foundation and Royal Mail), bringing the total number of roles funded to 59. Most of these roles are now filled although some organisations experienced delays in recruiting.
- Existing Health and social care professionals projects have demonstrated impacts such as reduction in severity of urinary symptoms, increased confidence and reduction in GP visits (a physiotherapy-led service) and a shift of care from hospital to community (a nurse-led service).
- 2,699 health professionals attended our face-to-face training or conference sessions, and 6,315 used our e-learning tools (1,816 more than last year).
- We have calculated that over the last three years our education programme has enabled health professionals to access over 50,000 hours of learning.
- Our evaluation indicates that health professionals are using their training in practice, particularly to improve their communication with men and think about their needs holistically





## Finding answers

Prostate Cancer UK – in partnership with the Movember Foundation – awarded 26 new research awards at a cost of £5.3 million. Last year we said we would aim to continue the great strides we made last year by launching a major programme looking at developing a risk assessment tool to help us reduce the number of unnecessary biopsies. We also planned to highlight two areas of interest – African/African Caribbean research and survivorship research – and moving scientific discoveries towards clinical benefit through a call for translational research.

### Risk assessment

We launched a call for research proposals in March 2014 seeking applications to develop a risk assessment tool that would:

- reduce the number of unnecessary biopsies
- be suitable for a multi-ethnic population
- deliver a reasonable cost in a primary care setting.

This year, our expert panel was unable to recommend that any awards be made. We received one application but the expert panel agreed that unfortunately it would not be able to answer the questions we had set. It did, however, recommend that we consult with international experts who had developed risk assessment tools for use in their own countries. From this, our first “sandpit” meeting was born, and in December 2014 a group of international experts from Canada, USA, Holland and Sweden met with UK clinicians, scientists and GPs to plan a programme of work that would deliver a risk-based assessment tool. We are now at the final stages of agreeing the programme of work.

### Moving scientific discoveries towards clinical benefit

The targeted call in translational research was launched in October 2014. Through this call we aimed to fund research that takes early stage basic discoveries a stage closer to making a difference to men by taking a significant step along the path to meaningful patient outcomes. Twenty-one expressions of interest were received resulting in 19 full applications across a wide range of areas of strategic importance for the charity. Four applications have been recommended for award. They cover new treatments and improved diagnosis.

### African/African Caribbean research and survivorship research

We launched our call for research proposals in April 2014. Sixty eight applications were received (46 project grants and 22 pilot awards). Ten applications met the first highlight notice (African /African Caribbean men) and 11 met the second highlight notice (survivorship). Highlighting these calls resulted in an increase in applications in both African/African Caribbean research and in survivorship. We were able to make one new pilot award in the African/African Caribbean area and two project grants in survivorship.

### Fellowships

We have continued to ensure that high calibre researchers who want to focus on prostate cancer can do so by awarding a number of studentships and fellowships. These include our third Career Development Fellowship; several Fellowships for research-active healthcare professionals in collaboration with The Academy of Medical Sciences, The College of Radiographers, and The Medical Research Council; and a further five PhD studentships to bring promising new minds at the start of a career in research into prostate cancer.

### **Life after prostate cancer diagnosis**

Our three year Life after prostate cancer diagnosis study funded by the Movember Foundation started in November 2014. It 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.

More details of the grants awarded in the year can be found in Note 8 to the financial statements.

### **Impact and evaluation team**

We continue to evaluate our work to make sure we are having a positive impact on 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 affected by prostate disease. Our reports are also published on our website so we can share what we learn. This year we published our first Research Review highlighting new research awards and outcomes from existing research grants.



## Leading change

Last year, we said we would continue to build our movement for men – Men United – and increase our presence on men's home turf. We stated we would continue to challenge and campaign against the injustice of this disease and help raise funds to fight it.

## Men united – growing ranks

- We have swelled the numbers of Men United, our movement for everyone who believes men are worth fighting for. It is now 220,000 strong, and counting. We added a new dimension of keeping friendships alive to our campaign, urging people to get together with their mates, show their allegiance to the cause and raise funds. Our integrated national campaign reached 90% of men aged over 45 years more than eight times over.
- The movement is also gaining ground in the corridors of power, with politicians, across the four nations, signing up. In England, Men United was the highest scoring campaign, in terms of awareness and support among MPs.

## Home ground

- We introduced new activity to reach men 'on their turf'. The first Men United Arms, our pop-up pubs, launched on London's South Bank, with more following all over the UK. We also continued our partnership with the Football League, and the League Manager's Association, with a huge number of managers wearing our iconic 'man of men' badge, creating a real talking point.
- Our valued media partners, like talkSPORT and ITV, also kept our messages out there, with the latter running a special week-long feature about the disease on its Lorraine show.

## Spread the word

We continued to build our brand, shooting further up the Charity Brand Index to 29 – meaning we made it from nowhere to the top 30 in three years.

We spread the word further by working closely with BBC1, on a high-profile prostate cancer storyline on BBC1's EastEnders.

We made our website and online community fully mobile friendly, while adding in a Live chat feature for our Specialist Nurses. For the 60% of people who access our website on a mobile or tablet, this means they can access our information, services and get involved with fundraising wherever they are.



## Creating change

We've been working hard to make sure men get the best diagnosis, treatments and support they need, no matter where they live. We want to make the guidelines for Prostate Specific Antigen (PSA) testing clearer and are working with a range of experts to develop a set of recommendations about when and how often men should have a PSA test, if they want one. This will help men to make an informed choice about PSA testing and ensure the way they are supported by their doctors is consistent and best practice.

