

Charity Registration No. 1 143743

Company Registration No. 07767248 (England and Wales)

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

ACTION AGAINST CANCER

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Hilary S Craft OBE
(Chairwoman)
Mrs Michaela M Rees Jones
Mr Maurice H Craft
Mr Jonathan S M Craft
Mr Percy Beckley
Mr Laurence J F Tarlo

Ambassadors

Mrs Kirsty Ettrick
Mrs Cheryl Whitehead
Ms Tiffany Chawner
Ms Nicola Floyd
Mr Julian O'Dell
Mrs Caterina O'Dell

Patrons

Lord Alliance CBE
Harry & Carolyn Black
Barry Boas
Roger Cadbury Family
Harold & Daphne Cooper Charitable Trust
Peter & Marilyn Cooper
John Emery
Alassandro Dusi
Isabel Ettedgui
The Fallon Family
Leonard & Renee Feinstein
Charles & Diane Herlinger
Michael & Lottie Hunter
Bob Lefroy
Bevs Malim
Martin O'Connor
Sir Michael Parkinson CBE
Sir Paul & Lady Ruddock
Ivor & Isabelle Seddon
Chris Sharp
Michaela M Rees Jones

Secretary

Mrs Joyce Fletcher JP

Charity number (England and Wales) 1143743

Company number 07767248

Principal address

2 Regency Chambers
Jubilee Way
Bury
Lancashire
BL9 0JW

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
LEGAL AND ADMINISTRATIVE INFORMATION

Registered office

2 Regency Chambers
Jubilee Way
Bury
Lancashire
BL9 0JW

Auditor

Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Bankers

The Royal Bank of Scotland plc
40 The Rock
Bury
Lancashire
BL9 0NX

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

ACTION AGAINST CANCER

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THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
REPORT OF THE CHAIRWOMAN

FOR THE YEAR ENDED 30 SEPTEMBER 2019

I view setting up Action Against Cancer as my life's most important accomplishment. I would not have taken this path had it not been for my own experience of cancer, which I have been living with on and off since 1998. I know first hand what it is like for patients with various types of cancer, as I have had three primary tumours and various metastases including to the brain, and I am still living with this disease today.

Even on the darkest days, I feel inspired and uplifted by the achievements of the hardworking scientists whose research we fund. Their determination to help patients motivates me to do my best to recruit new support for this life-saving work.

Since establishing the charity in 2011, our very small team has raised more than £11 million to fund the discovery of quicker ways to diagnose cancer and better ways to treat it. I am delighted to confirm that these funds have gone further than might otherwise be expected in the expensive world of research into cancer, due to our approach of granting initial funding for innovative brand new ideas. Such novel areas of study have limited options of securing financing elsewhere, as they do not have preliminary data, a requirement of larger funders.

At Action Against Cancer, we believe that if this disease is to be tackled effectively, it is essential to take informed risks if there is a good proposed rationale for an area research.

This has been shown to be effective time and time again, with numerous important breakthroughs made in the last eight years by our teams at Imperial College London and The University of Sussex.

This includes a large drug development programme funded from the very beginning by Action Against Cancer in 2011, with the discovery of a cancer-causing gene called LMTK3. Many other funders have now joined us in supporting this research that aims to develop a drug that will overcome a patient's resistance to chemotherapy, a historic step in cancer treatment.

Scientists we fund have also identified molecules and proteins that decrease the growth and spread of cancer cells, suppress tumours, and much more. A number of the projects we support are designed to help patients with particularly aggressive types of tumours, such as pancreatic, brain, and triple negative breast cancer. The wealth of achievements we have supported can be viewed on the Action Against Cancer website (www.aacancer.org), including samples of many papers published in prestigious scientific journals.

The operating costs of the charity are kept to a minimum, and have always been below the 10% of income target budgeted by the Trustees.

I am honoured to support the scientists in the laboratory who are working on pioneering research to save lives. I am enormously grateful to our Patrons, Ambassadors, and to the individuals, charitable trusts and companies who continue to support Action Against Cancer, as well the staff at Regency Factors Plc who give such invaluable administrative support. I believe that together we will make a real difference for cancer patients and their families.

