

The Registered Company Number is:- 03059425

The Registered Charity Number is England & Wales 1046854 Scotland SC037596



Roy Castle Lung Cancer Foundation

Report and Accounts

31 December 2021

Roy Castle Lung Cancer Foundation

Report and accounts

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Reference and administrative details

Charity numbers: England & Wales 1046854 Scotland SC037596
Company number: 03059425
Registered Principal Office: Cotton Exchange Building
Old Hall Street, Liverpool, L3 9LQ

Directors and Trustees

The directors of the charitable company (the Charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Chairman: Max Steinberg CBE
Founder and President: Professor Raymund J Donnelly MBE FRCS
Treasurer and Vice Chair: Euan Imrie

James E Couton
David Gilligan
Anthony Coombs
Andrew Grange
Alison Lobb
Alyson Chadwick
Mandee Lucas
Alastair Machray

Company secretary Paula Chadwick

Senior Management Team

Chief Executive: Paula Chadwick
Deputy Chief Executive/Finance Director
& Director of Retail and Fundraising: Michael Grundy
Medical Director: Dr Jesme Fox
Prevention, Information & Support: Lorraine Dallas
Marketing & Communications: Rachel Avery

Professional Advisers

Auditor: RSM UK Audit LLP
14th Floor
20 Chapel Street
Liverpool
L3 9AG

Bankers: Barclays Bank plc
Liverpool City Business Centre,
Lord Street
Liverpool
L2 1TD

Investment: Rathbones
Port of Liverpool Buildings
Pier Head
Liverpool
L3 1NW

Solicitors: Brabners Chaffe Street
Horton House
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Liverpool
L2 3YL

Jackson Lees
44/45 Hamilton Square
Birkenhead
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Foreword by the Chief Executive of Roy Castle Lung Cancer Foundation

Welcome to our Annual Trustees' Report on our activities throughout 2021.

Our charity works for the benefit of lung cancer patients, their families, friends and carers, and everyone affected by lung cancer. Following the impact of Covid19 2021 has been a year full of challenges, especially following the particularly difficult years of 2020 and 2019, not only for those we help but in common with many charities for the Charity itself.

With both lung cancer and Covid19 being respiratory diseases many of our key researchers and medical colleagues reverted to front line duties relating to Covid19. The social limitations implemented to control Covid19 both severely constricted our ability to raise funds with our retail operation closed for parts of the year and many of our key fundraising activities impaired; and curtailed the rollout of the lung cancer screening project.

Ours is the only UK charity wholly dedicated to defeating all types of lung cancer. We take this responsibility very seriously because Lung cancer is the UK's biggest cancer killer in both men and women. Each year it kills almost 36,000 people, [1] which is more than the number killed by breast, pancreatic and prostate cancers combined!

To address this, our charity has a dual function: saving lives and supporting people living with lung cancer.

This is why we focus on the certain key areas of activity that we do:

Saving lives through:

- Research
- Prevention, Support for people seeking to stop using tobacco products, and Information
- The promotion of early detection and screening programmes

Supporting people living with lung cancer by means of

- Information and Support Services

These activities are not separate and unrelated but intrinsically linked. However, as we move into 2022 the promotion of the screening programmes has taken on a new significance with the hope that success here can demonstrate the impact and benefits that a national screening programme could deliver.

Our research activities add to the store of information helping patients and their families to better understand the disease and its implications for their lives.

Our research into early detection links to our crucial work on screening. Our Information Centre staff create and update high-quality data-led and patient-reviewed collateral such as leaflets and online content, aided by input from research and prevention projects.

Our support services include a nurse-led helpline and online forum, as well as patient grants; feedback from these informs and refreshes our information collateral.

While the overall economic climate and social environment continued to set challenges for the charity throughout 2021, the situation both financially and operationally, in terms of our ability to deliver some of our charitable objectives has been severely affected by the impact of Covid19. However, despite these hindrances, we delivered a relatively strong and successful year during which we generated an income of £4,686,703 and spent £4,618,982 to support our vital activities, of which over £1,700,660 was spent still directly on the charitable activities mentioned.

Highlights of our year include:

Maintaining financial stability through this extremely worrying period and thus ensuring that we are a sustainable charity and here to support the lung cancer community in the future has to have been our first priority in 2021, and financially we have performed well generating a surplus of £195,263, some of our other highlights include:

- We are extremely proud of our work on the NHS targeted lung health check programme. Our promotional work and community engagement events have been shown to significantly improve screening uptake. We have been at the heart of the CEG lung cancer screening programme and the work we have done in driving this forward at a strategic level.
- The re-establishment of our fantastic fundraising activities, our headline events are back better and stronger than before, our Retail business is up and running again meaning sustainable, manageable income generation is possible, allowing the charity to fund all the vital charitable activities it provides.
- The continued development of our support services, transformed over covid with new and innovative ways to help patients, their families and their carers are continuing to adapt to the changing environments in which we find ourselves.

We are particularly grateful to the patients and their families who gave so freely of themselves to make our campaigns such a success. We continue to find fresh ways to ensure that lung cancer remains high on the public agenda.

Your donations continue to be the key to our success. By investing in our work, you help people whose needs have too often been overlooked. By supporting those living with lung cancer and helping our young people in their efforts to avoid smoking, you are improving the nation's health; both now and for years to come.

I would like to place on record my gratitude to all who help us in our work. In particular. I'd like to thank all those that have volunteered and supported us through the very uncertain times of Covid19, who raise funds for us, those who help at our various events and activities throughout the year, and also those who offer their services to work alongside our professional staff in our retail shops; without their efforts, we could not deliver our objectives.

From people who run marathons, real and virtual, or tackle daunting challenge activities, to those who volunteer their time in our shops, or those who campaign tirelessly to improve the outcome for lung cancer patients and their families – these efforts help us fund world class research projects.

The projects these efforts fund could help us detect lung cancer at the earliest stage when it is possible to treat and cure, which would mean countless lives are saved. There are more details of this work later in this Report.

So, we thank everyone involved, all of these people for their selfless generosity. Thank you for every cake, every run, every walk, every rhumba and every collection bucket filled with coins and notes.

Thank you for giving your time, for giving every month, for giving your hearts and for giving hope.

To deliver on our mission, we must grow!

Whilst these are worrying times for everyone they are also exciting times. We have plans for further projects to help detect lung cancer earlier. We are seeing the emergence of new therapies to treat more patients. Above all, we are seeing lung cancer and lung cancer patients achieving a much higher public profile. The mainstream UK media are taking notice of the disease in a positive and measured way. This is helping us challenge the stigma that clings to lung cancer and so often adds to the burden for patients and their loved ones.

As their advocates, their voice, we are proud to represent patients in the decision-making processes of both

the National Institute for Health and Care Excellence (NICE) and the Scottish Medicines Consortium (SMC), the bodies responsible for recommending the use of new medicines and treatments within the NHS. The overall picture for lung cancer is improving and we concentrate in ensuring that the advances being made are not diminished because of Covid19. The charity is proud to be at the heart of these improvements and we have to thank each and every one of you for helping us to help make it happen.

I hope that, like me, you will be inspired by our plans to help people affected by lung cancer to lead longer, better and happier lives.

We cannot - we will not – despite Covid19 or any of the other challenges the world currently faces, pause in our commitment to furthering those improvements because we firmly believe that everyone affected by lung cancer should be able to EXPECT BETTER.



Paula Chadwick

Who We Are

The Roy Castle Lung Cancer Foundation Company Number 03059425 (the Foundation) is a company limited by guarantee governed by its Memorandum and Articles of Association last amended 31st January 2011. The company is registered as a charity with the Charity Commission in England and Wales (1046854), the Office of the Scottish Charity Regulator (SC037596) and the Index of Charities on the Isle of Man (1277).

We exist for the benefit of lung cancer patients and all affected by the disease. By securing donations, legacies and sponsorship, the charity can make a real difference for patients, their families and those who look after them.

By engaging with thousands of people each year, we have established the charity as the first-call information and support resource for those diagnosed with lung cancer, their families and carers. Our aim is to be the properly representative 'voice' of lung cancer patients in dealing with all areas of health care policy and provision, as well as providing reliable, first-class information and support services.

We would like you to support us in our crucial work so please read on and let us tell you more about ourselves, what we do, what we have achieved and how we go about spending the money so kindly given to us.

Our mission

As mentioned by our chief executive in her introduction, the charity has a dual focus: saving lives and supporting people living with lung cancer.

To do this, we promote and fund research into the causes, prevention and treatment of lung cancer, we develop and support health promotion programmes designed to prevent the onset of lung cancer, and we provide amenities to improve the quality of life of patients and their relatives.

During 2021 increased emphasis has been placed on making The Targeted Lung Health Checks (TLHC) programme a success. This is a new and ground-breaking flagship programme of work in England which will contribute to the ambition of the NHS Long Term Plan to improve early diagnosis and survival for those diagnosed with cancer. The Charity has been at the heart of this initiative and is heavily involved in promoting its uptake.

In raising new money and by careful management of our existing funds, the charity provides a public benefit by addressing unmet needs. We do this by making grants to serve lung cancer patients and their families receiving services, by funding research, and by our associated information, support and prevention services.

The trustees confirm that they have paid due regard to the public benefit guidance published by the Charity Commission and Office of the Scottish Charity Regulator. The Foundation refers to the public benefit guidance when reviewing and setting its aims and objectives and in future planning.

When considering where to focus our attention, our corporate trustees' board and particularly the members of the charity's research funding committee have regard to the Charity Commission's guidance on public benefit and what this means for our charity.