## Best access to effective drugs – wherever you live

We have made the case across the UK for men to have access to the drugs and other treatments they need.

- In England, we've joined forces with other cancer charities and secured a commitment from the Department of Health and NHS England to work with us to develop a better process for making effective new cancer drugs available on the NHS. We've also been feeding the views of men into decisions about NICE's drug assessments and "quality standards" of care.
- In Northern Ireland we've helped get a commitment from the Health Minister to consider creating a Special Medicines Fund so money is made available to pay for new and innovative treatments for diseases like cancer. We've also argued for it to be easier for patients to prove their need for these treatments.
- In Wales, we are working with the Wales Cancer Alliance to speak to the Welsh Government about how drugs are appraised.
- In Scotland, our influencing work led to reform of the drug appraisal system to make it more transparent and inclusive of patients' views. More still needs to be done so we've teamed up with the Scottish Cancer Coalition to draft proposals for further reform, and will discuss these with the Scottish Government.

## Working together

We joined forces with Macmillan Cancer Support to develop guidelines for health professionals treating erectile dysfunction after surgery, and after hormone therapy and radiotherapy. We've also been working behind the scenes to get the erectile dysfunction prescribing guidance updated to better fit the needs of men with prostate cancer in England. We're leading a team of other charities to lobby for better guidance as it's 16 years overdue and we think men deserve better.

## Fundraising

Last year, we said we would continue to build on our income generation, and use the Men United campaign as a unifying theme to build on our successful fundraising.

Through our national integrated campaign – Men United – we have seen continued growth in many areas of our fundraising programme. The opportunity for men to be a part of a movement for men’s health has been very well received and lies behind a significant part of our success.

Our partnership with the Movember Foundation saw the eighth year of moustache growing in the UK to raise funds. Overall participation levels were close to 140,000 ‘Mo Bros’ and ‘Mo Sistas’, which, despite being down on the previous year, led to an £8 million donation to our work, and this continues to be our largest single source of income.

Income from other sources reached record levels this year and we are confident that the majority of our income streams will continue to grow strongly in the coming years.

Notable highlights in the last year include the high-profile partnership with Royal Mail which raised £2.3 million over two years, significantly ahead of its target and the partnership also won the heralded Third Sector Excellence Award for ‘Best Corporate Partnership’. We continue to receive strong support from leading businesses such as Deloitte, and we are very proud of the fact that Keyline, part of Travis Perkins, has now broken the £1 million mark, and the company has agreed to extend its support for a further five years.

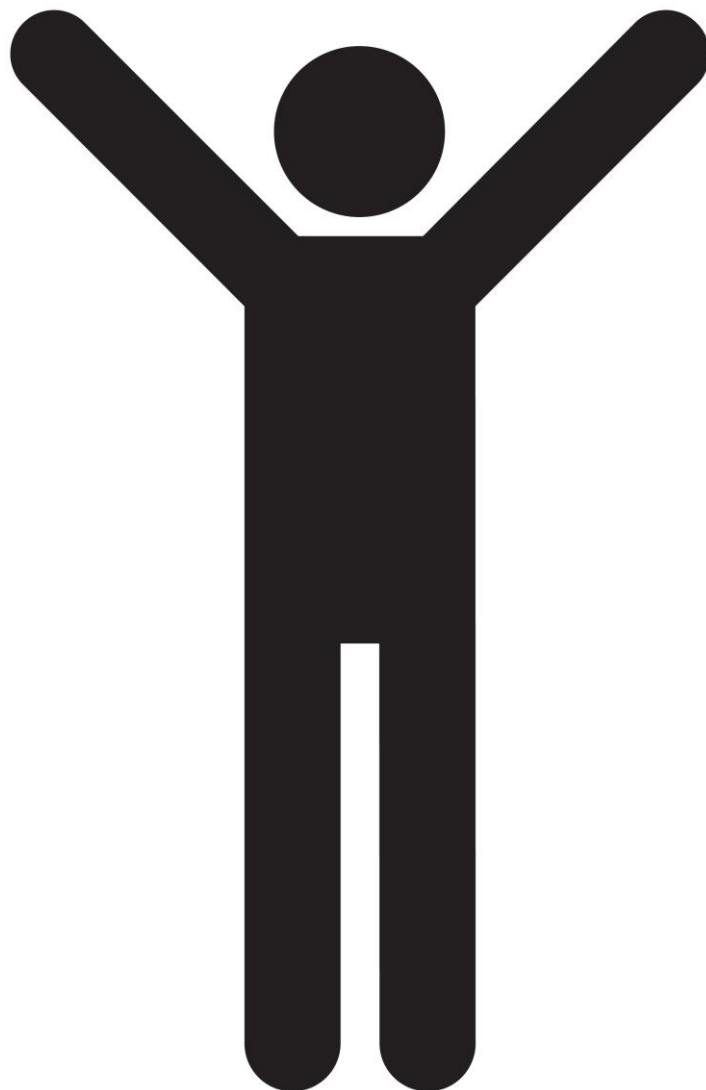
Being a health charity and with the boom in fitness following the 2012 London Olympics, we have seen our challenge events programme go from strength to strength. A growing number of runners and cyclists are choosing to fight the most common male cancer by also choosing to develop their personal fitness when raising funds for us. The Virgin London Marathon and RideLondon are two events that raise significant funds.