On behalf of the board



Mrs Hilary S Craft OBE (Chairwoman)
Trustee
24 June 2020

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The trustees present their report and financial statements for the year ended 30 September 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", effective 1 January 2015.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 8 September 2011 and registered with the Charity Commission on 9 September 2011. The charity carries out its activities using the working name Action Against Cancer.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Hilary S Craft OBE (Chairwoman)

Mrs Michaela M Rees Jones

Mr Maurice H Craft

Mr Jonathan S M Craft

Mr Percy Beckley

Mr Laurence J F Tarlo

The Board of Trustees is authorised to appoint new Trustees to fill vacancies arising through the resignation or death of an existing trustee.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity benefits from the provision of accommodation and administrative support from Regency Factors plc, a company that is controlled by certain of the Trustees of the charity. No monetary value can be attributed to this support, and therefore it is not included in the financial statements.

There are no other transactions with related parties. The trustees maintain a register of interests, which is updated at every meeting.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors.

Objectives and activities

The objectives of the charity have remained unchanged. These are to promote and protect the health of the public, in particular by research into the prevention, treatment and cure for all forms of cancer. This includes research into practical applications for the prevention, treatment and cure of cancer and to disseminate the useful results of such research to the public. The Charity Commission's general guidance on public benefit has been referred to when reviewing our aims and objectives and in planning our future activities.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Scientific Advisory Board

Action Against Cancer is privileged that the following scientists and clinicians have agreed to serve on our Scientific Advisory Board:

Professor Heinz-Josef Lenz - Director for Clinical Research and Co-Head of the GI Cancers Program, USC Norris Comprehensive Cancer Centre, Professor of Medicine and Preventative Medicine, Keck School of Medicine, University of Southern California

Dr Abby Siegel - Assistant Professor, Department of Medicine, Columbia University Medical Centre, New York
Dr Siddhartha Mukherjee - Assistant Professor, Department of Medicine, Columbia University Medical Centre, New York

Professor Pramod K. Srivastava - Director, Carole and Ray Neag Comprehensive Cancer Centre, Connecticut

Research Themes

All work funded by Action Against Cancer falls under the following research themes:

Cancer Stem Cells

Genetic Switches

Developing a drug for a totally new approach to therapy (LMTK3)

Understanding the Cancer Brain

Metastasis

Cancer Stem Cells

Whilst only up to 5% of a cancerous tumour is made of Cancer Stem Cells (CSCs), these generate the fast multiplying cells that make up the majority of the rest. Further to that, CSCs are linked to some of the most malignant features of cancer, including resistance to treatment and its ability to spread to other parts of the body.

Secondary cancer spread can happen many months or even years after successful treatment of the primary tumour. This has been described as if the dandelion has been removed from the lawn, but the CSC root is left below the surface to regrow at a later date.

Action Against Cancer is funding a number of projects examining CSCs, to enable the development of treatments that specifically target them - to more fully cut cancers out by the roots.

The scientists are working to gain a comprehensive picture of how CSCs operate and to answer crucial questions such as:

Why do certain patients not respond to treatments?

What conditions allow some tumours to spread around the body?

How could future treatments specifically target the most malignant cells?

Cancer stem cells example project: Developing new drugs for all breast cancer patients

According to the World Health Organization, breast cancer is the most common cancer in women worldwide, killing more than 500,000 each year. However, breast cancer is very diverse depending on the genes of each patient and the expression of key receptors within their tumours.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Technological advances have allowed for the categorisation of breast cancers into six types, but it is still not known which genes are essential to the growth and survival of the disease of each type. A new project funded by Action Against Cancer at the University of Sussex aims to identify these cancer drivers, using new state of the art genome engineering.

Led by Dr Leandro Castellano, the scientists will be taking the first steps into looking for new drug targets for all of the six types of breast cancer. Which type a woman has determines if they are able to have certain targeted therapies, and has an impact on the success of their treatment and their prognosis.

Patients with triple negative breast cancer (TNBC), have one of the types that does not express any of the receptors that respond to certain therapies. Treatment for these women is based on radiotherapy and chemotherapy, which are less effective and can cause considerably more side effects. A major feature contributing to the aggressive properties of TNBC is a high proportion of Cancer Stem Cells.

This new project is expected to facilitate the development of targeted treatments for TNBC patients, which is greatly needed at present. Further to that, the research is anticipated to have a strong impact on the discovery of new drug targets for any type of breast cancer, which is especially important once resistance to treatment has occurred.

A better knowledge of potential drug targets specific for different kinds of breast cancers is crucial for the treatment of each patient. This project aims to create that knowledge, with future objectives including clinical trials for the most promising discovered targets and the development of new cancer therapy drugs.