What We Do

Early Detection and Lung Cancer Research

Following the big news story in Lung Cancer of 2019, the roll out of 'Lung Health Check' in England, 2019 saw the first stages of implementation of the roll out to the 10 sites in 14 Clinical Commissioning Group (CCG) areas with around £70m [5] had been earmarked for this work with the Roy Castle Lung Cancer Foundation very much at the heart of many of the recommendations and our Comms, Information and Support teams supporting community engagement. Since then though the whole health arena including Lung cancer has

been severely affected by the impact of Covid19 and 2021 was again a year dominated by the COVID pandemic. Ours and the research community's work on Lung cancer has been seriously negatively impacted.

The impact of COVID-19 on lung cancer patients

- Due to average age and co-morbidities, lung cancer patients have been amongst the most vulnerable, during this crisis.
- During each of the waves of pandemic, there has been disruption to lung cancer services, with some staff deployed to deal with COVID-19.
- Lung cancer treatment pathways have been altered to reflect the continued risk of infection and the need to ensure patient and staff safety.
- Patients have been balancing going to the hospital for treatment, with the risk of leaving home isolation.
- It is anticipated that the numbers of lung cancer diagnoses will be reduced and there will be a stage shift towards late diagnosis. With the obvious impact on patient outcomes.

Impact of COVID-19 on early detection of lung cancer

- Throughout the pandemic, patients have reported difficulty in accessing general practice and anxiety about attendance at clinical services. Taken with the above reduction in cancer referrals, there has undoubtedly been a knock-on effect, in late diagnosis. This highlights the importance of a lung cancer screening program and the need for patients with symptoms to access diagnostic services quickly.
- As previously stated, the Targeted Lung Health Check (TLHC) program (England) has been adversely affected by the pandemic. During 2021, however, the TLHC program did restart with all now 23 CCG sites up and running. A further expansion of the program is planned for 2022. The RCLCF Comms Team have been key in supporting local TLHC sites in community engagement work.
- During 2021, several public awareness campaigns on lung cancer have been run across the UK, including in Scotland 'Detect Cancer Early' and 'Settling in' campaigns and in England 'Help Us, Help You', encouraging people with persistent cough to seek medical help.

The impact of COVID on Lung Cancer is highlighted in the National Lung Cancer Audit Report (published January 2022). [3]

The Report analysed data on lung cancer patients diagnosed in 2019 and 2020. Data has been obtained from the Rapid Registration Dataset (England), allowing for much speedier data availability than previously. Having data (England) from this one source, has allowed for direct comparison of the two years, providing a picture of the devastating impact of COVID-19. Conventional NLCA data is also available for Wales (2019 – ie, pre-COVID) [3].

Key findings from the report show –

- 1 year survival for lung cancer (England and Wales) in 2019 was 40.7% (this compares with a figure of 39% for 2018).
- In 2019 (England) curative treatment rates for patients diagnosed at Stage I/II were 81%. In 2020, dropped to 73%.
- Surgical resection rates fell from 20% in 2019, to 15% in 2020.
- Compared with 2019, lung cancer patients diagnosed in England in 2020 had a poorer Performance Status, were more likely to be diagnosed via the emergency presentation route and less likely to have a pathological diagnosis.

RCLCF funded Research

As a result of the impact of the COVID-19 pandemic on clinical research in general, we suspended our formal Research Grants program in 2020, although in 2021 funding was awarded for work looking in CT for first testing for symptomatic patients.

For those ongoing RCLCF research grants and those due to start in 2020, delays and changes to design were discussed and agreed. With normality returning, we plan to open for a new 2022 grants round, with submissions opening at the beginning of 2022, with a view to research projects commencing in 2023.

However, during 2021 the funding for clinical research fellowship has continued.

Nottingham University RCLCF Clinical Research Fellow

Dr Helen Morgan (HM) is the third CRF funded by RCLCF. During 2021 she has focused on:-

- The DECLINE Study (Decisions against curative treatment for lung cancer in eligible patients). This research study is funded by RCLCF. It is a mixed methods project looking at the reasons why some people with potentially curative lung cancer do not have treatment. It will involve a qualitative portion including interviews of people diagnosed with early stage lung cancer across the East Midlands, and health care professionals involved in lung cancer diagnosis and treatment. The quantitative portion involves generation and analysis of a database of all people diagnosed with lung cancer across the East Midlands, with a case note review in some cases to establish the reasons treatments weren't given. HM has presented the study to the NHS Research Ethics Committee (REC) and Confidentiality Advisory Group (CAG) with favorable first review – the final outcome is awaited. The Study will begin recruitment early in 2022.
- The Birth Cohort Study. This is a project which will use historical data from the National Cancer Registry (1950 to 2019) to complete a birth cohort analysis of those diagnosed with lung cancer during this time. HM is awaiting approval before final submission to the Office for Data Release/NHS Digital for use of the dataset Cure in Non-Small Cell Lung Cancer. This is a narrative review of current literature around the term "cure" in non-small cell lung cancer. Findings were published in *Oncology and Therapy*. The paper is titled What is the Definition of Cure in Non-small Cell Lung Cancer? (Morgan H, Ellis L, O'Dowd EL, Murray RL, Hubbard R, Baldwin) [4]
- 90 Day Mortality Following Lung Cancer Surgery. A review of contemporary outcomes following lung cancer surgery in England. The paper has been submitted to the journal *Thorax* and revisions are underway. Poster presentation at the *BTOG* annual conference.
- Rapid Cancer Release Dataset. An analysis of the Rapid Cancer Release Dataset for 2019 and 2020 to assess the impact COVID had on the management of advanced stage non-small cell lung cancer in England and Wales. Oral presentation at the *BTOG* annual conference.

RCLCF Policy Work in 2021

In responding to the realities of the COVID-19 pandemic, key policy areas in 2021 have been to work with clinicians, patients, health policy, regulatory and others to ensure -

- the recovery of lung cancer diagnostic, treatment and care services
- focus on working towards earlier detection of lung cancer

In so doing, we have –

Continued as secretariat for the Lung Cancer Clinical Expert Group (CEG).

- The CEG was started 6 years ago as an advisory group within NHSE, with RCLCF providing the secretariat. Since 2020, the CEG has not been within NHSE structures. It continues as an independent group of nationally and internationally recognised clinicians, academics, patients, commissioners and representatives from health professional bodies and charities. The CEG provides

expert advice on clinical issues in thoracic malignancies, in particular in areas of health policy and strategy. It continues to provide advice and complete tasks when required, both on lung cancer and mesothelioma. Roy Castle Lung Cancer Foundation provides secretariat function for the Group.

- Membership of the CEG is of multidisciplinary experts from across lung cancer specialities, patients, charities and professional societies/bodies, with an interest in lung cancer. There is representation from the four devolved nations of the UK.
- During 2021, the CEG has made written submission to several enquiries - the All Party Parliamentary Group on Radiotherapy enquiry into the impact of COVID on Cancer; the All Party Parliamentary Group on Respiratory Medicine's enquiry on 'Lung Cancer'; the Health Select Committee enquiry on Cancer Services, to which Prof Baldwin (CEG chair) provided oral evidence.

In short, these submissions highlight the scale of 'missing' lung cancer patients and the ongoing issue of late diagnosis. In terms of recovery, focus is needed on early detection (lung cancer screening and raising public awareness of symptoms), data in real time (including monitoring of the impact of changes made during the pandemic) and the importance of implementation of the National Optimal Lung Cancer Pathway.

- During the pandemic, the CEG has continued to provide advice and updating of the National Optimal Lung Cancer pathway.

Continued to work as a consultee to NICE (England) and other bodies to ensure promising new lung cancer therapies are available in the NHS. In 2021, the following were recommended –

- NICE STA - Positive recommendation for Atezolizumab in untreated PDL1 positive metastatic nscl.
- MHRA, under project Orbis - Positive recommendation for Osimertinib in early stage, EGFR Positive post surgery (complete resection).
- MHRA, under Project Orbis – Sotorasib approval in KRAS G12C mutated advanced nscl.
- NICE STA – Selpercatinib for RET fusion positive nscl. Recommended for use through the Cancer Drugs Fund.

Supporting the work of the National Lung Cancer Audit

The NLCA began in 2004 and the Royal College of Physicians London has held the contract since 2014. 2021 marks the end of the contract and from early 2022, it will change and be with the Royal College of Surgeons. During 2021, RCLCF has continued to support the work of the NLCA in membership of the NLCA Board and Clinical Advisory function.

Lung cancer and early detection

The Charity has continued during 2021 to campaign for the implementation of a national Lung Cancer Screening Program, through media and interaction with policy makers. We are particularly grateful to James Brokenshire MP for his support of this cause. Sadly, James died from lung cancer in October 2021 and our sincere condolences go to his wife, Cathy, and family, who continue to work with us, to reach this aim.

During 2021, the National Screening Committee has continued to review the clinical and cost effectiveness of lung cancer screening, a process the charity has been heavily involved in. Having a positive decision from the NSC will be crucial in ensuring the future for Screening across the four nations of the UK. We are hopeful that the NSC will announce a decision in 2022. We have continued to provide input to The NHSE Early Detection

Task and Finish Group, which provides oversight of the TLHC program and The NHSE Advisory Group on Lung Cancer Screening.

The charity also continued to work with the wider healthcare community, ensuring the lung cancer voice. Including, membership of the Respiratory Taskforce, Cancer Early Detection Charity Coalition and the UK Lung Cancer Coalition. Of particular note is the UKLCC's Report, 'The Route Back to 25 by 25', published in November 2021, providing a plan for lung cancer to recover post-COVID and a return to focusing on the target of a 25% five year survival for lung cancer by 2025.