In keeping with our interest in sport, our continued partnership with The Football League as its long-term Official Charity Partner is proving very successful. The majority of the 72 clubs in the leagues have shown support to us, leading to over £500,000 being raised through this partnership. As important as the money, many football managers have been seen wearing our Men United badge, including the majority of Premier League managers. Such initiatives are clearly important for awareness as well as raising funds.

Our community fundraising income has been exceptionally strong as we connect with more men affected by prostate cancer who want to help fight the disease. Increasingly, we see male hobbies or passion points, such as golf, walking, social events and motoring themed events, as the popular choice for supporters’ fundraising efforts. We have shaped our ‘offering’ to supporters to make it easier for them to follow their passions, engage their friends and generate funds through these very positive and life-affirming activities.

Some of this hobby-based fundraising achieves a larger scale and prominence than others. We are very grateful to the Distinguished Gentleman's Ride for choosing us as their partner for a motorbike event that raised over £200,000. We are also delighted that the first ever Rock 'n' Horsepower outdoor music event chose to support us and proved such a success, with the likes of The Who performing as part of a Father's Day weekend celebration.

We are incredibly grateful to all of our individual supporters, large and small alike, who care about us sufficiently to be a major giving Pioneer or a regular giver at a variety of levels. It is also worth noting that last year saw us receive our largest legacy to date with an amount received to date of £820,000. The legacy pledges we have suggest that this form of income will continue to be strong in future years, alongside In Memory, regular giving and trusts.



## Financial review

2014/15 saw a very strong performance from our own fundraising streams, despite a decrease in overall income.

In 2014/15 the group's total incoming resources were £24.1m, which represented a 22.6% decrease against the previous year (£31.1m). The Movember Foundation donation was the largest single component of income at £8m; however this was a reduction against the 2013/14 financial year (£17.8m). Against this, we have seen a very strong performance across the charity's other income streams with an overall increase of 21% to £16.1m. This increase has been driven principally by strong performances within community fundraising and challenge events, alongside high legacy receipts in the year. Key highlights are stated within our fundraising review on page 13.

Total group expenditure for the year was £26.6m. This includes £6.0m on research commitments; £8.7m on services which support men living with prostate cancer; £5.8m on awareness activities and £1.5m on policy and strategy activities. Total charitable expenditure in the year equated to 83p for every £1 expended (2013/14 86p). In the previous financial year of 2013/14 we made exceptionally high investments in research and other programme grants, resulting in total charitable activities of £35.4m. We have continued to manage these awards throughout the year, alongside the new commitments made in 2014/15, paying out against these as the work progresses.

In line with our plans for the year, the above levels of activity have resulted in a deficit of £2.5m for the year (2013/14 £10m deficit). We have continued to use our restricted reserves, which reduced by £4.3m to £11.7m as at 31 March 2015. Unrestricted general reserves increased by £1.8m to an amount of £7.8m at the year end. Designated reserves, representing our net investment in fixed assets, decreased slightly to £1.2m. Our reserves policy on page 17 and Note 20 on movements in funds provide further detail.

The group holds cash and short term deposits of £35.9m, compared to £28.2m at the start of the year. This strong position is due to commitments made to long-term projects which are yet to be paid out, with £13.7m identified in our balance sheet as being due after more than one year. Our treasury policy on page 17 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 stated on page 30.



## Plans for the future

This will be a big year for us, as we chart a fresh direction with the launch of our new strategy. Characteristically bold, it maps out what we will do to disarm prostate cancer within a decade and stop it harming the lives of tens of thousands of men every year.

It will set out some exciting new areas of activity for us, adding new weapons in our armoury to bring this disease into submission.

Our success will rest firmly on shifting the science, and cracking three core issues around diagnosis, treatment and prevention, which have remained unsolved for too long. We will also make sure the countless fathers, brothers, husbands, lovers and best mates diagnosed with prostate cancer in the next few years get the support they need now. We will also lead the charge for men, ensuring the changes we need to see at a local, regional and national level become a reality. We will advocate for them, but also empower them to fight for what they need for themselves and others.

Funding a risk-based tool is among our research priorities. We will continue to bring the global research community together to help create a tool that can be used by doctors to find those most at risk and stop sending men down the same, uncertain conveyor belt of treatment.

We will also focus our efforts on finding a new test, or suite of tests, for prostate cancer to ensure that men have a better deal when it comes to diagnosis.

We will carry on providing our award-winning services to men, through activity like our Specialist Nurses telephone and digital support and our information materials. We will also be calling on others to fulfil their responsibilities to men, working in partnership with them to deliver top notch care.

We will champion men, advocating for them, and empower them to lead change with us, whether it is a fight of one man, or many.

We will continue to grow our 'movement for men' - Men United - whose number stands 220,000 strong. Men United will continue to play a major role in raising funds, campaigning against inequality and supporting their fellow men.

We will not get very far with our ambitious new aims without money. In the year ahead, we will continue to grow our income across a wide range of activities, from more investment in direct mail to building our community fundraising. We will continue to build our network of commercial, sporting and media partnerships to increase our fundraising capacity.

Not everything will change, though. When we became Prostate Cancer UK three years ago, we built it on the firm belief that 'men deserve better'. This belief is very much alive, and will continue to drive all that we do. We will continue to focus all of our activity on our core strategic principles of 'finding the answers', 'supporting men' and 'leading change'.

