

THE SKIN CANCER RESEARCH FUND (SCaRF)

ANNUAL REPORT AND ACCOUNTS

31 MARCH 2006

BENTLEY JENNISON
Chartered Accountants
Howard House
Queens Avenue
Bristol
BS8 1QT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2006

INTRODUCTION

Patrons: The Lord Mayor of Bristol
Mr B E Hockin MBE

Trustees: Mr P Blackmore FCMI (Honorary Treasurer)
Dr J Briggs MB BS Dpath FRCPATH
Dr J Evans MA FRCSEd(Plast) FRCS
Mr A C Hancock IEng HonFSOE HonFI Plant E
Mr R W Hiles OBE FRCS FRCS(Ed)
Mrs C Hockin
Dr D F Kitching MB ChB
Dr T Mitchell MB ChB DRCOG DPD
Mr N Tonkin MA GGSM JP
Mr P L G Townsend FRCS FRCS(C) Chairman
I vacancy

Medical Advisors: Prof A Burd MB ChB FRCS(Ed) FHKAM
Mr J Kenealy FRACS
Dr C T C Kennedy MA FRCP
Dr H S Rigby DM FRCS MRCPATH
Mr A Orlando MD FRCS
Mr R P Warr MD MB FRCS FRCS(Plast)

Secretary and
Registered Office: Mrs C A Newton
Department of Plastic Surgery
Frenchay Hospital, Bristol, BS16 1LE
E-mail: Caroline.Newton@north-bristol.swest.nhs.uk
Web site: www.skin-cancer-research-fund.org.uk

Registered Charity No: 284582

Independent Examiners: Bentley Jennison, Howard House, Queens Avenue, Clifton, Bristol, BS8 1QT

Bankers: Barclays Bank PLC, 14/16 Queen Square, Bristol BS99 7AJ

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SECTION 1

STRUCTURE – GOVERNANCE AND MANAGEMENT

The Charity is regulated by Trust Deed dated 16 February 1982 as varied by schemes of the Charity Commission of 13 May 1987, 8 January 1991 and 25 May 1995.

At the present time there is a vacancy for one Trustee.

The Trustees meet six times a year to make strategic decisions, which are implemented by the SCaRF Secretary. The day-to-day business of the charity is carried out by the SCaRF Secretary in accordance with Guidelines agreed by the Trustees (due for review).

The Chairman and Vice Chairman are elected for three years in accordance with the procedure laid down in the Guidelines agreed by trustees. The Hon Treasurer is appointed by the Trustees for a period of three years.

Recruitment, Appointment and Induction of new Trustees

Selection and appointment of Trustees is by invitation by the existing Trustees to individuals known to have an interest in and or technical knowledge appropriate to satisfying the aims and objectives of the Charity. If the invited candidate is willing to become a Trustee their appointment is then ratified at the next regular Trustees' meeting. On appointment new Trustees are given background information and a history of the charity, Charity Commission publications about the responsibilities of Trustees and background to topics currently under consideration. Whilst no formal training exists, "on the job" involvement in the day-to-day affairs of SCaRF ensure that new Trustees are quickly assimilated into the work of the charity. The appointment and induction of new Trustees has occurred infrequently because we have been lucky enough to retain our Trustees for long periods and in the past has been a rather informal process. During the next year the Trustees intend to draw up a more formal policy on this issue.

Risk Management.

At the present time the responsibility for the management of risk falls to the Trustees collectively. Historically the Trustees, understanding that risks cannot be eliminated altogether have operated in such a way as to expose the charity to the absolute minimum financial risk while at the same time securing a reasonable return on investment and retaining financial flexibility to enable funding for projects to be available.

Risk assessment of the SCaRF Office working environment has been undertaken by North Bristol NHS Trust and is reviewed periodically and any remedial actions required are undertaken.

The event organiser undertakes risk assessment for individual events in accordance of the requirements of the charity's insurance company.

During the next financial year the Trustees intend to undertake a full review of the potential risks the charity may be exposed to and to develop a programme for monitoring and reviewing such risks.

Governance costs.

(See attached detailed accounts)

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SECTION 2

OBJECTIVES AND ACTIVITIES

Objectives of The Skin Cancer Research Fund

- To assist research into the cause, prevention and treatment of skin cancer generally and melanoma in particular, and to publish the results of such research.
- To assist in developing a nationwide educational programme to raise the awareness of the problem of skin cancer.
- To help cut significantly the number of new cases of skin cancer arising each year in the United Kingdom.
- To help reduce significantly the number of deaths in the United Kingdom caused by skin cancer.