Genetic Switches

There is greater understanding within the scientific community of some aspects of cancer, since the completion of the Human Genome Project that mapped DNA. A small amount of DNA is turned into single stranded RNA, which then turns into proteins thought responsible for the structures and functions we are familiar with (brown hair, blue eyes, etc). The vast majority of DNA was believed to be 'junk' as it does not code for protein. However, it is now known that much of DNA is in fact transcribed into non-coding RNAs, some of which play important roles in normal biological function, gene regulation and cancer development.

Action Against Cancer is funding a range of projects related to identifying non-coding RNAs that are operating as genetic switches causing cancer to grow or regress.

Genetic switches example project: DNA damage and colorectal cancer

Certain chemotherapy drugs used to treat patients with colorectal cancer work by inducing damage to the DNA of the tumour cells. However, cells within tumours do not all respond in the same way to this DNA damage: some stop duplicating and dividing; some gradually decline; and some cells die. This variety of cell response is called heterogeneity and impacts on patient outcomes, presenting one of the greatest challenges in cancer treatment. Action Against Cancer is funding research to investigate this, with the aim of identifying a new target for therapy.

This project is quite new, but the team working on it at Imperial College London has already promisingly shown a clear difference in cellular responses in experiments with one of the main chemotherapy drugs currently used. Using cutting-edge RNA sequencing technology they will now examine cell-to-cell communication at a single cell level to investigate the DNA damage.

Led by Professor Justin Stebbing, the team has also discovered a protein that has a key role in the DNA damage response. They believe this protein may be inducing changes in nearby cells and will investigate this further.

It is envisaged that the sequencing obtained in this project will be of value to other researchers in the field. Whilst the initial focus for this work is on colorectal cancer cells, the approach will be transferable to other tumour types. This exciting and novel project has the potential to invoke a real impact on current cancer research.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Developing a drug for a totally new approach to therapy (LMTK3)

The earliest significant breakthrough supported by Action Against Cancer was the identification of a new cancer causing gene in 2011 by Professor Georgios Giamas. Called lemur tyrosine kinase 3 (LMTK3), this gene is new to humans, and is expressed more in cancer cells than in normal cells. In addition, those cancers that have high levels of LMTK3 are much more aggressive.

Since this time we have funded research aiming to develop an anti-LMTK3 drug. This would be to overcome the resistance to treatments that often develop within patients' bodies.

Many patients respond well to initial treatment but then develop resistance to it – this is when, with currently available treatments, their cancer becomes much more difficult to treat. A potential anti-LMTK3 drug will be specifically designed to work in conjunction with a patient's existing treatment, and in a way that overcomes chemotherapy or hormonal therapy resistance, allowing these treatments to start working again. This would be an enormous step in the history of cancer treatment.

Developing a new drug example project: Brain Cancer

Primary brain tumours vary, and one of the most common and most aggressive types is called Glioblastoma multiforme (GBM), with survival after diagnosis expected to only be approximately 12-24 months. With the support of Action Against Cancer, a team at the University of Sussex has been investigating the role of the cancer causing gene LMTK3 in the progression and development of GBM.

It has been shown that when a specific part of chromosome 19 in humans is lost, GBM patients respond better to radiation and chemotherapy. The team discovered that LMTK3 is amongst the approximately 30 genes that are located at this small section of chromosome 19. The analysis revealed a significant overexpression of LMTK3 in different parts of the brain compared to other tissues in the human body, suggesting that this gene has a specific role in the brain.

In their experiments, the team has been working with one of the main chemotherapeutic drugs used for the treatment of patients with GBM, called Temozolomide (TMZ). They have found that TMZ has an effect on certain GBM cancer cells, which die after LMTK3 has been repressed. This project is progressing very well and it is envisioned will lead to much needed improved treatment for GBM patients.

Understanding the Cancer Brain

It is thought that cancer cells have a 'brain', which is responsible for turning the cells 'on' or 'off'. We are funding research to gain a comprehensive understanding of this cancer brain, by learning exactly what takes place during the onset and growth of cancer – one protein at a time.

Proteins are present in all of the cells in our body, including in cancer cells. The types of proteins, their quantity, and the level of their activity can differ between normal cells and cancer cells. Proteins enable cancer cells to grow very fast or they can cause them not to respond to a given drug. One of the main approaches in studying cancer cells and identifying new treatment targets is to analyse their protein content in great detail.

Some of the research that Action Against Cancer supports uses a technique called Stable Isotope Labelling with Amino Acids in Cell Culture (SILAC). This method allows scientists to perform large-scale identification and qualification of proteins in cells they are studying. The team aims to eliminate, one by one, the enzymes in the human kinome and investigate how abolishment of each one individually affects both the quantity of different proteins within a cancer cell and their activity.