It is time to bring prostate cancer to heel. Our new strategy is designed to do this. We have had another successful year, and we are committed to building on the solid platform for success we have constructed and end the dominance of this disease once and for all.



## Reserves policy

The charity operates within a reserves policy which is reviewed annually as part of the charity's budgetary processes.

The purpose of holding free reserves within a target range, as recommended in our reserves policy, is to ensure uninterrupted delivery of the charity's objectives regardless of short to medium term fluctuations in income and expenditure. The target range specified in our policy is to the value of 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 2015 was £7.8m, compared to £6m in 2013/14. This represents 5 months of unrestricted expenditure at 2015/16 budget levels and is in line with our policy.

The charity had restricted reserves of £11.7m at the year end. Of this, £10.5m relates to funds from Movember Foundation, which will be fully committed to spending across the areas of research and survivorship.

## Treasury policy

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.

## Remuneration policy

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 Executive team. The salary of the Chief Executive for 2014/15 was £112,830.

## Public benefit

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 major 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 key risks facing the charity, graded according to their likelihood and impact, and identifies mitigating actions to manage them. The register is regularly reviewed and updated by risk owners, the Executive Team, and the Audit and Risk Sub-Committee. Any 'red light' issues are brought to each meeting of the Board of Trustees.

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

RISK	ACTION
Not delivering the programmes of activity that we have committed to deliver.	Rigorous monitoring and reporting processes have been put in place and are scrutinised at a senior level. Learnings from earlier programmes are incorporated into planning for new or ongoing ones.
Charity own generated income falls significantly short of target restricting our ability to deliver our charitable objectives in a sustainable way.	The reputation and profile of the charity has been established supporting long-term sustainability for funding sources. The effectiveness of fundraising activities is monitored by the senior management team, with corrective action taken as necessary.
Falling short of acceptable standards in management of people's safety and protection of their personal or sensitive information.	Policies for Health and Safety, Data Protection and other governance areas are kept under review by senior management. Any non compliance is investigated and corrective action plans put in place.
Contributions from our key funding partners fall short of the amounts in our business plan.	We have reduced exposure to this risk by increasing the spread of fundraising sources over recent years. Where possible, spending commitments are only made when we get visibility of the income stream to allow adjustments to be made if necessary.
Infrastructure is inadequate to enable staff to work effectively.	Systems functionality, performance and stability are closely monitored and back up facilities have been put in place using third parties off-site.
Financial controls fail to protect the charity from material loss.	The Audit and Risk Sub-Committee oversee the effectiveness of financial controls, which are operated by the charity's finance team. These have been continuously improved over the past year and will continue to be reviewed.

# Trustees' Responsibilities Statements

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)
- 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 proper 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 Audit and Risk Sub-Committee.

The Trustees' Annual Report and Strategic Report were approved by the Council of Management (Board of Trustees) on 16 July 2015 and authorised to be signed on its behalf by:



William Russell, Chairman  
16 July 2015

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

We have audited the financial statements of Prostate Cancer UK for the year ended 31 March 2015, which comprise the Group Statement of Financial Activities, the Charity Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Cash Flow Statement and related notes 1 to 25. 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).

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 Statements set out on page 20, 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 (APB'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 (including the Strategic 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 2015, and of the group's incoming resources and application of resources, including its 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 information given in the Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which we are required to report by exception

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.

Peter Gotham FCA, Partner  
Senior Statutory Auditor

**For and on behalf of:**  
MHA Macintyre Hudson  
Chartered Accountants & Statutory Auditor  
New Bridge Street House  
30-34 New Bridge Street  
London EC4V 6BJ  
16 July 2015

*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 15

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2,3	13,819	9,964	<b>23,783</b>	30,697
Interest	4	293	-	<b>293</b>	187
<b>Total incoming resources from generated funds</b>					
		14,112	9,964	<b>24,076</b>	30,884
Other incoming resources	5	-	-	-	241
<b>Total incoming resources</b>					
		14,112	9,964	<b>24,076</b>	31,125
<b>Resources expended</b>					
<b>Costs of generating funds:</b>					
Costs of generating voluntary income	2,3	4,403	-	<b>4,403</b>	5,599
<b>Charitable activities</b>	7	7,748	14,223	<b>21,971</b>	35,388
<b>Governance costs</b>	9	207	-	<b>207</b>	166
<b>Total resources expended</b>					
		12,358	14,223	<b>26,581</b>	41,153
<b>Net incoming/(outgoing) resources, and net income/(expenditure) and net</b>					
	6	<b>1,754</b>	<b>(4,259)</b>	<b>(2,505)</b>	(10,028)
<b>Total funds brought forward</b>					
		7,222	15,996	<b>23,218</b>	33,246
<b>Total funds carried forward</b>					
	20	8,976	11,737	<b>20,713</b>	23,218

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 27 to 42 form part of these financial statements.