Objectives for the year

In order to achieve the aims of the charity the activities carried out broadly fall into three categories and the objectives within the year 2005 – 2006 were: -

1 Fund-raising – Without the income from fund-raising activities nothing else would be possible and in the past has relied heavily on its local group of fund-raisers who are now finding it increasingly difficult to organise large events. The aim for this financial year was to diversify fund-raising to spread the burden across a wider field and attract younger fund-raisers.

2 Research – SCaRF invites applications for research grant funding from within the medical community. Each application is looked at on its merits and advice sought as necessary from appropriate experts within the field. If funding is awarded progress is monitored through regular reports to the Trustees. An objective this year was to raise the profile of the charity within the health care community and invite further research grant applications.

3 Education and Awareness – To continue to promote the Playground Shade Competition for Primary Schools within the old County of Avon area to promote a greater understanding of the dangers of over exposure to the sun amongst the targeted 5-11 year age group.

Activities

Fund-raising

This year SCaRF's fund-raising activities were more diverse than ever and with so many supporters undertaking physical activities also succeeded in making SCaRF supporters fitter. A substantial amount was raised from participants in different sponsored events from one hardy competitor in the London to Brighton run to others in half marathons in Bristol, Bath and Cardiff, the London marathon and for those not quite up to such arduous events a group of supporters in the Kellogg's 10K walk.

In order to raise the profile of the charity and present a unified image T-shirts were purchased with the SCaRF mole on them and we were lucky enough to persuade celebrities such as Rolf Harris, Tamzin Outhwaite and Tom Ellis to have their photograph taken wearing a SCaRF T-shirt to encourage our fund-raisers in their endeavours.

Other fund-raising came from our small group in Minehead who raise funds in memory of Nicola Higginbottom who died from Malignant Melanoma at the age of 24; Wells where our ever faithful friends

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Rex and Pat are always active in SCaRF 's name; Newport where friends and family of the late John Murray hold a charity Golf Day; Bristol and Avon Roadrunners who held a charity "Rock Nite" for SCaRF; Knowle Methodist Church who "adopted" us for the year; stables in Porlock where they hold an annual fancy dress horse ride in memory of popular horse woman Lucy Ford who died from Malignant Melanoma and a lady in Nottingham who holds car boot sales and coffee mornings in memory of her husband who died as a result of Malignant Melanoma. Locally we held a concert at Clifton Cathedral, the last of the Up Yonder Summer Lunches and Sally and David Kitching hosted an Easter Coffee Morning, August Sunday Lunch and Carols around the piano.

Sales of furry moles and pin badges together with Christmas cards have continued.

Research

The year 2005/2006 contained a significant commitment from SCaRF towards its long-term aims and objectives. Previously individual funding had been given towards a SCaRF Fellow but the Trustees made a five-year commitment from June 2005 to fund the post of the SCaRF Fellow to work with Dave Bates in the Microvascular Research Laboratory of the Pre Clinical Veterinary School, University of Bristol. This work would be towards investigating the spread of MM cells via the lymphatics and possible ways of influencing this spread.

The Commission of work carried out at the Laboratory by our original Fellow Rowan Pritchard Jones, who's funding was subsequently taken up by the Royal College of Surgeons and British Association of Plastic Surgeons, has culminated in his award of a Hunterian Professorship at the Royal College of Surgeons.

With regard to our second Fellow, Darryl Dunn who was appointed as part of our long-term commitment, his work has been recognised by The Healing Foundation who have given further funding for this work to continue. Recruitment of a third SCaRF Fellow is in progress.

The Trustees consider that the funding invested in the work being carried out in the Microvascular Research Laboratories has proved to be a wise use of resources in that it has encouraged other grant making bodies to provide continuing support for projects "initialised" by SCaRF funding i.e. by allowing young researchers to develop and establish a creditable record they can then secure further funding. It also allows for seamless progression of the research

Use of volunteers

SCaRF relies solely on its volunteers for its fundraising activities, they are our greatest asset and we are deeply indebted to them. As a charity we need to be able to raise money to fund our research grant giving capability, the strategy of the Trustees is to provide the support our volunteers need to represent SCaRF as a worthy cause. Many of our fund-raisers come to us because their lives have been touched either directly or indirectly by a tragedy caused by skin cancer, this gives them the motivation determination and enthusiasm that make them such an asset to the charity



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SECTION 3

ACHIEVEMENT AND PERFORMANCE

Fundraising

SCaRF's fund-raising income increased significantly this year due to sponsored events and activities organised by other groups and individuals on our behalf. In September 2005 the total amount raised by SCaRF since it started passed £1,000,000. The amount received from legacies was greatly reduced but such is the nature of that type of funding.

Research

The quality of the SCaRF funded research carried out in the Microvascular Research Laboratories of the University of Bristol is judged by peers in the research community. The fact that the researchers have been able to attract further funding from other institutions and the award of the Hunterian Professorship to Rowan Pritchard Jones shows that this research is held with high regard within that community. The Trustees were a little disappointed at the lack of applications for research grant funding during the year but have now sent out invitations for applications to all Plastic Surgery Units using the images of "our" celebrities on posters and it is hoped that this will attract further applications in the following financial year.