This information is crucial for understanding cancer cells and we hope it will be a true legacy experiment which will pave the way for the design of drugs, targeting those proteins that are found to play the most important role in the progression of cancer.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Understanding the cancer brain example project: Hope for breast cancer patients

A discovery made by scientists at the University of Sussex and funded by Action Against Cancer offers new hope to breast cancer patients. The team's results demonstrate that patients with a rare but aggressive type of breast cancer known as triple negative, can be treated in a new way with drugs that are already available.

As the drugs are currently in use, for patients with leukaemia and lymphoma, possible treatment for breast cancer patients could roll out to clinical trial immediately.

The research was led by Professor Georgios Giamas, who said, "The lack of effective therapies for triple negative breast cancer is well-established, despite the emergence of approaches like immunotherapy."

Current treatments for this type of cancer are limited, as the cells do not have receptors for the hormones and protein necessary for certain drugs. Approximately 15% of breast cancer cases are diagnosed as triple negative.

The new study has provided strong evidence for the development of a new type of treatment to halt progression of the disease by using existing drugs to target the surrounding healthy tissues of cancerous cells.

Professor Giamas said: "Cancer is a systemic disease so instead of only focusing on cancer cells to find a cure, sometimes we need to step back and look at the bigger picture known as the tumour microenvironment. This means looking at the surrounding cell types - the 'normal cells' - that can actually contribute either positively or negatively to the progression of the disease."

The worldwide study led by the team at the University of Sussex involved scientists from across three continents and six different countries. It has been published in the prestigious Journal of Clinical Investigation.

Metastasis

When cancer is said to have spread this means it has metastasised. This is when cancer cells break away from where they first formed and travel through the blood or lymphatic systems to form new tumours in other parts of the body. This development of secondary cancer is called metastasis. A metastatic tumour is the same type of cancer as the primary tumour.

Action Against Cancer funds a number of projects that are linked to understanding the causes of metastasis, in order to:

more effectively predict the likelihood of cancerous cells metastasising (spreading) in each patient.

tailor the testing for patients with a high likelihood of their cancer metastasising so as to improve the likelihood of early diagnosis.

improve the treatment strategies for these patients once a propensity for metastasis of their cancer has been identified, thus greatly increasing their chances of survival.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Achievements and performance

Fundraising events were organised by supporters for Action Against Cancer across the country during the year including an international cycle ride, a half marathon and a music event. These events, combined with the support from an increasing network of generous individuals, companies and various trusts and foundations, resulted in significant funds raised for cancer research at Imperial College London and the University of Sussex.

Below is a sample of published papers describing work wholly or partly funded by Action Against Cancer:

1. TGF – β induces miR-100 and miR-125b but blocks let-7a through LIN28B controlling PDAC progression
2. Role of SMAD proteins in colitis-associated cancer: from known to unknown
3. Glypican-1 is enriched in circulating-exosomes in pancreatic cancer and correlates with tumor burden
4. Cell-derived extracellular vesicles can be used as a biomarker reservoir for glioblastoma tumor subtyping
5. Endocrine resistance in hormone receptor positive breast cancer – from mechanism to therapy

Financial review

During the year the charity's income from all sources amounted to £1,145,929 (2018: £1,468,810). In the same period, expenditure on charitable activities totalled £1,399,588 (2018: £1,068,992), and other charitable costs totalled £92,260 (2018: £93,106).

Accumulated funds as at 30 September 2019 totalled £3,640,918 (2018: £3,992,197). The trustees consider that the financial position as at 30 September 2019 is satisfactory. Approximately three-quarters of these funds (including those in unrestricted funds) have been awarded to approved projects (see Note 15).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for the future

The charity will continue to fund all of the projects already approved, and to fundraise for further resources to support other research and where resources allow, consider other research aiming to further understand cancer and how to better diagnose and treat it. The charity will continue to disseminate results of research in published scientific papers, on the organisation's website and in regular e-newsletters.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Statement of trustees' responsibilities

The trustees, who are also the directors of The Hilary Craft Charitable Foundation Limited for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

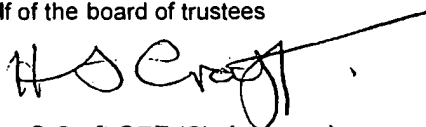
Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board of trustees



Mrs Hilary S Craft OBE (Chairwoman)

Trustee

Dated: 24 June 2020

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

Opinion

We have audited the financial statements of The Hilary Craft Charitable Foundation Limited (the 'charity') for the year ended 30 September 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 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 30 September 2019 and of its incoming resources and application of resources, 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.