# Charity statement of financial activities including summary income and expenditure account for the year ended 31 March 15

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
<b>Incoming resources</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income	13,812	9,964	<b>23,776</b>	30,692
Interest	295	-	<b>295</b>	189
<b>Total incoming resources from generated funds</b>	<b>14,107</b>	<b>9,964</b>	<b>24,071</b>	<b>30,881</b>
Other incoming resources	-	-	-	241
<b>Total incoming resources</b>	<b>14,107</b>	<b>9,964</b>	<b>24,071</b>	<b>31,122</b>
<b>Resources expended</b>				
<b>Costs of generating funds:</b>				
Costs of generating voluntary income	4,402	-	<b>4,402</b>	5,599
<b>Charitable activities</b>	<b>7,748</b>	<b>14,223</b>	<b>21,971</b>	<b>35,388</b>
<b>Governance costs</b>	<b>203</b>	<b>-</b>	<b>203</b>	<b>163</b>
<b>Total resources expended</b>	<b>12,353</b>	<b>14,223</b>	<b>26,576</b>	<b>41,150</b>
<b>Net incoming/(outgoing) resources, being net income/ (expenditure) and net movements in funds</b>	<b>1,754</b>	<b>(4,259)</b>	<b>(2,505)</b>	<b>(10,028)</b>
<b>Total funds brought forward</b>	<b>7,222</b>	<b>15,996</b>	<b>23,218</b>	<b>33,246</b>
<b>Total funds carried forward</b>	<b>8,976</b>	<b>11,737</b>	<b>20,713</b>	<b>23,218</b>

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 27 to 42 form part of these financial statements.



# Balance sheets as at 31 March 15

		Group		Charity	
	Notes	2015 £'000	2014 £'000	2015 £'000	2014 £'000
<b>Fixed assets</b>					
Intangible fixed assets	13	54	-	54	-
Tangible fixed assets	14	1,130	1,257	1,130	1,257
		<b>1,184</b>	1,257	<b>1,184</b>	1,257
<b>Current assets</b>					
Debtors	16	12,203	20,610	12,264	20,670
Investments	15	-	1	-	1
Bank and cash at hand		21,927	24,005	21,864	23,939
Short-term deposits		13,983	4,150	13,983	4,150
		<b>48,113</b>	48,766	<b>48,111</b>	48,760
<b>Creditors</b>					
Amounts falling due within one year	17	14,877	11,917	14,875	11,911
<b>Net current assets</b>		<b>33,236</b>	36,849	<b>33,236</b>	36,849
<b>Total assets less current liabilities</b>		<b>34,420</b>	38,106	<b>34,420</b>	38,106
<b>Creditors</b>					
Amounts falling due after more than one year	18	13,707	14,888	13,707	14,888
<b>Net assets</b>		<b>20,713</b>	23,218	<b>20,713</b>	23,218
<b>Unrestricted funds</b>					
General	20	7,792	5,965	7,792	5,965
Designated	20	1,184	1,257	1,184	1,257
		<b>8,976</b>	7,222	<b>8,976</b>	7,222
<b>Restricted funds</b>					
Movember	20	10,455	14,690	10,455	14,690
Other	20	1,282	1,306	1,282	1,306
		<b>11,737</b>	15,996	<b>11,737</b>	15,996
<b>Total funds</b>		<b>20,713</b>	23,218	<b>20,713</b>	23,218

Approved and authorised for issue by the Council of Management (Board of Trustees) on 16 July 2015 and signed on its behalf by:



William Russell, Chairman

# Group cash flow statement for the year ended 31 March 15

	Notes	£'000	2015 £'000	2014 £'000
<b>Net cash inflow from operating activities</b>	24		7,789	5,227
<b>Returns on deposits and servicing of finance</b>				
Interest received	4	292		164
Dividends and other income received		1		23
			293	187
<b>Capital expenditure and financial investment</b>				
Payments to acquire fixed assets		(327)		(1,308)
			(327)	(1,308)
<b>Increase in cash</b>			7,755	4,106
<b>Net cash resources at 1 April</b>			28,155	24,049
<b>Net cash resources at 31 March</b>			35,910	28,155



# Notes forming part of the financial statements for the year ended 31 March 15

## Basis of accounting

1.1 The financial statements have been prepared under the historical cost basis of accounting as modified by the revaluation of certain assets and in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005). The financial statements consolidate the charity's individual financial statements with its subsidiary undertakings on a line-by-line basis.

## Accounting policies

1.2 Income is shown gross.

1.3 All income and expenditure is included in these financial statements on an accruals basis. Donations and legacies are accounted for when the charity has entitlement, the amount can be measured reliably and there is certainty of receipt. Legacies in the form of property or investments are included at market value when recognised.

1.4 Donated services and gifts are included at the estimated value to Prostate Cancer UK. In accordance with SORP 2005, no amounts have been included in these financial statements to reflect the value of services provided free of charge to the charity by volunteers.

1.5 Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of production of the claim.

1.6 Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

1.7 Charitable activities include expenditure associated with research grants, community engagement, helpline and information services, policy and media and public affairs.

1.8 Grants awarded are included in both Statement of Financial Activities when approved by the Trustees and agreed with the recipient organisation.

1.9 Costs of generating funds relates to expenditure incurred in attracting voluntary income, and that incurred in trading activities that raise funds.

1.10 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.

1.11 Support costs are allocated between fundraising, charitable activities and governance on the basis of a combination of staff numbers and the use of resources within the department for each activity. Cost allocation includes an element of judgement and the charity has had to consider the cost-benefit of detailed calculations and record keeping.

1.12 Rentals payable under operating leases are charged to the Statement of Financial Activities over the life of the lease on a straight line basis.

1.13 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.

# Notes forming part of the financial statements for the year ended 31 March 15

## 1.14 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%
----------	-----

## 1.15 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%

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

### Unrestricted:

These are funds which can be used in accordance with the charitable objects at the discretion of the Council.

### Designated:

These are funds set aside by the Council out of unrestricted funds for specific purposes.

### Restricted:

These are funds that can only be used for particular restricted purposes. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.