Policy on Research Grant Making

Our grants policy allows for an extremely robust application process to ensure we only fund the very best science. Applications are offered via an open grants application programme, independently peer reviewed by our own grants committee and then externally peer reviewed by leading experts in the relevant field before being recommended for funding.

The charity now has a long history of funding external research projects together with the close links it still has with the University of Liverpool and the Liverpool Lung Project.

Historical Research Funded to date

- 2012 - 4 Early Detection (ED) pilots, 2 ED projects, 2 Patient Experience (PE) projects
- 2013 - 4 ED projects, 1 PE project
- 2014 - 3 ED pilots, 1 ED project, 1 PE pilot, 1 PE project
- 2015 - 3 ED pilots, 2 ED projects, 1 PE pilot, 1 PE project
- 2016 - 2 ED projects, 2 PE projects
- 2017 - 1 ED project, 1 PE project
- 2018 - 1 ED pilot, 1 PE pilot
- 2019 - 1 ED project, 1 PE project

Current ongoing Research:

- University of Leeds - Development and piloting of a radiographer-led smoking cessation intervention in the lung cancer screening setting
- University of Nottingham - Evaluating lung cancer patient experience: a National Lung Cancer Audit linked study
- The Manchester Cancer Research Centre - Methods for prevention and early detection of lung cancer after Hodgkin- lymphoma treatment.
- University of Nottingham - DECLINE: DEcisions against Curative treatment for Lung cancer IN Eligible patients

Further details of our research can be found at the charity's website [5]

Global Lung Cancer Coalition

The Roy Castle Lung Cancer Foundation remains at the heart of the GLCC project and provide it's secretariat. Formed in 2001 the GLCC project has become a truly global organisation and now includes 42 organisations from 30 countries which the Roy Castle Lung Cancer Foundation is proud to be involved in and drive forward.

The GLCC is committed to improving disease outcomes for all lung cancer patients. The coalition seeks to ensure that policy makers, medical professionals, the media, and the general public recognize the serious nature of lung cancer and the need for immediate action to meet patients' needs. Key to GLCC's success is its ability to network and support members, which are new and less well established lung cancer organisations. This is achieved through Newsletters, through email discussion and during our Annual Meeting (in 2021, this was not possible and was replaced by a virtual meeting).

The Global Impact of COVID-19

In many parts of the world, lung cancer services have been devastated and referrals for diagnosis drastically reduced. At the same time, charitable and not for profit organisations have been struggling to raise funds. At the start of the pandemic in 2020, we undertook a GLCC Member Survey on the Impact of COVID-19. We repeated this survey in April 2021, to understand how our member organisations were coping.

The survey revealed that two-thirds of organisations had closed face to face services and were offering digital and online services instead. The following 2021 survey showed that these services were still in place however, two-thirds of organisations had reopened some face-to-face services. This reflects the global situation with the pandemic in the early summer of 2021, when the survey was undertaken the desire for organisations to return to full services.

GLCC Achievements during 2021.

Despite the pandemic, the GLCC has been able to undertake the following planned work for this year.

Patient Experience Survey

Understanding and improving patient experience is a priority for GLCC members. As such, we undertook our second Patient Experience survey of lung cancer patients in different countries. It was a combination of repeat questions from our first survey and new questions, designed to understand how COVID was impacting on patient experience. The survey was distributed through GLCC members, via email, websites and on social media, between February and April 2021. 1287 responses were received from 18 countries. Key findings were as follows:

- Waiting for a diagnosis
 - Most respondents in most countries were satisfied with how long it took to get their diagnosis
 - A significant proportion of patients in all countries thought there was an unnecessary delay to diagnosis
 - The most commonly perceived delay was waiting to get symptoms checked, but some patients said they waited too long for tests or results
- Involvement in decisions
 - In most countries, some patients said they did not feel as involved in the decisions about their treatment and care as they would want to be
- Being treated with dignity by the care team
 - There is variation in the proportion of patients who feel their medical team treated them with dignity and respect
- Emotional impact
 - Patients are experiencing a range of emotions including feelings of anxiety, shame, fear of relapse, financial concerns and worries for loved ones
 - Family and friends are the main source of emotional support for most patients
 - Some respondents said they did not know they could, or didn't feel comfortable with, asking their treatment team for emotional support
- Experience of virtual consultations
 - Patients in almost all countries had experienced virtual consultations during COVID-19
 - More patients had telephone than video consultations
 - The USA was the country with the highest proportion of patients (47%) who had a video consultation
 - Patients could see both advantages and disadvantages in virtual consultations

We have created four Thematic Briefings and these Reports are available for download from the Surveys Section of the GLCC website – reports available for Australia, Brazil, Canada, Denmark, Ireland, Italy, Mexico, Netherlands, Portugal, South Africa, Spain, Taiwan, UK and USA.

This survey work was presented at the World Lung Cancer Conference in September 2021. It will provide a

base for a third Patient Experience Survey in 2022 and for a new GLCC project, 'Coping with Lung Cancer'. [6]

- Global State of Lung Cancer Research (2004 to 2019). Researchers at the Institute of Cancer Policy in London were commissioned to undertake some bibliometric research, to map published lung cancer research, across the globe.

The Study

- Identified the top 24 countries publishing the most research into lung cancer.
- Analysed whether research outputs had changed over time.
- Showed that lung cancer research lagged behind both breast and colorectal cancers in terms of the volume of papers published.
- Demonstrated that some aspects of the disease and its treatment were under-investigated, such as screening, diagnostics and supportive and palliative care.

GLCC members have since been using this data to campaign for more research in their individual countries.

In 2019, the GLCC commissioned a second phase to this project. Encouragingly, it shows the volume of lung cancer papers published between 2004 and 2018 has increased. The proportion of overall global cancer research dedicated to lung cancer has also increased, though it still lags behind that dedicated to breast cancer. Every country in the top 24 has increased their research output. Some countries – notably China, South Korea, India and Brazil – have risen up the country rankings.

This work was published in 2021 and the Report, *the Global State of Lung Cancer Research (2004 to 2019)* is available on the GLCC website. [7]

The COVID-19 pandemic has rapidly altered the research landscape, with governments and industry focussing on diagnostics, vaccines and treatments for coronavirus. Research charities and not-for-profit organisations have seen funding decrease. This Report, therefore, provides an important benchmark for pre-COVID-19 lung cancer research output, from which we will be able to judge impact in the coming years. Towards the end of 2021, we have now commissioned an update of this work, assessing how COVID-19 has changed the research environment for lung cancer, in terms of bibliometrics, funding organisations and clinical trials. We anticipate the results will be available in 2022 and we will make maximal use of the data, creating country by country briefings and continuing to advocate for more research in lung cancer.

Factsheets. We currently have a series of Factsheets available in 16 languages, including :-

- Clinical Trials
- Immunotherapy and Lung Cancer
- Lung Cancer Screening
- Smoking Cessation for Lung Cancer Patients
- Lung Cancer and COVID-19' and Differentiating between the symptoms of Lung Cancer and COVID-19
- Hints and Tips for Patients on Virtual Consultations
- Biomarkers in Lung Cancer

Global Lung Cancer Screening Project

Because Lung Cancer Screening with low-dose computed tomography works and lives are saved by detecting the disease at an early stage. There is a need to ensure the implementation of lung cancer screening programs globally, to identify and screen asymptomatic high-risk individuals with low dose computed tomography. The GLCC has created a screening section as part of the website This online resource brings together, in one place, key publications, case studies, documentation, protocols, interviews with experts and

guidance around lung cancer screening. GLCC members are keen to see Lung Cancer Screening programs implemented globally. During 2021, we have updated resources, as new research and documents have become available.

Global Lung Cancer Screening Project – Making the Business Case.

In 2021, the GLCC created a template business case, making the case for the implementation of lung cancer screening. It is available for download on the GLCC website. Two documents have been created. The first is a summary document, designed to support those who are starting the conversation with health policy makers. The second is a much more comprehensive document designed in such a way as to make it easy for users to customize.

Lung Cancer e-Atlas.

- This is one of GLCC's flagship initiatives and is available on the GLCC website. It is an easily accessible source of international lung cancer data, including all WHO countries. This includes incidence, mortality and survival. Also, an indication of whether the country has Cancer Registry and/or a National Cancer Plan. In 2021, the GLCC began the task of updating the e-Atlas with new data and this will continue into 2022 and will include an update of national links. GLCC members and others will continue to be encouraged to use this data for advocacy activity.

GLCC engagement with Lung Cancer Professionals.

The GLCC has established partnerships to maximise global understanding of the burden of lung cancer and the right of patients to effective early detection, better treatment and supportive care. In so doing, since 2003, the GLCC has hosted symposia, at the invitation of the IASLC, during its World Congresses in Lung Cancer (WCLC) in Barcelona (2019), Toronto (2018), Yokohama (2017), Vienna (2016), Denver (2015), Sydney (2013), Amsterdam (2011), San Francisco (2009), Seoul (2007), Barcelona (2005) and in Vancouver (2003). During 2020 and 2021, WCLC was a virtual conference and as such, we were unable to meet. We are hopeful of a face-to-face meeting again in 2022 and again hosting vital symposia.

