

Charity Registration No. 328432

Company Registration No. 02333474 (England and Wales)

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST

(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	B T Burnie L A Caisley J Ross D P Warren E Young
Secretary	J Ross
Charity number	328432
Company number	02333474
Registered office	Daft As A Brush House Great North Road Gosforth Newcastle upon Tyne NE3 2DR
Auditor	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Solicitors	PGS Law LLP 10 Coronation Street South Shields NE33 1AZ

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DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and financial statements for the year ended 31 December 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 memorandum and articles of association, 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) (effective 1 January 2015)".

Objectives and activities

The charity's objects are;

To relieve the suffering and improve the condition of life of persons suffering from cancer as the charity may think fit and insofar as the same are entirely ancillary to such object but not further or otherwise the charity shall have the following powers:-

- to provide transport for any persons suffering from cancer to attend hospital appointments and/or other appointments for treatment of, therapy for and/or rehabilitation from their illness;
- to assist financially or otherwise any charitable body or bodies having such purposes as aforesaid;
- to obtain, collect and receive money, and funds by way of contributions, donations, affiliation fees, subscriptions, legacies, grants and any other lawful method, and accept and receive gifts of property of any description (whether subject to any special trusts or not) and to administer and utilise such funds for the furtherance of the objects of the charity.

The charity offers staffed custom-made vehicles to transport outpatients who are undergoing Chemotherapy and/or Radiotherapy cancer treatment, free of charge, to and from hospital. The service entails collecting and transporting the patients in a safe and comfortable environment, from where they are living, taking them to where they are having their treatment and if required staying with the patient whilst they have their treatment, then taking the patient back home.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

During the year under review the main activities of the charity have centered around the transportation of outpatients, free of charge, to and from hospital who were undergoing Chemotherapy and/or Radiotherapy cancer treatment. The charity was involved in some 50,000 (2018: 40,000) patient journeys in 2019 and it is hoped that this will continue to rise in 2020. During the course of 2015 the charity began to invoice the Freeman Hospital, Newcastle in respect of the provision of patient transport services. It is expected that this relationship will continue into the future.

Our volunteer staff

The charity is very involved in the community and relies on voluntary help. The volunteers assist in various areas of the charity, a key area being the transport of persons suffering from cancer to attend appointments using our custom-made vehicles. We wish to thank all volunteers for their loyal support and service.

**DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Financial review

The charity has obtained sufficient funding to ensure that the charity can operate for the foreseeable future. The charity aims to use the funds generated to eventually make 50,000 patient journeys per year to and from hospital appointments. The charity estimates that it will cost £450,000 per year to operate and hopes that this level of funding can be achieved in future from donations from NHS invoicing, donations from the general public and income from investments. At present the charity has more than 4 years worth of unrestricted funds available at its disposal in net current assets.

In April 2013, the charity invested £1,000,000 in a COIF Investment Fund held and managed by CCLA. A further £700,000, £400,000, £75,000, £100,000 and £200,000 were invested in the COIF Investment Fund in 2015, 2016, 2017, 2018 and 2019 respectively. At the year end of the current year the investment was valued at £4,013,419 and a gain of £690,041 has been recognised in the Statement of Financial Activities.

In August 2013 the charity moved from its rented premises on Hood Street in Newcastle to its own freehold property, Daft as a Brush House, in Gosforth. Costs of over £270,000 were incurred during the year relating to the renovation of the property and bringing it up to a state that is fit for the charity's purpose. The renovation works were completed in early 2014.

The charity made a net surplus of £730,036 (2018: £252,863) including the amounts received noted above, and at the year end had total funds carried forward of £5,508,402 (2018: £4,778,366).

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 month's expenditure. The trustees considers 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.

Reserves policy and going concern

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure.

The trustees have reviewed the circumstances of charity and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees are of the view that the charity is a going concern.

The trustees has 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.

Risk management

Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. 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 to the premises.

Plans for the future

The charity plans to continue the activities outlined above in the forthcoming years and has satisfactory funding arrangements in place.

The organisation now has a small team of dedicated full and part time paid staff based at Daft as a Brush House and the Freeman Hospital along with over approximately 350 (2018: 300) volunteer workers. All new staff undergo an initial induction and then move on to a training programme, and a DBS Enhanced Certificate check from the NHS, that will lead to an in depth knowledge of the Hospital cancer departments, the workings and management of the Ambulance Fleet and the management of cancer patients that are being transported to and from hospital. On satisfactory completion of these three separate training programmes the staff are then awarded a Certificate of Achievement.