Education and Awareness

The Annual Competition to encourage primary schools to provide shaded play areas for their pupils was again well supported and showed that the message of sun awareness was being passed on and hopefully retained by the younger members of the community.



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SECTION 4

FINANCIAL REVIEW

Overview for
2005/2006

There was a surplus on the year's activities of £14,580, which increased the accumulated fund to £346,724. The surplus for the previous year was £23,044

Total income for the year (at £47,064) was £6,930 down on 2005. This decrease was entirely due to a lower level of Legacies. However, Donations/Fund Raising increased again to £30,282, an increase of nearly 45% on the previous year. Gifts 'In Memoriam' were £7,964 and Team SCaRF contributed £5,572, up by 17% on the previous year. The most significant increase was in sponsorship of 'physical events'. Donations raised by supporters in the London Marathon, the London/ Brighton race, the Kellogg's 10K Walk, the Bristol Half Marathon and events in Bath and Cardiff, amounted to £5,830.

Total expenditure in the year was £32,484, an increase of £1,534 compared with 2005. This year we paid the first installment of 5, in support of the research being undertaken by the Microvascular Laboratory at Bristol University under the leadership of Dr David Bates. amounting to £20,000.

Administration expenses of £6,094 were 13% of total income. The annual average for Administration costs since SCaRF was established is now 8.1% of total income.

Total income and expenditure of SCaRF since it was established has been as follows:

	£
Income	1,025,940
Expenditure	679,216
Accumulated Fund	<u>346,724</u>
Expenditure Analysis	
Administration	83,601
Fund-raising	67,797
Research	490,209
Health Education	37,609
Total	<u>679,216</u>

Grant Making Policies.

In order to be as accessible as possible the Trustees are willing to consider applications for research grant funding on a "rolling" programme with no deadlines set. Each application is submitted to our team of medical advisors for comment and endorsement and if a further specialist opinion is considered necessary then that will be sought. The Trustees will then consider each application together with the comments from advisors on its merits. A decision whether to fund the project will be taken by a vote of the Trustees on a majority basis. When making their decision the Trustees will take into account the comments of the advisors on the quality of the research, its originality and its likelihood to have a bearing on the long-term aims and objectives of the charity. If research grant funding is awarded the Trustees will require regular progress reports from the researcher and exercise control over the allocation of the funds. The nature of cancer research is essentially long-term and SCaRF is prepared to guarantee funding over more than the current year as the need arises. SCaRF advertises the availability of grants through the main cancer organisations (Melanoma Study Group, Cancer Research UK etc).

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The Trustees intend to draw up a formal policy on this subject in the next financial year.

Review of principal funding sources

Core funding is provided by local supporters who make regular gifts or are involved in fund-raising. In addition, SCaRF benefit from sponsorship of marathons, charity walks and similar events. We have support groups in a number of areas local to our headquarters and also receive legacies and gifts 'in memoriam' from supporters and others - normally from families who have experienced the loss of a loved-one who suffered from Malignant melanoma and other skin cancers.

Reserve Policy

The Trustees have considered the adoption of a formal Reserves Policy but were unable at the time to come up with a formula that would adequately represent the position of the charity. The nature of Skin Cancer research is long-term and highly complex and requires financial support which is sometimes difficult to accurately assess at the outset. Flexibility is required on the part of the grant-giving body to ensure full support is given to the researcher to reach successful conclusions. The Trustees have considered a proposal regarding the minimum level of reserves (equivalent to 2 years admin costs plus the amount of all grants already approved) but a final decision is pending. The world of medical research can be incredibly expensive and even relatively small projects can require large sums of money therefore the accumulation of a relatively large reserve is necessary to give the charity the potential to support innovative research. However the Trustees are resolute that there should be no lowering of the threshold for supported projects. The Trustees have recognised that they are holding a significant amount of reserve at the present time and have taken pro active actions to encourage more applications for research grant funding by mailing all UK Plastic Surgery Departments dealing with skin cancer patients informing of the availability of funding for research or education and awareness projects. The Trustees may extend this to include Dermatology Units dealing with skin cancer patients. The Trustees will give further consideration to the formulation of a reserves policy during the next financial year.

Investment Policy

All monies held in reserve are deposited with Barclays Bank on an 'open access' basis. We, therefore, have no investments in any stocks or bonds and there is no intention at this time of changing these arrangements.