- Lung Ambition Alliance (LAA). GLCC is a founding partner in LAA, together with AstraZeneca, Guardant and the IASLC. The LAA is a partnership of diverse organisations, united in the aim to eliminate lung cancer. The Alliance aims to accelerate progress and bring meaningful change for lung cancer patients, by amplifying the expertise of each partner and prioritising meaningful projects which have the potential to further this goal.
- The GLCC Annual Member Meeting – From the start of the GLCC, until 2020, we have held annual face to face meetings. In 2020 and 2021, due to COVID, we were unable to do so. As such, we undertook a virtual GLCC members meetings and also virtual meetings with GLCC partner organisations. We are hopeful that we will be able to undertake a face to face GLCC meeting in 2022, our plan is that this will take place just prior to the World Lung Cancer Conference in Vienna, in August 2022.

Supporting Patients, their families and their carers

2021 remained a challenging year for us with Covid19 continuing to impact many of the ways the charity supports patients, their families and their carers. 2021 saw the continuing impact of covid-19 on our patient community in terms of:

- their access to diagnosis and treatment
- the psychological impact of shielding
- clinical risk in relation to virus infection.

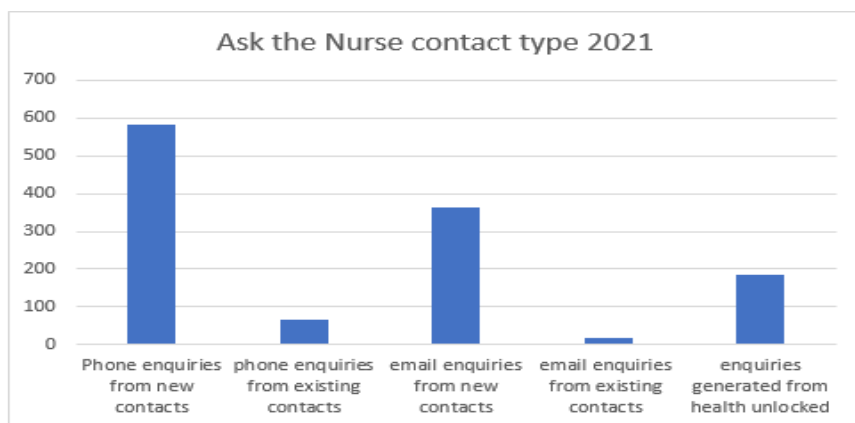
The roll out of the vaccination programme and lifting of shielding addressed some, but not all, of these impacts on the wellbeing of those we support. The charity's information and support services responded to the

circumstances offering virtual support where our face-to-face support groups and Information Days remained paused.

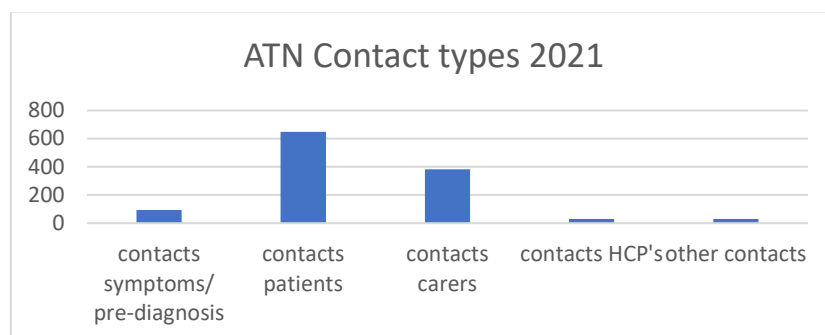
One to One Support

We offered 1-1 support via our Ask the Nurse service, in 2021 the service responded to 1,215 enquiries. The average contact time per enquirer was 47 minutes.

Method of service contact



Profile of service user



In 2020 the charity also introduced our Keep in Touch phone support service. This was designed as a method of alleviating isolation following guidance on shielding which applied to much of the lung cancer community. The service continued in 2021 as the feedback from participants was there was an ongoing need for support due to the combined psycho-social impact of covid-19 and lung cancer diagnosis.

There were an average of 50 people supported per month. We had 40 people stop using the service as no longer required, with an additional 10 deaths of people using KIT and 51 new service users. Over the course of the year more than 700 calls were made, with more than 330 hours of direct contact between charity staff and people affected by lung cancer.

Group support

Our face to face support was largely paused for most of the year, though the Orpington and Portsmouth groups did meet during quarter 3- 4.

We had 440 new members join our lung cancer community on health unlocked, taking our membership to 4,760. [8]

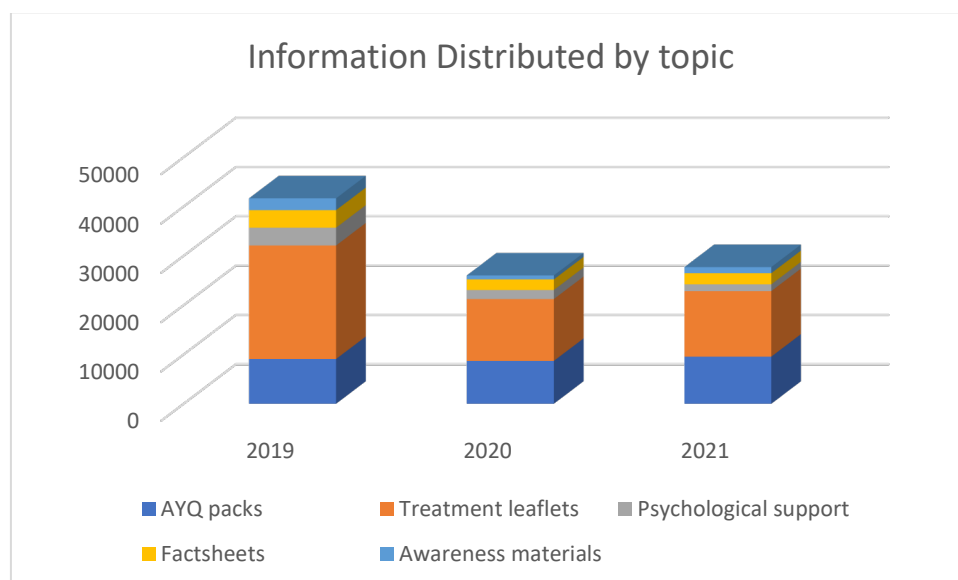
The focus of our group support was on our Lung Cancer Connect digital services. We commenced running the programme in April and have run 48 sessions with 95 attendees. Recruitment has been slower than we hoped given the difficulties communicating with Nurse Specialists, who are key to sign posting. However direct marketing undertaken October – December had a positive impact and we expect expansion of the service in 2022.

Patient Grants

We restarted our patient grant funding in 2020, following pausing for a year due to financial constraints. It took time to build awareness and create an online process in response to covid-19. In 2020 we distributed 106 grants valued at £15,050. In 2021 we distributed 286 grants valued at £40,450.

Literature and Printed Information

Orders for literature was quieter than pre-covid 2019 but busier than 2020, with slight variation in the balance of materials ordered. We distributed 9,562 Answering your Questions packs; 13,286 treatment related leaflets, 1,365 leaflets supporting people with psychological and practical issues, 2727 treatment factsheets and 1,233 Awareness leaflets. We also had bulk 544 orders for information and distributed our Lung Cancer Awareness Month literature during November.



External Engagement

We continued to work with a range of stakeholders to build engagement and awareness of the priorities for people affected by lung cancer. We engaged with the Scottish Cross Party Group on Cancer and Scottish Cancer Coalition. Through these groups we have engaged in work on prehabilitation and recovery of cancer

referrals and services. We have participated in the UK Lung Cancer Coalition and been part of the work to update the 25% by 2025 policy paper reflecting the impact of covid-19 on lung cancer survival rates.

We have worked with pharmaceutical partners on a number of advisory groups and collaborative projects. Of note in 2022 we participated in advisory boards for Janssen, Novartis and Takeda. We participated in some education sessions run by AstraZeneca. We were part of a global steering group on developing peer navigation run by Novartis.

During 2022 work continued to prepare for the implementation of lung health checks in Scotland with the steering group resulting in a paper on the implementation and ongoing influencing work.

A Scottish sub-group of the Less Survivable Cancer Task Force was established. As part of this group (and Scottish Cancer Task Force) we have participated in meetings with the Cabinet Secretary for Health.

An event planned for December 2021 sponsored by MSD and in collaboration with Lung Cancer Nurses UK on the "Nurses Matter" campaign was postponed to 2022.

The charity also fed into the Scottish Medicines Consortium as part of the vital approval process for new treatments such as Osimertinib; nivolumab + ipilimumab ; selpercatinib and atezolizumab.

Campaigning Communications and Marketing

Covid-19 continued to have a severe impact on lung cancer throughout 2021 and we started to understand to true devastation of the pandemic on patients. The significant decline in referral rates saw a drop in lung cancer surgery and an increase in emergency presentation, all pointing to later incurable diagnoses.

The primary aim of our communications team for the year therefore were to support those affected, encourage earlier presentation to primary care and challenge the myths and confusion caused by symptom overlap, whilst providing support to the fundraising team to maximise income generation.

Targeted Lung Health Checks

After having paused for the majority of 2020, the 23 targeted lung health checks across England resumed in 2021 and we re-established our support of a number of programmes. This included:

- Marketing materials for the Mansfield and Ashfield programme, which saw an initial uptake rate of 68%.
- Video and printed collateral for Liverpool TLHC. These resources were shared with Halton and Knowsley programmes, which worked collaboratively under Cheshire and Merseyside Cancer Alliance and Liverpool Heart and Chest Hospital.
- Ongoing targeted social media in regions across Merseyside, with ads averaging a 5-6% click through rate and in some regions up to 9% (average click through rate on Facebook is 0.8%, demonstrating the success of this activity).
- Execution of media activity, securing coverage on Radio and in the press.
- A four-week outdoor advertising campaign.
- Coordination of multiple community engagement events.