## 2 Voluntary income and costs of generating voluntary income

	Income		2015	2014
	Unrestricted	Restricted	Total income	Total income
	£'000	£'000	£'000	£'000
Individual donors and legacies	6,181	105	6,286	4,940
Community and sporting events	5,185	261	5,446	4,035
Movember	-	7,974	7,974	17,765
Major donors and charitable trusts	615	608	1,223	942
Corporate donors	1,085	1,004	2,089	2,200
Gala and special events	294	-	294	411
Donated goods and services	43	-	43	10
Other donations	416	12	428	340
Statutory income	-	-	-	54
	<b>13,819</b>	<b>9,964</b>	<b>23,783</b>	<b>30,697</b>

	Cost		2015	2014
	Direct costs	Support costs	Total costs	Total costs
	£'000	£'000	£'000	£'000
Individual donors and legacies	1,553	341	1,894	3,117
Community and sporting events	1,098	238	1,336	1,333
Major donors and charitable trusts	372	79	451	350
Corporate donors	417	96	513	552
Gala and special events	170	39	209	247
	<b>3,610</b>	<b>793</b>	<b>4,403</b>	<b>5,599</b>



# Notes forming part of the financial Statements for the year ended 31 March 15

## 3 Net income and assets of activities of trading subsidiary

The charity has a wholly-owned subsidiary incorporated in England, Prostate Cancer Trading Limited, which raises funds through trading activity, marketing and the sales 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 for the year ended 31 March 2015 is as follows:

	<b>2015</b>	<b>2014</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	28	26
Income from corporate partnerships	28	26
<b>Gross profit</b>	<b>28</b>	<b>26</b>
Administrative expenses	(5)	(3)
Interest payable	(2)	(2)
<b>Net profit</b>	<b>21</b>	<b>21</b>
Income transferred by Gift Aid	(21)	(21)
Retained in subsidiary	-	-

	<b>2015</b>	<b>2014</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Total assets as at 31 March	66	65
Total liabilities as at 31 March	66	65
<b>Net assets held as at 31 March</b>	<b>-</b>	<b>-</b>

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.

## 4 Interest and other income

	<b>2015</b>	<b>2014</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Dividends and other income received	1	23
Interest received	292	164
	<b>293</b>	<b>187</b>

## 5 Other incoming resources

	<b>2015</b>	<b>2014</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
VAT refund	-	241
	-	241

## 6 Net incoming/(outgoing) resources for the year

This is stated after charging:

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation and amortisation	<b>399</b>	384
Auditor's remuneration	<b>27</b>	31
Operating lease rentals – property	<b>487</b>	389
Operating lease rentals – other	<b>1</b>	3

## 7 Charitable activities

			<b>2015</b>	<b>2014</b>
	<b>Direct costs</b>	<b>Support costs</b>	<b>Total costs</b>	<b>Total costs</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Research	5,735	311	<b>6,046</b>	12,603
Services	7,293	1,374	<b>8,667</b>	12,078
Awareness	4,795	1,004	<b>5,799</b>	6,902
Policy and Strategy	1,107	352	<b>1,459</b>	3,805
	18,930	3,041	<b>21,971</b>	35,388

In the year ended 31 March 2015, total charitable activities equated to 83p for every £1 expended (2014: 86p). The prior year included exceptionally high investment in Research, Services and programmes, resulting in the higher than usual proportion spent on charitable activities.

# Notes forming part of the financial Statements for the year ended 31 March 15

## 8 Grants awarded

	2015	2014
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b>Research grants:</b>		
University College London	928	334
University of Cardiff	680	-
University of Glasgow	613	-
University of Coventry	506	-
Royal Marsden Hospital	410	-
University of Manchester	332	1,424
Imperial College London	332	262
Herriot Watt University	301	-
University of Bath	278	100
University of Southampton	231	-
The Institute of Cancer Research	125	4,134
Queen's University Belfast	100	2,217
Newcastle University	100	834
University of Hull	100	-
King's College London	99	50
University of Cambridge	86	-
University of Nottingham	50	-
University of Surrey	47	-
University of East Anglia	-	838
University of Dundee	-	500
University of York	-	357
Queen Mary University of London	-	214
Paul Strickland Scanner Centre, Mount Vernon Hospital	-	189
Academy of Medical Sciences, London	-	180
University of Oxford	-	100
Keele University	-	50
	<b>5,318</b>	<b>11,783</b>

	2015	2014
	<b>£'000</b>	<b>£'000</b>
<b>Reconciliation of research grants payable:</b>		
Commitments at 1 April	<b>15,821</b>	6,174
Commitments made in the year	<b>5,318</b>	11,783
Grant adjustments and cancellations	<b>(94)</b>	(25)
Grants paid during the year	<b>(2,742)</b>	(2,111)
<b>Commitments at 31 March</b>	<b>18,303</b>	<b>15,821</b>



	2015	2014
	£'000	£'000
<b>Outstanding research commitments at 31 March 2015 are payable as follows:</b>		
Within one year (note 17)	8,269	5,724
After more than one year (note 18)	10,034	10,097
	<b>18,303</b>	<b>15,821</b>

	2015	2014
	Total £'000	Total £'000
<b>Programme grants awarded:</b>		
True NTH	259	3,472
Health and social care professionals	1,720	1,784
Life after prostate cancer diagnosis	-	2,200
	<b>1,979</b>	<b>7,456</b>

Programme commitments comprise the following:

- Funding to a number of NHS and other bodies for part time and full time Health and social care professionals for periods of between 18 months and two years. Health and social care professionals include grants awarded to 24 bodies (2013/14: 21 bodies), including NHS Trusts, Care Commissioning Groups and Hospices.
- Funding for True NTH (previously ASAP (A Survivorship Action Partnership)), a three year programme. True NTH 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. True NTH grants awarded included one award to the University of Southampton (2013/14: 5 awards to different universities, including £2.1m to the University of Southampton).
- 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 made under this programme in the year (2013/14: 1 award made to the University of Leeds).