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 9 January 1989 and registered as a charity on 1 December 1989. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

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:

B T Burnie
L A Caisley
J Ross
D P Warren
E Young

Appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, each year at the Annual General Meeting, at least one-third of members are required to retire from office by rotation and, being eligible, offer themselves for re-election.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute an amount not exceeding £1 in the event of a winding up.

Organisation

Daft as a Brush Cancer Patient Care Charitable Trust has a Management Committee of 5 members (2018: 5) who meet quarterly and are responsible for the strategic direction and policy of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive, Mr B T Burnie. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are developed and met. The Chief Executive also has responsibility for the day to day operational management of the Charity, individual supervision of the staff team and also ensuring that the team continues to develop their skills and working practices in line with good practice.

Trustee induction and training

New trustees undergo an induction day to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. The trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Related parties and co-operation with other organisations

None of the trustees received remuneration or other benefit from working with the charity. Any connection between a trustee or senior manager of the charity must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related parties transactions are disclosed in note 20 to these financial statements.

**DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Statement of Trustees responsibilities

The trustees, who are also the directors of Daft As A Brush Cancer Patient Care Charitable Trust 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.

Auditor

In accordance with the company's articles, a resolution proposing that RMT Accountants & Business Advisors Ltd be reappointed as auditor of the company will be put at a General Meeting.

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.

The Trustees report was approved by the Board of Trustees.

B T Burnie

Trustee

Dated: 30 July 2020

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees, who are also the directors of Daft As A Brush Cancer Patient Care Charitable Trust 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.

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST

Opinion

We have audited the financial statements of Daft As A Brush Cancer Patient Care Charitable Trust (the 'charity') for the year ended 31 December 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 31 December 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.

**DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST

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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees report and from the requirement to prepare a strategic report.

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.

**DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST

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.

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.

Mr Stephen Slater (Senior Statutory Auditor)
for and on behalf of RMT Accountants & Business Advisors Ltd
Statutory Auditor
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Date: 14 August 2020

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

		Unrestricted funds 2019 £	Unrestricted funds 2018 £
	Notes		
Income from:			
Donations and legacies	3	353,901	463,352
Charitable activities	4	210,000	200,000
Other trading activities	5	45,136	46,683
Investments	6	9,578	9,795
Total income		618,615	719,830
Expenditure on:			
Raising funds	7	32,175	45,647
Charitable activities	8	546,445	436,209
Total resources expended		578,620	481,856
 Net gains/(losses) on investments	 12	 690,041	 14,889
Net movement in funds		730,036	252,863
Fund balances at 1 January 2019		4,778,366	4,525,503
Fund balances at 31 December 2019		5,508,402	4,778,366

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.

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	13	1,133,515		1,229,345	
Investments	14	4,013,419		3,123,378	
		<u>5,146,934</u>		<u>4,352,723</u>	
Current assets					
Debtors	16	83,891		163,994	
Cash at bank and in hand		318,559		319,832	
		<u>402,450</u>		<u>483,826</u>	
Creditors: amounts falling due within one year	17	<u>(40,982)</u>		<u>(58,183)</u>	
Net current assets			361,468		425,643
Total assets less current liabilities			<u>5,508,402</u>		<u>4,778,366</u>
Income funds					
Unrestricted funds			5,508,402		4,778,366
			<u>5,508,402</u>		<u>4,778,366</u>

The financial statements were approved by the Trustees on 30 July 2020

B T Burnie
Trustee

Company Registration No. 02333474

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	21		204,227		341,562
Investing activities					
Purchase of tangible fixed assets		(19,608)		(169,377)	
Proceeds on disposal of tangible fixed assets		4,530		62,667	
Purchase of investments		(200,000)		(100,000)	
Interest received		9,578		9,795	
Net cash used in investing activities			(205,500)		(196,915)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(1,273)		144,647
Cash and cash equivalents at beginning of year			319,832		175,185
Cash and cash equivalents at end of year			318,559		319,832

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

Daft As A Brush Cancer Patient Care Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Daft As A Brush House, Great North Road, Gosforth, Newcastle upon Tyne, NE3 2DR.