The Charity is also working directly with the National Targeted Lung Health Check team and presented at two virtual conferences on maximising uptake of the programme, which remains below expected levels.

Throughout the year, the charity also devised marketing and community engagement proposals for existing and upcoming TLHC programmes, with activity commencing in early 2022.

Raising Awareness of Lung Cancer

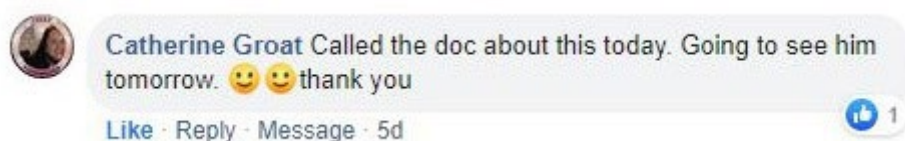
Whilst all cancers were impacted by the pandemic, lung cancer was especially affected due to the crossover in symptoms. This led to many people, including primary care, presuming symptoms – such as a persistent cough or breathlessness – were Covid-related rather than lung cancer and therefore caused significant delays to diagnosis.

In 2021, the charity ran two series of awareness activity – in June-August and November (lung cancer awareness month). In both instances, our campaign, Spot the Difference, focused on highlighting the subtlety of early symptoms as so often these are dismissed as something less sinister or ignored entirely. The campaigns aimed to help people recognise any subtle changes in their health that are unusual for them and encourage to take action – even during the pandemic.

Originally, we had intended for the first phase of campaign to launch in late spring however NHS England launched its lung cancer awareness campaign in March-May. We therefore decided to delay ours launching in June and allowing us to build on and elongate the NHS campaign.

Unlike the NHS campaign which focused predominately on a persistent cough for symptom awareness, we felt it was important to raise awareness of a multitude of potential symptoms. We therefore created a series of short videos utilising the spot the difference theme to demonstrate the subtly and potential change people may experience

The videos reached over 1.7 million people and were viewed over 2.3 million times, with 17.5% (409k) watching to completion. In addition, there were over 31,000 clicks to the relevant symptom page on our website, with people actively seeking further information about symptoms.



In addition to the symptom-focused videos, the campaigns featured further resources including:

- 15 patient stories; 11 of whom were diagnosed early and 4 people who were diagnosed with stage 4 lung cancer but living well with the disease thanks to new treatments.
- Campaign launch video, showcasing all the different symptoms people experience, the different causes, and the importance of early detection.
- Commentary from advocate, Dipti Goraniya, on the cultural barriers within the BAME community.
- Primary care toolkit.

The primary call to action of the campaign was to direct people with symptoms to primary care. This was met with a high level of dialogue, highlighting the ongoing difficulties in accessing primary care. This prompted us to produce an additional video for the campaign with practical advice on how to navigate the system.

"What an important and informative campaign. The case studies are inspirational and identifying the various vague symptoms that need checking out are such a useful reminder to get checked out when knowing something is different. This should be viewed by anyone involved in healthcare too. Thanks to all involved."

Janette Rawlinson, NHSW West Midlands Cancer Alliance

Lung Cancer Awareness Month

As part of our Lung Cancer Awareness Month activity in November, we held a radio day securing:

- 127 items of coverage
- Over 21 hours total airtime
- 42 million total Listener reach.

The interviews were featured across the UK including on Radio News Hub, who reach 116 member stations, including Jazz FM and Sky News Radio. Radio News Hub broadcast the entire interview during their drive time news feature to their combined reach of 8,086,000 listeners, while Sky News Radio broadcast an 8-minute interview on their early evening news feature. [9]

"It was a pleasure to speak with Richard, Ruthra and Rachel – great conversation, and powerful advice on the signs and symptoms of lung cancer. Thank you."

Steve Savill, Mid-Morning Presenter, Forest FM

Additional coverage included:

- The Mirror
- New York Post
- Belfast Telegraph
- Irish News
- England Rugby League
- Davina McCall's podcast, Making the Cut
- Dr Hillary Jones, via Twitter
- Selected regional news outlets
- Woman's magazine, My Weekly.

In addition to our own awareness campaigns, we also worked supported NHS England and PH England on its national lung cancer awareness campaign.

In October 2021, there was a lot of media attention following the death of James Brokenshire MP, with journalists coming directly to the Charity for comment, further demonstrating that the charity is again recognised as the authority on lung cancer.

We were contacted by BBC Breakfast and arranged for trustee and advocate, Mande Lucas, to appear on the breakfast sofa. As a result, we saw an uplift in calls to our helpline and traffic to and enquiries through our website.

The homepage saw a 44% increase in traffic during the week following the coverage, with a 53% increase to the About Lung Cancer section and 150% increase in our lung cancer information webpage. There were also many direct enquiries through the website from people like Lynne:

Hi Mande

I watched you on the breakfast programme this morning. I also had a nodule detected by the radiographer when I was being x-rayed for something else in January this year. I had scans in February and then another CT scan 3 months later. The nodule had not grown and so I am having another CT scan in December. I just wondered if your nodule showed any growth when you were getting scanned during your 18 month wait. I would like to have a biopsy and have the

nodule removed if it is cancerous. I'm not sure the surgeon will agree to a biopsy unless the nodule has grown.

*Thank you
Lynne*

The charity was also included in coverage on ITV, BBC News and The Guardian.

In 2021, we also improved awareness of and communication around our research projects.

Working with our researchers, we have provided updates on these projects and the potential impact they can have as part of our marketing retention strategy, highlighting where donors' money has gone and encouraging further support.

2021 also saw the production of our Inspire magazine which highlights what the charity is currently undertaking and personal accounts of those we are helping. This edition was distributed to patients and supporters (approx. 15,500 copies) as well as multiple copies to lung cancer specialist nurses and cancer information centres (526).

In addition to Inspire, we also produced our 2019-2020 Impact Report in video, online and print format, outlining of work across the previous two years and the contrast caused by the pandemic.

Supporting Patient Information and Support

As well as symptom awareness, 2021 saw us focus more on brand awareness to ensure those diagnosed could access our multitude of support services. Throughout the year, we ran social media and Google ads, prompting a significant week on week uplift in web traffic following our ads:

- Signs and symptoms: 35% increase
- Lung cancer information: 285% increase
- Lung cancer forum: 257% increase

We also ran a series of targeted ads to promote our new online support service – Lung Cancer Connect. Analysing keywords and search terms, identifying UK-based Facebook groups and appropriate social audiences, we developed a series of ads promoting the service.

We have already seen a significant increase in interest. I've had more online enquiry forms this week than I did for the whole of last month. Brilliant! There is clearly a direct correlation between this activity and enquiries.

Jessica Crowe, Support Services Officer

Supporting Income Generation

Further lockdowns and restrictions continued to place a significant burden on income generation. However, building on the successes and lessons learnt from 2020, we continued to support the fundraising team with its virtual events and then the welcome return of live events.

2021 was another difficult year. However, as this report indicates, we have seen some real successes across all departments despite these testing circumstances and will continue with the same determination throughout 2022 as the world begins to return to normal.

Income generation – Government, Pharmaceutical Sponsorship, Retail and Fundraising

All the money raised by the Roy Castle lung Cancer foundation is vital in the charity's pursuit of its vital goals. A wide variety of means are utilised to raise these funds in order to minimise the risk vulnerability of any one income stream. Every penny raised is used in the best possible way. Every penny matters to the Charity and we value every donation no matter how it is given to us. Great care is taken of our donors and supporters, to build relationships which in turn helps to maintain income for future years.

Government funding during Covid

Because of the direct impact of the pandemic itself and as a consequence of restrictions introduced by the government to tackle the pandemic, the government introduced several support schemes for business across the county. The Charity has utilised as much of this support as possible including:

- Furlough support towards furloughed staff wages of £262,084 (2020: £509,816)
- Retail Grants Scheme of £257,858 (2020: £322,668)

Retail

Roy Castle Retail had a disjointed year, disrupted by periods of enforced government lockdowns at which time the shops had to remain closed, and periods during which they were open but throughout which public confidence was low and there was the continual threat for further restrictions and limitations.

The major headline event of Retail's year was the opening of a new large furniture store in Sale, Manchester. Whilst investment in the high street has generally been subdued and the charity has certainly reduced its ambition during the pandemic, this store has proved a tremendous success bring in record levels of sales.

Trade towards the end of the year picked up for the whole of our Retail operation which ended up performing above expectations in the circumstances.

Total income (including the government covid19 support) for the year was £1,589,903 (2020: £1,025,701), in excess of £2m inc vat and several stores continued to perform well despite the impact of Covid19. The support received during 2021 for furloughed retail staff included above was £165,142 (2020: £350,032) and the retail grant support amounted to £257,858 (2020: £322,668). Despite the impact of Covid19 retail made a slight loss in 2021 of £32,424 prior to any gift aid payments to be made to the parent charity (2020: £101,384 loss) so well on the road to recovery.

Great thanks go out to not only our dedicated managers and staff but the army of volunteers that help to make our shops such a great success, we can't wait to get back to trading a full year properly in 2022!

Fundraising

Due the impact of the Covid19 pandemic and the effects of the government's restrictions introduced to help tackle it, much of the traditional fundraising avenues were closed to the charity in the first half of 2021. However, the Fundraising Team, and particularly the Community team, proved itself very adept at creating new and innovative ways of fundraising, especially utilising the various social media platforms to create a series of "virtual" events for our supporters to participate in. All the Fundraising teams then proved very capable of transitioning back into a physical reality as the government restrictions eased and we were able, later in the year, to re-establish some of our headline fundraising events as real physical events again.