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SECTION 5

PLANS FOR THE FUTURE

The Trustees aim to continue the diversification of the types of fund-raising activities undertaken by our volunteers and to provide support and encouragement to attract a younger element into our fund-raising. The Trustees are investigating the possibility of its younger supporters taking part in the Bristol Dragon Boat Festival in 2007 and raising the profile of the charity amongst a different population group. It is difficult for the Trustees to be specific about the types of fund-raising events that will take place because many of our fund-raisers come to us after personal experience of skin cancer and bring their own ideas for fund-raising and often carry these ideas out with minimal involvement from SCaRF.

During the next financial year the Trustees aim to secure funding from other grant making trusts for specific projects to enable SCaRF funds to be stretched further. The Trustees intend to take a more pro-active approach to spreading the message of skin cancer awareness and develop resources to enable displays and information to be taken into community situations.

In the next financial year the Trustees will review the present Schools Competition and aim to extend it to a slightly older school population either the 11/14 year olds or 16/18 year old age group. The Trustees would like to widen their activities in promoting Sun Awareness.

SCaRF remains committed to funding research into the causes, prevention and treatment of all forms of skin cancer and malignant melanoma in particular and hopes to be able to increase this commitment to other ground breaking research projects with further good research grant applications. In order to encourage more diverse research grant applications the Trustees will consider extending the advertisement of available funds

The Trustees wish to continue their open minded and flexible approach to all ideas of fund-raising and research opportunities where nothing is ruled in and nothing is ruled out and to be able to grasp every opportunity that presents itself.



INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2006

I report on the accounts of the Trust for the year ended 31 March 2006, which are set out on pages 10 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosure in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and subsequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A R DICKER FCA
Bentley Jennison
Chartered Accountants
Howard House
Queens Avenue
Bristol
BS8 1QT

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2006

	Note	2006	2005
		£	£
INCOME			
Voluntary sources:			
Donations		11,961	10,294
Legacies		1,000	19,499
Trading activities:			
Fund raising event proceeds		19,631	11,024
Sale of advertising and promotional materials		2,099	1,181
Income from assets:			
Interest on bank balances	1.	12,373	11,993
		<u> </u>	<u> </u>
Total income		<u>47,064</u>	<u>53,994</u>
EXPENDITURE			
Direct charitable expenditure:			
Research	2.	20,000	15,595
Health education	3.	4,005	3,974
Other expenditure:			
Fund raising and publicity	4.	2,385	4,846
Administration	5.	6,094	6,535
		<u> </u>	<u> </u>
Total expenditure		<u>32,484</u>	<u>30,950</u>
Excess of income / expenditure for the year		14,580	23,044
Accumulated fund balance brought forward		<u>332,144</u>	<u>309,100</u>
Accumulated fund balance carried forward		<u>346,724</u>	<u>332,144</u>

BALANCE SHEET**31 MARCH 2006**

	2006	2005
	£	£
Current assets		
Barclays Bank accounts:		
Community account	20,517	8,410
Business Reserve	1,119	1,107
Treasury deposit	326,400	324,082
Amounts receivable	650	606
	-----	-----
Total assets	348,686	334,205
	=====	=====
Liabilities:		
Accruals falling due within one year	1,962	2,061
	-----	-----
Total net assets	346,724	332,144
	=====	=====

The financial statements on pages 10 to 13 were approved by the trustees on

Mr P L G Townsend FRCS FRCS(C)
Chairman

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2006

1. Accounting Policies

General:

These Accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities. Income from voluntary sources is accounted for on a cash basis. All other income and expenditure is accounted for on an accruals basis.

Purchase for resale:

All expenditure on purchases for resale is charged to the profit and loss account in the year of payment. Some stocks of these purchases were in hand at the year end but detailed stock records are not maintained and an estimate of this year end stock has not been included in the accounts.

	2006	2005
	£	£
2. Research expenditure		
Rowan Pritchard Jones	-	15,595
Bristol University – Microvascular Research Lab	20,000	-
	<hr/>	<hr/>
	20,000	15,595
	<hr/>	<hr/>
3. Health Education		
Schools Shade Project	4,005	3,974
Course costs – Melanoma Nurse	-	-
	<hr/>	<hr/>
	4,005	3,974
	<hr/>	<hr/>
4. Fund-raising and publicity		
Advertising	1,145	1,638
Insurance	687	647
Lottery registration	18	18
Purchase of goods for resale (see note 6)	535	1,875
Miscellaneous	-	668
	<hr/>	<hr/>
	2,385	4,846
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2006

	2006	2005
	£	£
5. Administration		
Salaries	4,948	5,645
Miscellaneous	396	185
Independent examiner's fee	750	705
	<hr/>	<hr/>
	6,094	6,535
	<hr/>	<hr/>
6. Purchase for resale		
Christmas cards	535	509
Moles	-	1,366
	<hr/>	<hr/>
	535	1,875
	<hr/>	<hr/>