Basis for 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 charity 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED ACTION AGAINST CANCER

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

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 trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company 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 trustees 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 trustees are responsible for assessing the charity'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 trustees 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

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED**

Use of our report

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jackson Stephen LLP

**Peter Atkinson F.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP**

**Chartered Accountants
Statutory Auditor**

25 June 2020

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Voluntary income	3	907,145	211,487	1,118,632	1,454,327
Investments	4	27,297	-	27,297	14,483
Total income		934,442	211,487	1,145,929	1,468,810
<u>Expenditure on:</u>					
Raising funds	5	92,260	-	92,260	93,106
Charitable activities	6	992,841	406,747	1,399,588	1,068,992
Other	10	5,360	-	5,360	5,082
Total resources expended		1,090,461	406,747	1,497,208	1,167,180
Net (expenditure)/income for the year/ Net movement in funds		(156,019)	(195,260)	(351,279)	301,630
Fund balances at 1 October 2018		3,704,611	287,586	3,992,197	3,690,567
Fund balances at 30 September 2019		3,548,592	92,326	3,640,918	3,992,197

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Debtors	12	381		2,500	
Cash at bank and in hand		3,693,502		4,073,640	
		<u>3,693,883</u>		<u>4,076,140</u>	
Creditors: amounts falling due within one year	13	(52,965)		(83,943)	
Net current assets			<u>3,640,918</u>		<u>3,992,197</u>
Income funds					
Restricted funds	14		92,326		287,586
Unrestricted funds			3,548,592		3,704,611
			<u>3,640,918</u>		<u>3,992,197</u>

The financial statements were approved by the Trustees on 24 June 2020



Mrs Hilary S Craft OBE (Chairwoman)
Trustee

Company Registration No. 07767248

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(407,435)		1 87,506
Investing activities					
Interest received		27,297		14,483	
Net cash generated from investing activities			27,297		14,483
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(380,138)		201,989
Cash and cash equivalents at beginning of year			4,073,640		3,871,651
Cash and cash equivalents at end of year			<u>3,693,502</u>		<u>4,073,640</u>

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

Charity information

The Hilary Craft Charitable Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 - 3 Regency Chambers, Jubilee Way, Bury, Lancashire, BL9 0JW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised on the accruals basis.

Fundraising costs are those incurred in generating funds and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those cost incurred directly in support of expenditure of the objects of the charity.

Overhead costs are allocated on the basis of the actual spend by activity.

1.6 Cash and cash equivalents

Cash and cash equivalents 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.

1.7 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees 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.

The trustees consider there to be no critical accounting estimates or judgements made.

3 Voluntary income

	Unrestricted funds	Restricted funds	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Donations and gifts	882,422	211,487	1,093,909	1,385,264
Fundraising events	24,723	-	24,723	69,063
	<u>907,145</u>	<u>211,487</u>	<u>1,118,632</u>	<u>1,454,327</u>
For the year ended 30 September 2018	<u>1,087,650</u>	<u>366,677</u>		<u>1,454,327</u>

4 Investments

	2019	2018
	£	£
Bank account switch incentive	7,219	-
Interest receivable	20,078	14,483
	<u>27,297</u>	<u>14,483</u>

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

5 Raising funds

	2019	2018
	£	£
<u>Costs of generating voluntary income</u>		
Travelling and subsistence	3,439	1,346
Wages and salaries	80,458	79,880
Website costs	1,763	1,012
Printing, stationery and postage	1,135	1,034
Fundraising expenses	518	530
Insurance	212	878
Other expenses	1,395	-
Other direct costs	3,340	8,426
	<u>92,260</u>	<u>93,106</u>

6 Charitable activities

	Unrestricted funds	Restricted funds	2019	2018
	£	£	£	£
LMTK3 drug development	439,725	-	439,725	122,878
Understanding the cancer brain	8,514	-	8,514	81,435
PhD and other student bursaries	33,132	68,654	101,786	85,946
Ovarian cancer research	79,627	-	79,627	73,605
Pancreatic cancer research	133,537	56,957	190,494	231,874
Biliary duct cancer research	5,000	10,683	15,683	59,253
Cancer stem cells research	-	71,478	71,478	99,426
Genetic switches	-	198,975	198,975	121,751
Breast cancer research	280,989	-	280,989	141,676
Other research project	12,317	-	12,317	28,298
Research support costs	-	-	-	22,850
	<u>992,841</u>	<u>406,747</u>	<u>1,399,588</u>	<u>1,068,992</u>
For the year ended 30 September 2018	<u>554,865</u>	<u>514,127</u>		<u>1,068,992</u>

The other research project is mainly in relation to a project on lung cancer.