	2015	2014
	Total £'000	Total £'000
<b>Total programme commitments:</b>		
True NTH	3,555	3,472
Health and social care professionals	2,537	1,901
Life after prostate cancer diagnosis	2,200	2,200
	<b>8,292</b>	<b>7,573</b>

# Notes forming part of the financial statements for the year ended 31 March 15

	2015	2014
<b>Reconciliation of programme grants payable:</b>	<b>£'000</b>	<b>£'000</b>
Commitments at 1 April	7,573	314
Commitments made in the year	1,979	7,456
Grant adjustments and cancellations	(187)	8
Grants paid during the year	(1,073)	(205)
<b>Commitments at 31 March</b>	<b>8,292</b>	<b>7,573</b>

	2015	2014
<b>Outstanding programme commitments at 31 March 2015 are payable as follows:</b>	<b>£'000</b>	<b>£'000</b>
Within one year (note 17)	4,833	3,008
After more than one year (note 18)	3,459	4,565
	<b>8,292</b>	<b>7,573</b>

## 9 Governance costs

	2015	2014
	<b>£'000</b>	<b>£'000</b>
Direct costs	173	122
Support costs	34	44
	<b>207</b>	<b>166</b>

## 10 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. In the year ended 31 March 2015 Trustee expenses amounting to £1,960 were reimbursed to one Trustee in relation to travel expenses for meetings (2013/14: £1,936 to one Trustee).

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

	2015	2014
Fundraising	41	42
Research	6	6
Services	65	61
Policy and Strategy	17	18
Communications	26	27
Resources	26	31
	<b>181</b>	<b>185</b>

Amounts paid in respect of employees were:

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Salaries and wages	<b>6,987</b>	7,055
National insurance costs	<b>759</b>	782
Pension costs	<b>597</b>	218
<b>Total emoluments of employees</b>	<b>8,343</b>	8,055
Agency staff	<b>553</b>	547
<b>Total emoluments</b>	<b>8,896</b>	8,602

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

	<b>2015</b>	<b>2014</b>
£60,001 to £70,000	6	3
£70,001 to £80,000	-	1
£80,001 to £90,000	4	1
£90,001 to £100,000	1	2
£100,001 to £110,000	-	1
£110,001 to £120,000	1	-
£120,001 to £130,000	-	1

The charity made pension contributions under a defined contribution scheme amounting to £58,048 (2013/14: £35,555), in respect of the 12 higher paid employees in the table above (2013/14: 9).

Trustee indemnity insurance for the year was set at £5m cover collectively at a cost of £3,816 (2013/14: £3,816).

## **11 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 represents contributions paid by the charity to the funds and amounted to £597,252 (2013/14: £217,602). Owing to auto-enrolment and a new salary exchange system being put in place during the year the pension costs of the charity have increased. The amount payable at the year end amounted to £170,081 (2013/14: £39,187).

# Notes forming part of the financial statements for the year ended 31 March 15

## 12 Support costs

The breakdown of support costs and how these are allocated is shown below. The allocation of costs for 2013/14 has been restated to reflect a consistent analysis with the current year.

				2015	2014
	Cost of generating income	Charitable activities	Governance	Total costs	Total costs
	£'000	£'000	£'000	£'000	£'000
Staff and similar costs	456	1,746	20	2,222	2,193
Supplies and services	72	276	3	351	832
Premises costs	188	722	8	918	1,190
Depreciation	77	297	3	377	384
	793	3,041	34	3,868	4,599

## 13 Intangible fixed assets – group and charity

	Software
	£'000
<b>Cost</b>	
At 1 April 2014	-
Additions	58
At 31 March 2015	58
<b>Amortisation</b>	
At 1 April 2014	-
Charge for the year	4
At 31 March 2015	4
<b>Net book value</b>	
Net book value at 31 March 2015	54
Net book value at 31 March 2014	-

## 14 Tangible fixed assets – group and charity

	Lease improvements	Fixtures and fittings	Computer equipment and website development	Total
<b>Cost</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2014	601	582	583	1,766
Additions	-	-	269	269
Disposals	-	-	(14)	(14)
At 31 March 2015	601	582	838	2,021
<b>Depreciation</b>				
At 1 April 2014	30	136	343	509
Disposals	-	-	(13)	(13)
Charge for the year	62	192	141	395
At 31 March 2015	92	328	471	891
<b>Net book value</b>				
Net book value at 31 March 2015	509	254	367	1,130
Net book value at 31 March 2014	571	446	240	1,257

## 15 Investments – group and charity

	2015	2014
<b>Market Value:</b>	<b>£'000</b>	<b>£'000</b>
At 1 April	1	1
Disposals	(1)	-
At 31 March	-	1
Historical cost as at 31 March	-	1
	2015	2014
<b>UK listed investments:</b>	<b>£'000</b>	<b>£'000</b>
Other	-	1

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).