1.1 Accounting convention

The accounts 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 accounts have been prepared under the historical cost convention, modified to certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, 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 accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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.

Incoming resources from charitable trading activities is accounted for when earned.

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

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	straight line over 50 years
Property improvements	straight line over 50 years
Fixtures and fittings	3 years straight line
Motor vehicles	20% straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

**DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

(Continued)

1.10 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.

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.

Basic financial liabilities

Basic financial liabilities, including creditors 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.

Derecognition of financial liabilities

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

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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.

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

DAFT AS A BRUSH CANCER PATIENT CARE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3 Donations and legacies

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
Donations and gifts	353,901	463,352

4 Charitable activities

	2019 £	2018 £
Transport of patients	210,000	200,000

5 Other trading activities

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
Fundraising events	40,954	40,426
Shop income	4,182	6,257
Other trading activities	45,136	46,683

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6 Investments

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
Rental income	9,000	9,000
Interest receivable	578	795
	<u>9,578</u>	<u>9,795</u>

7 Raising funds

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
<u>Fundraising and publicity</u>		
Advertising	6,710	25,568
Other fundraising costs	25,465	20,079
	<u>32,175</u>	<u>45,647</u>

8 Charitable activities

	2019 £	2018 £
Depreciation and impairment	78,548	83,656
Fuel and oil	76,281	68,940
Repairs and servicing	9,666	4,874
Vehicle insurance	35,511	39,375
Misc motor expenses	12,285	13,218
Travelling	3,981	2,262
Clothing costs	3,605	3,387
Irrecoverable VAT	62,295	-
	<u>282,172</u>	<u>215,712</u>
Share of support costs (see note 9)	239,623	217,842
Share of governance costs (see note 9)	24,650	2,655
	<u>546,445</u>	<u>436,209</u>

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9 Support costs

	Support costs	Governance costs	2019	2018	Basis of allocation
	£	£	£	£	
Staff costs	136,207	-	136,207	118,137	Staff time
Depreciation	32,360	-	32,360	32,240	Staff/volunteer time
Telephone	8,182	-	8,182	8,318	Staff/volunteer time
Entertainment	18,942	-	18,942	16,088	Staff/volunteer time
Water rates	1,432	-	1,432	1,135	Staff/volunteer time
Light and heat	7,237	-	7,237	10,961	Staff/volunteer time
Equipment hire and maintenance	7,553	-	7,553	2,771	Staff/volunteer time
Bank charges	2,122	-	2,122	1,736	Staff/volunteer time
Repairs and renewals	3,804	-	3,804	8,949	Staff/volunteer time
Premises expenses	4,789	-	4,789	4,208	Staff/volunteer time
Printing, postage and stationery	9,932	-	9,932	7,488	Staff/volunteer time
Insurance	7,063	-	7,063	5,811	Staff/volunteer time
Audit fees	-	1,200	1,200	1,200	Governance
Accountancy	-	1,450	1,450	1,450	Governance
Legal and professional	-	22,000	22,000	5	Governance
	<u>239,623</u>	<u>24,650</u>	<u>264,273</u>	<u>220,497</u>	
Analysed between					
Charitable activities	<u>239,623</u>	<u>24,650</u>	<u>264,273</u>	<u>220,497</u>	

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9 Support costs

(Continued)

Prior financial year

	Support costs	Governance costs	2018 Basis of allocation
	£	£	£
Staff costs	118,137	-	118,137 Staff time
Depreciation	32,240	-	32,240 Staff/volunteer time
Telephone	8,318	-	8,318 Staff/volunteer time
Entertainment	16,088	-	16,088 Staff/volunteer time
Water rates	1,135	-	1,135 Staff/volunteer time
Light and heat	10,961	-	10,961 Staff/volunteer time
Equipment hire and maintenance	2,771	-	2,771 Staff/volunteer time
Bank charges	1,736	-	1,736 Staff/volunteer time
Repairs and renewals	8,949	-	8,949 Staff/volunteer time
Premises expenses	4,208	-	4,208 Staff/volunteer time
Printing, postage and stationery	7,488	-	7,488 Staff/volunteer time
Insurance	5,811	-	5,811 Staff/volunteer time
Audit fees	-	1,200	1,200 Governance
Accountancy	-	1,450	1,450 Governance
Legal and professional	-	5	5 Governance
	<u>217,842</u>	<u>2,655</u>	<u>220,497</u>
Analysed between			
Charitable activities	<u>217,842</u>	<u>2,655</u>	<u>220,497</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019	2018
	Number	Number
Administrative staff	5	5
	<u>5</u>	<u>5</u>