Legacies and Trusts

Trusts

The trusts team had very solid year although grants did return to a more pre covid19 level with 2021 generating income of £120k (2020: £246k), during the pandemic we had been fortunate to receive a certain

amount of emergency trust funding, and a special thank has to go to those organisations that did support the charity through that very difficult time.

Legacies

Legacies had a much better year in 2021, catching up on many of the delays in legal processing that had been adversely affected by the pandemic in 2020. Income in 2021 was £721k (2020: £168k). The future also looks optimistic as we have secured significant legacy pledges both directly and via our Free Will scheme which has strengthened our legacy pipeline. This not only provided a good income source but also good source of cashflow.

Community

Virtual runs

The fantastic concepts created around our Easter Run and Retro Running Series in 2020 continued throughout 2021 with the creation of a series of Music Genre runs to further motivate runners, rock, Dance, Pop, Jazz the list goes on with over a 1000 sign ups. We've continued to build an online community of like minded people who support and encourage each other whilst championing our cause. Roy's Runners has grown to over 3,400 runners which gives great opportunity to push places in physical running events in 2022 as well as raising over £100,000 in the year.

Overall, all our running events raised over £326k in 2021, a fabulous achievement (2020: £290k) and other challenges a further £75k (2020: £41k).

Tapathon

With physical events beginning to re-establish themselves 2021's virtual tapathon didn't generate as much as our special Anniversary event in 2020, however it still had 440 participants and raised over £28k which was a tremendous achievement and most importantly it was really enjoyed by everyone who took part.

Individual Giving

In memoriam fundraising

In memoriam donations continued to grow, with donations in 2021 over £238k (2020: 170k) this was in part building on the success we had had relaunching our Tribute Funds during the pandemic, giving people some way, with the restrictions in place, to still express their love and thanks for those close to them they had lost. And in part due to the individual significant impact of the death of the Rt Hon James Brokenshire MP, whose tribute page alone raised £65,000 by the end of the year and is currently at £86,000.

Other general individual giving donations raised £250k in 2021 down on the previous year (2020: £376k).

Events

Spooky Welly Walk

Following the easing of restrictions on live events and the reintroduction of real live physical events our headline fundraiser Spooky Wellie Walk returned, only in one location in 2021, Liverpool. After nearly two years of disruption we were proud to be able to put on what we consider to be the best Spooky yet and the public seem to agree with 7000 participants and raising over an amazing £60,000.

We are planning a new spring/easter event in 2022 to rival spooky, Adventures in Wonderland which promises to be an absolutely fantastic kids event, and of course Spooky will also be back in 2022 in two cities.

Celebrate a Life

Following the sad cancellation of 2020's annual Christmas Celebrate a Life service which was a huge blow for supporters, especially so for those recently bereaved, it was great to be able to reintroduce this event again in 2021 in the iconic St Georges Hall in Liverpool. The venue doubled as the location for our Sing a Long with Santa children's event in the morning and together both events generated over £20,000.

Star Awards

Sadly again this event, a tribute to those patients, carers, medical staff and supporters wasn't able to happen

because of the covid19 restrictions. This was a great shame as we owe such a debt of gratitude to everyone for their continued support to improve the situation for those affected by Lung Cancer.

Isle of Man

As with everywhere else activity on the Isle of Man was adversely affected in 2021 and income was just below £24,000. However, we have begun to establish good links with the IOM DHSS and it is hoped that in 2022 the charity can really start to provide a unique counselling service on the island for lung cancer patients that in turn will help generate the income to support the growth of our charitable activities on the island.

Corporate Fundraising

It would be unfair to ignore how badly the corporate sector itself has been impacted by Covid19, especially at the start of the year, and the practical opportunities in this field have been limited and the decision was taken to continue to take advantage of the furlough support where possible. However, towards the end of 2021 the sector started to open up again and several events were able to be put on and new connections developed.

Strictly Come Dancing

Our headline Strictly Come Dancing was able to be hosted and provide a real glitz and glamour event for those escaping the lockdown blues, in the process raising over £35,000.

The David May Charity Golf Day

David May, the ex Manchester United Footballer, held a Charity Golf day on our behalf, supported by our corporate team, and it proved a fabulous day & evening event. The event is planned again for 2022.

Our Funding from the pharmaceutical industry

As a charity we aim to be transparent about our funding sources; including income generated from our relationship with the pharmaceutical industry. Significant income is provided through our relationship with the pharmaceutical industry, and in a year in which our traditional sources of income have reduced it is appropriate to comment on this specifically.

During 2021 the Charity received £401,325 (2020: £496,000) from a variety of pharmaceutical firms, the income was spread across 13 different firms averaging less than £32k each with the highest individual amount of support being £42k.

• AMGEN LTD	£37,500
• ASTRAZENECA	£30,975
• BAYER	£249
• BOEHRINGHER	£30,000
• E.R. SQUIBB	£31,330
• ELI LILLY	£30,000
• JANSSEN	£40,960
• MERCK SHARP	£30,413
• NOVARTIS	£38,239
• PFIZER	£30,000
• REGENERON	£28,735
• ROCHE	£30,000
• TAKEDA	£42,925

The above represents in total 8.8% of our total income for 2021 with the largest single pharmaceutical contribution being less than 1% of our total income, given the spread and average size of the contributions there is no impact on our independence or integrity.

The pharmaceutical industry is an important partner with the NHS, the academic research community and organisations such as our charity which are sometimes described as "patient organisations". The

pharmaceutical industry is governed by legal and compliance codes. In the UK the Association of British Pharmaceutical Industry (ABPI) is a body which oversees companies operating in the UK and ensures they follow the code of conduct in their relationship with medics, charities and patient advocates.

We believe our integrity comes from having the voices of people affected by lung cancer at the heart of what we do, driving our strategic priorities. Whilst we recognise the benefit of our relationship with pharmaceutical companies, we maintain our independence. Our strategic priorities and our view on lung cancer treatments are shaped by clinical research, consulting with patients and carers, and understanding the best option with input from our medical advisors. This is overseen by our Board of Trustees.

Areas of collaboration, shared interest and funding:

Advisory Boards

Pharmaceutical companies frequently run Advisory Boards as a way of gathering knowledge about a health condition, how it impacts on those affected and how the diagnosis and treatment services operate. As a charity we are asked to attend (virtually or face to face) such events and share our understanding. We are also on occasion asked to identify patients and carers who would be willing to participate in such meetings or respond to questionnaires to inform these meetings.

Companies will generally offer an "honorarium" or payment for time spent for attendance and participation in Advisory Boards. They will also cover the cost of any travel and overnight accommodation required depending on the location and length of the meeting. We consider this to be good practice acknowledging the time and resources charities and patients need to contribute to such meetings.

Sponsorship and Grant funding

Pharmaceutical companies offer charities and health agencies funding for specific purposes. This will depend on the company's strategy and its approach to Corporate Social Responsibility. This term is used to describe any organisation's policies on giving back to the community and society through funding, voluntary activities, and awareness campaigns.

As a charity we are dependent on public donations, our retail stores, events income, and trust funding to support our activities. We also seek funding from corporate partners, including pharmaceutical companies active in the UK who have an interest in lung cancer, as a way of covering the costs of our services, research and administration costs. We accept and request sponsorship for specific purposes to maintain our services and research.

Joint working

We work as part of a number of umbrella groups to campaign for improvements in lung cancer diagnosis and treatment. These groups include: the United Kingdom Lung Cancer Coalition, the Less Survivable Cancers Taskforce and the Lung Ambition initiative. Some of these groups contain industry (pharmaceutical) partners. We will work on specific projects, including on awareness raising, in collaboration with these groups and partners where it is the most effective way of achieving shared goals.

Drug development and availability

We are a stakeholder consulted by National Institute for Clinical Excellence and Scottish Medicines Consortium about licensing and use of medicines and other treatments for lung cancer in the UK. We make submissions on new treatments based on feedback from the patient community, evidence from trials and input from clinical advisors. Information may be gathered from a range of sources and include some evidence from

pharmaceutical company trials.

Our input to medicines approval is independent of pharmaceutical influence. We will receive information from the approving body and relevant information from the pharmaceutical company submission. This is not part of any sponsored or funded activity. We may on occasion receive expenses or honorarium from the commissioning body for participating in meetings.

Volunteers

Despite the effects of Covid19 the Charity has significant support from volunteers, sadly the opportunities available for volunteers during 2021 to be as involved following the introduction of the government's Covid19 regulations and various lockdowns has been greatly diminished. I am pleased to say that over the pandemic we maintained links many of our volunteers and that, following the easing of restrictions were able to benefit from their support again. We retain a pool of over 150 'active' volunteers (pre covid 500) who regularly support our shops, administration and fundraising activities and of these, more than 128 volunteers support our shop managers across the Merseyside and Cheshire area.

We have developed and maintained partnerships with several external organisations, raising the profile of the charity as well as developing new potential volunteers and developing links with several corporate partners.

We hope to offer our volunteers the opportunity to achieve free qualifications in customer service, retail and leadership through Derby College again following the resolution of the Covid19 situation.

In total, we estimate that our volunteers contributed about eighteen thousand hours of their time during 2021 (2020: 50,000 hours), which is worth over £170,000 (2020 £100,000).

Structure Governance and Management Governing document

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 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 (FRS102) (effective 1st January 2015)".

The Accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying to FRS102 rather than the version of Statement of Recommended Practice which is referred to in the Regulations, but which has since been withdrawn.

Appointment of trustees

Roy Castle Lung Cancer Foundation (RCLCF) recognises that an effective board of trustees is essential if the charity is to succeed in achieving its objectives. The board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the Foundation's activities, to enable them to carry out their role and to represent the charity at meetings and other events.

Using a balance of skills and geography, trustee vacancies should be advertised; however, existing trustees and employees are encouraged to put forward names for consideration. The potential trustee will complete a skill matrix and have an induction period of three months before formal appointment by members by ordinary resolution.

Trustees will serve for a three-year period before being eligible for re-election. Unless there are specific and

special circumstances no trustee shall serve for more than two consecutive periods. The Chair and deputy Chair shall stand for re-election at each annual meeting. A trustee will be appointed to liaise with the Finance Director to discuss financial issues and be responsible for advising the Board of Trustees on financial matters. The charity has an indemnity provision in place for directors.

Key management personnel include the senior management team. Remuneration in relation to key management is benchmarked against comparable roles and organisations and then authorised by the board of trustees.

Trustee induction and training

All potential trustees receive an introductory pack about the Foundation and the duties and responsibilities of a trustee. They will also have an induction program which will include visiting Foundation sites and meeting staff in all the core areas of work and the appointment of an existing trustee as a mentor. Ongoing training has been provided on the roles and responsibilities of Trustees with a charity, this was provided before the pandemic by external providers free of charge. Post covid, provisions will be reintroduced.

Sub Committees

The Finance and Audit Committee supports the Chief Executive and the Finance Director in preparing for the annual financial statements audit.

The Retail Board supports the Retail Director and is made up of suitable members with specific retail experience.

The Chief Executive is appointed by the trustees to be responsible for the executive management and its day to day direction in line with the strategic plan.

The Employment Committee is responsible for approval of pay and conditions of staff and Chief Executive and resolution on health and safety issues.

The Nominations Committee is responsible for the recruitment and training of new trustees; this is convened ad hoc rather than as a formal committee.

Organisation

The board of trustees administers the Foundation and comprises of eleven members that meets bi-monthly. The board has established four formally constituted committees, each with specific terms of reference and functions; Audit, Employment, Grants and Nominations and Roy Castle Retail as a trading retail subsidiary has a separate board of suitably experienced members with a direct link via common membership to the main charity board. The final decision on all matters remains with the board.

During the Covid19 period the Board of Trustees has continued to hold regular board of Trustee Meetings utilising virtual meeting software to ensure meeting could continue and remain Covid19 safe.

In addition to the main board meetings a steering group of key Trustees including members of the Audit and Retail boards met on a weekly basis together with the CEO and Deputy CEO to monitor the situation help navigate the charity through the difficult covid19 restricted period. This group continues to meet on a biweekly basis into 2021 to date and will continue until the end of the covid19 emergency.

During non-Covid19 times the above sub committees meet on a regular basis, however the above provisions having taken precedence during 2021.

However full Board of Trustees meetings have recommenced during 2021 utilising zoom and some limited physical attendance and it is intended that meetings will be back to normal in 2022.

The Grants Committee

The Scientific Grants Committee is responsible for considering all applications for grants and making recommendations to the Board. The committee also monitors the performance of all external research activities and reports to the Board.

The Grants Committee has not met during 2021 and the grants application process did not run, again the direct effects of the pandemic together with the overlap of Covid19 and the lung cancer medical communities meant that this would have been a fruitless exercise. We do anticipate that the grant awarding process will recommence during 2022.

Grant making policy

The Foundation's mission is to beat lung cancer by funding innovative world-class research. Our aim through research into Early Detection and Patient Experience is to make a significant impact on lung cancer for the benefit of patients. Scientific excellence and relevance to lung cancer are the key principles which will guide the foundation's research.

The Foundation's key research objectives are:

- To build the talent pool in lung cancer research of the highest quality, in the UK and the Republic of Ireland.
- To encourage scientific innovation.
- To make every effort to engage in scientific and public dialogue and encourage scientists to communicate and collaborate with each other and ensure that the results are disseminated in an easy format to the general public.
- To ensure that research translates into benefits for patients as quickly and effectively as possible.

Awards are provided for pilot grants and project grants in universities, medical schools/teaching hospitals and research institutes within the UK and Ireland.

Grants will be made in support of the research project including salaries, minor equipment and consumables costs. The Foundation will not directly employ staff on grants awarded for research projects.

The Foundation will only undertake the funding of research that has been peer reviewed through its Grants Committee process. Details of how to apply for grants and scholarships, together with the relevant forms, are available by contacting our registered principal office.

Financial appraisal and review

Related parties

The charity has three wholly owned subsidiaries: Roy Castle Retail Ltd (03604677), Roy Castle Trading Ltd (03909935) and Cut Films Ltd (07313137).

Roy Castle Retail Ltd was established on 27 July 1998 to operate as a trading retail company to raise funds for charitable purposes. The company result for the year was a loss of £32,424 (2020 £101,384 loss), there were no gift aid payments to the charity relating to 2021 (2020: £nil). [10]

Roy Castle Trading Ltd was established on 19 January 2000 to operate as a trading promotional company to raise funds for charitable purposes. The company result for the year was a £118,757 profit (2020: £26,433 profit) before a gift aid payment to the Charity of £118,757 (2020: £3,233). [11]

Cut Films Ltd was established on 13th July 2010 originally as a trading subsidiary of Cut Films Project Ltd

ownership transferred to the Roy Castle Lung Cancer Foundation in November 2018. The company result for the year was a loss of £2,539 (2020: £54,185 profit) there were no gift aid payments to the charity relating to 2021 (2020: £nil).[12]

Financial Review Summary

The Charity, as a group, made a surplus during 2021 of £195,263 (2020: £58,104 deficit). This was a tremendous result given the economic environment during the Covid19 pandemic and is due to innovative income generation, cost management, and utilising what government covid19 financial support packages were available to us whilst attempting to maintain our determination to deliver on our charitable objectives under these difficult circumstances. Thus, we have grown and reshaped our non-research charitable spend while progressing towards our longer-term gains and objectives. Sadly our spend on research has remained low because of the effect of Covid19 on the lung cancer research community. [2]

Income and funding

Total income for the group increased to £4,686,703 for the year (2020: £3,970,586) following the easing of Covid19 restrictions and the re-establishment of some of our retail and fundraising activities.

Legacy income significantly increased in 2021 as the impact of Covid19 on the legal profession reduced, rising to £720,979 (2020: £168,315). Trusts income fell to £119,403 (2020: £246,308) following the emergency support offered in 2020.

Whilst other voluntary donations fell to £351,364 (2020: £490,353), In Memoriam donations rose to £237,906 (2020: £169,265), and this type of personal, individual support remained a key income stream and is a testament to our great donor care and personal touch.

Sponsorship income reduced slightly in 2021 to £451,265, 2020 had benefited because of increased pharma support during the pandemic (2020: £486,050).

Whilst Retail was closed for part of 2021 (however it did trade longer than 2020) during the period it was open the stores performed well as did our online shops. Retail benefited from several forms of government support including both furlough support towards the staff salaries and retail grants however because of the forced closures it generated a gross profit £1,487,528 (2020: £943,458), and an overall result for the year was a profit of £32,424 (2020: £101,384 loss).

Gift aid on donations for 2021 rose to £145,621 (2020: £84,676) due to a reduction in the impact of Covid19 in comparison with our 2020 retail operation.

Expenditure

Overall expenditure for the year was £4,618,982 (2020: £4,046,298) increasing as activity began again following the restrictions of Covid19 easing.

Total charitable expenditure for 2021 was £1,700,660 (2020: £1,414,280), suppressed again due to the impact of covid mainly on the research sector.

Research expenditure was £1,067,924 in 2021 (2020: £568,258), with direct charitable research grants reduced to £105,757 (2020: £78,584).

Funding for many of our research projects was delayed as the research was suspended, however some of our research was able to continue such as the GLCC Bibliometric Project being undertaken by Kings College, our support for the Clinical Research Fellowship at the University of Nottingham during the pandemic also continued and we awarded funding for research into CT as a first test for an extended population of symptomatic patients at high risk of lung cancer.

Investments

The Charity holds £1,091,892 (2020: £1,049,672) in listed investments. The charity's Investments generated an income of £32,322 in the year (2020: £28,195). The markets were very volatile during the pandemic however over

the year as a whole they created significant growth and ended the year with a £127,542 gain (2020: £17,608 gain).

Rathbones, an independent stockbroker, manages the investments within defined areas. The stockbrokers have been instructed not to invest in tobacco-related companies and other socially unacceptable companies. The current investment policy of the trustees is to hold a large proportion of surplus assets of the Foundation in cash and near cash to ensure a stable platform for the organisation's continued activities.

Reserves

The trustees have adopted a reserves policy which they consider appropriate to ensure the continued ability of the Foundation to meet its objectives and the specific nature of its obligations in relation to long term research in the form of grants.

The charity monitors its reserves policy based on the obligations noted above compared to free reserves and overall liquid assets.

a) Free reserves

The level of Free Reserves, as defined by the Charity Commission, are the unrestricted funds available for spending and are therefore traditionally calculated by taking the total unrestricted funds of the charity and deducting any balances not available for spending. As all investments held by the charity are in reality liquid and readily converted immediately into cash to spend these have been included in the calculation for the Charities Reserves' policy. The Charity's free reserves are therefore unrestricted reserves less tangible fixed assets.