The majority of research support costs relate to the services of a bio information analyst.

7 Governance costs

Governance costs include £4,050 (2018: £4,000) in relation to audit fees payable to the auditor. These services were donated by the auditor and hence are included within voluntary income.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

8 Trustees

None of the trustees received any remuneration during the year. A close family member of a trustee was remunerated for administrative services provided in the year totalling £15,000 (2018: £15,000).

9 Employees

Number of employees

The average monthly number employees during the year was:

	2019 Number	2018 Number
Management	2	2
Employment costs	2019	2018
	£	£
Wages and salaries	75,532	75,072
Social security costs	4,926	4,808
	80,458	79,880

The number of employees whose annual remuneration was £60,000 or more were:

	2019 Number	2018 Number
£60,000 - £70,000	1	1

Of the employees whose emoluments exceed £60,000, none (2018: none) have retirement benefits accruing under defined benefit pension schemes.

10 Other

	2019 £	2018 £
Governance costs	5,360	5,082

11 Financial instruments

	2019 £	2018 £
Carrying amount of financial liabilities		
Measured at amortised cost	50,985	81,934

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

12 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	381	2,500
	<u>381</u>	<u>2,500</u>

13 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	50,985	81,300
Other creditors	1,980	2,009
Accruals and deferred income	-	634
	<u>52,965</u>	<u>83,943</u>

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 October 2018	Movement in funds Incoming resources	Outgoing resources	Balance at 30 September 2019
	£	£	£	£
PhD and other student bursaries	68,654	-	(68,654)	-
Biliary duct cancer research	10,683	-	(10,683)	-
Cancer stem cells research	-	154,530	(71,478)	83,052
Genetic Switches	208,249	-	(198,975)	9,274
Pancreatic cancer research	-	56,957	(56,957)	-
	<u>287,586</u>	<u>211,487</u>	<u>(406,747)</u>	<u>92,326</u>

The research work being undertaken is described in detail in the Trustees' Report under Research Themes.

Many of the research projects involve the use of PhD students. Action Against Cancer is currently funding a number of PhD studentships and fellowships at Imperial College to support the research work.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

14 Restricted funds

(Continued)

Restricted funds for the previous year were as follows:

	Balance at 1 October 2017	Incoming resources	Outgoing resources	Balance at 30 September 2018
	£	£	£	£
Ovarian cancer	-	43,099	(43,099)	-
PhD and other student bursaries	105,100	49,500	(85,946)	68,654
Biliary duct cancer research	69,936	-	(59,253)	10,683
Triple negative breast cancer research	-	96,000	(96,000)	-
Cancer stem cells research	-	64,260	(64,260)	-
Single cell sequencing	260,000	70,000	(121,751)	208,249
Pancreatic cancer research	-	43,818	(43,818)	-
	<u>435,036</u>	<u>366,677</u>	<u>(514,127)</u>	<u>287,586</u>

15 Designated funds

Out of the total funds of £3,640,918 available, including restricted income, funds have been awarded to approved projects where planned future expenditure over the next two years is calculated to be £2,359,593.

To date, approximately three-quarters of total funds have been allocated to charitable projects.

16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 30 September 2019 are represented by:			
Current assets/(liabilities)	3,548,592	92,326	3,640,918
	<u>3,548,592</u>	<u>92,326</u>	<u>3,640,918</u>
Fund balances at 30 September 2018 are represented by:			
Current assets/(liabilities)	3,704,611	287,586	3,992,197
	<u>3,704,611</u>	<u>287,586</u>	<u>3,992,197</u>

17 Related party transactions

Other than as disclosed in note 8, there were no disclosable related party transactions during the year (2018 - none).

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

18	Cash generated from operations	2019	2018
		£	£
	(Deficit)/surplus for the year	(351,279)	301,630
	Adjustments for:		
	Investment income recognised in statement of financial activities	(27,297)	(14,483)
	Movements in working capital:		
	Decrease/(increase) in debtors	2,119	(891)
	(Decrease) in creditors	(30,978)	(98,750)
	Cash (absorbed by)/generated from operations	(407,435)	187,506