# Notes forming part of the financial statements for the year ended 31 March 15

## 16 Debtors

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade debtors	47	73	45	76
Amounts due from subsidiary	-	-	63	57
Prepayments and accrued income	1,250	373	1,250	373
Other debtors	351	876	351	876
	<b>1,648</b>	1,322	<b>1,709</b>	1,382
Movember accrued income	<b>10,555</b>	19,288	<b>10,555</b>	19,288
<b>Total debtors</b>	<b>12,203</b>	20,610	<b>12,264</b>	20,670

The group is entitled to certain legacies which have not been accrued in the financial statements as the recognition criteria in line with the SORP had not been met at the date of approval of the accounts. An estimate of the known legacy income which is expected to be received in later accounting periods is £890,000.

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

## 17 Creditors – falling due within one year

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade creditors	661	2,176	661	2,176
Research commitments	8,269	5,724	8,269	5,724
Programme commitments	4,833	3,008	4,833	3,008
Other taxes and social security	219	233	218	228
Accruals and deferred income	630	654	629	651
Other creditors	265	122	265	124
	<b>14,877</b>	11,917	<b>14,875</b>	11,911

Deferred income relating to activities taking place after the year end amounted to £16,882 (2014: £251,721).

### Deferred income analysis:

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Balance at 1 April	252	229	252	229
Amounts released to incoming resources	(252)	(229)	(252)	(229)
Amount deferred in the year	17	252	17	252
<b>Balance at 31 March</b>	<b>17</b>	252	<b>17</b>	252

## 18 Creditors – falling due after more than one year

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Research commitments	10,034	10,097	10,034	10,097
Programme commitments	3,459	4,565	3,459	4,565
Other creditors	214	226	214	226
	<b>13,707</b>	14,888	<b>13,707</b>	14,888

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

## 19 Analysis of group net assets between funds

	General funds	Designated	Restricted	Total
	£'000	£'000	£'000	£'000
Fixed assets (note 13 and 14)	-	1,184	-	1,184
Current assets	9,567	-	38,546	48,113
Liabilities due less than one year	(1,775)	-	(13,102)	(14,877)
Liabilities due greater than one year	-	-	(13,707)	(13,707)
Net assets at 31 March 2015	7,792	1,184	11,737	20,713

# Notes forming part of the financial statements for the year ended 31 March 15

## 20 Movement in funds – group

	As at 1.4.2014 £'000	Incoming £'000	Outgoing £'000	As at 31.3.2015 £'000
<b>Restricted funds Movember</b>	<b>14,690</b>	<b>7,974</b>	<b>(12,209)</b>	<b>10,455</b>
<b>Other restricted funds:</b>				
General research	524	881	(667)	738
Royal Mail	691	356	(963)	84
Marks & Spencer PLC	-	240	(240)	-
Deloitte and Scotmid	84	346	(120)	310
ICAP	-	150	-	150
Other restricted funds	7	17	(24)	-
<b>Total other restricted funds</b>	<b>1,306</b>	<b>1,990</b>	<b>(2,014)</b>	<b>1,282</b>
<b>Total restricted funds</b>	<b>15,996</b>	<b>9,964</b>	<b>(14,223)</b>	<b>11,737</b>
<b>Unrestricted funds</b>	<b>5,965</b>	<b>14,112</b>	<b>(12,285)</b>	<b>7,792</b>
<b>Designated funds:</b>				
Fixed asset reserves	1,257	-	(73)	1,184
<b>Total designated funds</b>	<b>1,257</b>	<b>-</b>	<b>(73)</b>	<b>1,184</b>
<b>Total unrestricted funds</b>	<b>7,222</b>	<b>14,112</b>	<b>(12,358)</b>	<b>8,976</b>
<b>Total funds</b>	<b>23,218</b>	<b>24,076</b>	<b>(26,581)</b>	<b>20,713</b>



## 21 Purposes of restricted funds

<b>Movember</b>	Movember income from its campaigns, restricted to finance spending 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>Royal Mail</b>	Funding for specialist/community nurses to deliver first class care to men living with prostate cancer.
<b>Marks &amp; Spencer PLC</b>	Funding for the specialist helpline to increase access and support for men and their families affected by prostate cancer.
<b>Deloitte and Scotmid</b>	Funding for our prostate cancer awareness programme, to cover volunteer speaker recruitment, training and management.
<b>ICAP</b>	Funding for DIY online guides

## 22 Purposes of designated funds

Designated funds are amounts 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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## 23 Commitments under operating leases

The group has annual commitments under operating leases expiring as follows:

	Property		Equipment	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Less than one year	58	80	-	4
Two-five years	-	-	-	-
Greater than five years	417	417	-	-
	475	497	-	4



# Notes forming part of the financial statements for the year ended 31 March 15

## 24 Note to group cash flow statement

Reconciliation of net movement in funds to net cash inflow from operating activities.

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Net movement in funds for year before other recognised gains or losses	(2,505)	(10,028)
Interest income	(293)	(187)
Depreciation/amortisation	399	384
Loss on sale of fixed assets	2	35
(Increase)/decrease in debtors	8,407	(1,578)
Increase in creditors	1,779	16,601
	<b>7,789</b>	<b>5,227</b>

## 25 Related party transactions

The Council of Management is required to declare all outside interests. When any item arises where it may be considered a member has an interest it must be declared and the member concerned may not take part in that debate or any related decisions.

Other than minor services, there were no material related party transactions identified during the year (2013/14: nil).



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