Employment costs

	2019	2018
	£	£
Wages and salaries	125,731	110,289
Social security costs	8,141	6,449
Other pension costs	2,335	1,399
	<u>136,207</u>	<u>118,137</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Net gains/(losses) on investments

	Unrestricted	Unrestricted
	funds	funds
	2019	2018
	£	£
Revaluation of investments	690,041	14,889
	<u>690,041</u>	<u>14,889</u>

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13 Tangible fixed assets

	Freehold property £	Property improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2019	722,990	303,160	121,707	415,873	1,563,730
Additions	-	19,608	-	-	19,608
Disposals	-	-	-	(8,657)	(8,657)
At 31 December 2019	722,990	322,768	121,707	407,216	1,574,681
Depreciation and impairment					
At 1 January 2019	49,199	30,175	101,597	153,414	334,385
Depreciation charged in the year	12,300	6,455	13,605	82,848	115,208
Eliminated in respect of disposals	-	-	-	(8,427)	(8,427)
At 31 December 2019	61,499	36,630	115,202	227,835	441,166
Carrying amount					
At 31 December 2019	661,491	286,138	6,505	179,381	1,133,515
At 31 December 2018	673,791	272,985	20,110	262,459	1,229,345

14 Fixed asset investments

	Common investment fund £
Cost or valuation	
At 1 January 2019	3,123,378
Additions	200,000
Valuation changes	690,041
At 31 December 2019	4,013,419
Carrying amount	
At 31 December 2019	4,013,419
At 31 December 2018	3,123,378

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15 Financial instruments	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,258	-
Equity instruments measured at cost less impairment	3,993,521	3,123,378
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	37,123	19,981
	<u> </u>	<u> </u>
16 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Other debtors	66,380	144,000
Prepayments and accrued income	17,511	19,994
	<u> </u>	<u> </u>
	<u>83,891</u>	<u>163,994</u>
17 Creditors: amounts falling due within one year	2019	2018
	£	£
Other taxation and social security	3,859	38,202
Trade creditors	25,688	8,667
Other creditors	21	-
Accruals and deferred income	11,414	11,314
	<u> </u>	<u> </u>
	<u>40,982</u>	<u>58,183</u>

18 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to SOFA in respect of defined contribution schemes was £2,335 (2018: £1,399).

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20 Related party transactions

Remuneration of key management personnel

Remuneration for key management personnel was £Nil (2018 - £Nil).

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Donations		Rental income	
	2019	2018	2019	2018
	£	£	£	£
Trustees	15,000	32,500	9,000	9,000
	<u>15,000</u>	<u>32,500</u>	<u>9,000</u>	<u>9,000</u>
	<u><u>15,000</u></u>	<u><u>32,500</u></u>	<u><u>9,000</u></u>	<u><u>9,000</u></u>

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties		Amounts owed by related parties	
	2019		2018	
	Balance	Net	Balance	Net
	£	£	£	£
Other related parties	1,258	1,258	-	-
	<u>1,258</u>	<u>1,258</u>	<u>-</u>	<u>-</u>
	<u><u>1,258</u></u>	<u><u>1,258</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

No guarantees have been given or received.

Rent receivable was charged at market rate as identified by an independent professional surveyor. Purchases were made at market rates.

An amount of £7,500 (2018: £7,500) in relation to rent paid in advance has been included in creditors falling due within one year.

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21 Cash generated from operations	2019	2018
	£	£
Surplus for the year	730,036	252,863
Adjustments for:		
Investment income recognised in statement of financial activities	(9,578)	(9,795)
Fair value gains and losses on investments	(690,041)	(14,889)
Depreciation and impairment of tangible fixed assets	110,908	115,895
Movements in working capital:		
Decrease in debtors	80,103	5,118
(Decrease) in creditors	(17,201)	(7,630)
Cash generated from operations	<u>204,227</u>	<u>341,562</u>