- The level of free reserves held calculated on this basis are £354,844 (2020: £195,963)

To hold sufficient funds to cover

- all future outstanding research grant obligations, to secure the safety of our vital research work
- three months general non self-financing charity expenditure

On the above basis the charity's required reserves are £626,283 (2020: £533,167), however the trustees are comfortable that they hold sufficient reserves to meet their immediate obligations because of the structure and stated purpose of their restricted funds are in effect to meet many of the obligations noted above.

In 2022 the charity is planned to run at controlled deficit, in order to both rebuild its charitable activity post Covid without further reducing its reserves. Following the easing of the effects of Covid on society, the Charity will plan to increase income levels again whilst managing costs in order to rebuild the level of reserves to a more acceptable level.

b) Liquid assets and cash

To reflect the true purpose of the Charity's restricted reserves and as a second control the trustees also monitor the level of cash and investments held against a longer term view of the charity's potential commitments, and the value of the company.

To hold sufficient funds to cover

- all future outstanding research grant obligations, to secure the safety of our vital research work
- three months general non self-financing charity expenditure
- a reasonable provision for any potential redundancies based on length of service
- the full outstanding length of non self-financing property costs

Required on the above basis, the resources required are calculated as £1,113,670 (2020: £1,128,693) and the charity currently holds £1,334,755 in cash and investments (2020: £1,718,258) and the overall balance sheet net assets less the value of fixed assets is currently £1,181,181 (2020: £974,377).

Going Concern Position

Like all of the Charity sector and indeed the broader overall economy, the Roy Castle Lung Cancer Foundation has been adversely affected by the effects of the Covid19 pandemic and the actions that have had to be

implemented by the government since March 2020 and through 2021 to tackle the issue.

Over the last 2 years key fundraising events have had to be cancelled or scaled down, the value of investments have fluctuated, shops have been closed and opened and closed again, general donations through normal channels have been depressed. The country as a whole (as well as the charity) is bracing itself for upwards pressure on the cost of living and energy prices and the population in generally is facing uncertainty with the war in the Ukraine.

Over this period of time the charity has taken prudent actions to protect itself in this period of uncertainty and minimize the negative impact of the Covid19 pandemic. The Charity has created both innovative and new social media events and virtual fundraising activities to compensate for the drop in income from traditional sources and events and over 2022 will start to integrate these with the reintroduction of physical events.

The charity, has taken advantage of every form of government support available to it and will continue do so :-

- The charity received over £262,085 in furlough payments through the CJRS in 2021 (2020 £509,000)
- The charity has received over £257,858 from the various covid19 related retail grants through local council support (2020 £322,668)
- The charity applied for and received in October 2020 CBIL loan backed by the Government, the balance of this outstanding at the yearend was £193,333 (2020: £200,000)
- As previously stated, many of the medical and research staff working on our vital lung cancer research have been pulled back onto the medical front line, some research projects have been paused this created significant savings in expenditure.

As well as the above adjustments to the charity's cost structure, over 2021 the charity continued to successfully generate new and innovative income streams to replace some of the more traditional methods of raising donations. During 2022 work will continue to expand these events and integrate these into our non-virtual events.

As a result, after taking advantage of the government support, reducing costs and the successful implementation of new fundraising streams during 2020, and flowing these through to 2021, the charity is budgeted to generate a deficit of circa £128,000 in 2022.

Whilst the latest forecast indicates a larger deficit £168,000 than budgeted for 2022 following the significant increase in costs experienced by the whole country, the actual results for 2021 were better than budgeted due to the steps taken throughout the year to reduce costs and increased income compared to plan providing confidence that the budgeting process is robust and current forecasts can be bettered. Forecasts have been prepared to cover until December 2023.

The Trustees have reviewed this position and as such the trustees have decided that this is sustainable in the circumstances given that the charity has a strong long term investment policy, holding over £1m in investments together with further cash held on account and no indicated cashflow issues.

Within the reserves, the level of unrestricted reserves stands at £507k (2020: £341k) whilst restricted reserves are £826k (2020: £797k). However, as much of the charities long term obligations in respect of research, patient support, GLCC projects and other charitable activities, which form part of the core of the charity's activities, are within the remit of much of the restricted funds held and the balance of reserves held has moved towards the unrestricted reserves during 2021 (2021: 38%, 2020: 29%), the current weighting towards restricted funds is not seen as a significant issue.

The Trustees have therefore concluded that the accounts can be prepared on the going concern basis of accounting in preparing the financial statements.

Risk management

The trustees have a risk management strategy to assess business risks and to mitigate those risks. The strategy comprises:

- a regular review of risks the Charity may face, prioritising them in terms of potential impact and likelihood of occurrence and

- systems controls, internal checks and procedures to mitigate those risks identified in the plan and to minimise the potential impact on the Charity.

The trustees have identified the principal risks to the charity are a significant decrease in income through reduced legacies, public fundraising a change in retail trends and the cancellation of contracts with PCTs. We believe that these business risks would be effectively managed by restructuring existing resources and maintaining appropriate accessible cash reserves.

Events on the scale of the Covid19 pandemic or the Russian Ukraine war had not been envisaged prior to 2020 but the above actions have proved adequate at the time of the trustees report (September 2022) in successfully managing the situation and ensuring the future of the charity and the reflected in subsequent risk register

Plans for the Future

Screening

- The Targeted Lung Health Check programme in England post pandemic is progressing again and all 23 CCG areas active (as at April 2022). The Charity has been a key catalyst for this initiative pre covid and aims to be at the heart of this expansion and to offer every assistance in the roll out of the programme.
 - The potential impact of the TLHC programme is perhaps the single most important step forward for the lung cancer community at the present time and the charity is determined to make it a success and will put whatever resources it can behind achieving this aim.
 - We are investigating how we can also support Lung Health pilots in Scotland, Wales and Northern Ireland.

Research

- Towards the end of 2022 we will be planning on re-establishing our vital lung cancer research programme as both the research community and the charity are better able to operate in this sector.
 - Existing research programmes will either have restarted or be in position to. A new round of grant applications will be opened in 2022.
 - Funding will continue for our Doctorial Research fellow in Nottingham and the Post Doctorial post we support at the university of Liverpool.

Patient support

- The charity will be planning to ensure that the delivery of patient grants are returned to pre Covid19 levels.
- Further development of our various distance support operations, help lines and information and support services.
- It is hoped that where appropriate and safe to do so the charity can consider the reintroduction of face to face support meetings and the reintroduction of physical support groups.

Funding the above

- In order to fund our future objectives to be met, the charity will need to increase its level of funding and therefore increase its income over both the immediate future (12-18months) and in the longer term. However, the charity does not believe that between now and the end of 2022, likely to still be a period of uncertainty in the post covid19 era and economic turmoil with the war in Ukraine, is a time for taking dramatic risks or altering the course of the business of the charity and as such the fundraising, retail and support functions will remain very much the same, looking for organic growth and where possible cost savings and efficiencies rather than dramatic changes.
- By supporting the roll out the TLHC programme the charity believes it may open up additional routes to income, but the prime purpose of any activity here has to be improved uptake and the success of the programme rather than income generation.

- Further development on online income streams combining these with re-emerging physical events will be brought forward.
- Our online retail offer will be redeveloped, and our logistics operation will be streamlined.
- Retail, as a whole, will continue to move in a direction towards a larger, furniture based footprint platform but there will be no planned new shops until we are confident in the social and economic confidence required to support expansion, this is not now envisaged to be before 2023.

Statement of trustees' responsibilities

The trustees (who are also directors of The Roy Castle Lung Cancer Foundation for the purposes 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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;
- prepare the financial statements on the 'going concern' basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the [Home - Roy Castle Lung Cancer Foundation](#) website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Auditors

The auditors, RSM UK Audit LLP, have indicated their willingness to continue in office.

Staff

We would like to pay tribute to the staff of the Foundation who continue to show considerable enthusiasm and commitment.

Partners and supporters

We would like to record a sincere thanks to all our partners and supporters who have helped the Charity in any way this year.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable for companies entitled to the small companies exemption.

By order of the trustees

Max Steinberg CBE
Chairman



Date: 14th September 2022

Notes

- [1] Cancer Research UK and National Lung Cancer Audit
- [2] <https://roycastle.org/research/past-research-projects/>
- [3] National Lung Cancer Audit
- [4] <https://link.springer.com/article/10.1007/s40487-021-00163-3>
- [5] <https://roycastle.org/research/past-research-projects/>
- [6] <https://www.lungcancercoalition.org/surveys/third-annual-patient-experience-survey/>
- [7] <https://www.lungcancercoalition.org/research/the-state-of-global-lung-cancer-research-overview/>
- [8] <https://healthunlocked.com/lungcancer>
- [9] <https://www.radionewshub.com/about>
- [10] Roy Castle Retail statutory Accounts
- [11] Roy Castle Trading Statutory Accounts
- [12] Cut Films Ltd Statutory Accounts

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION

Opinion

We have audited the financial statements of Roy Castle Lung Cancer Foundation the 'parent charitable company' and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2021; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. 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.

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 course of 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 this gives rise to a material misstatement in the financial

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION

statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report prepared for the purposes of company law and included within the Trustees Annual Report 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' Annual 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- sufficient, adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 directors' report included within the trustees' annual report and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on pages 31-32 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view 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 group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the parent charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment law (including pensions). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income from donations and legacies, charitable activities, other trading and other income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and completing testing of controls and test of detail (substantive) over income.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER FOUNDATION

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 exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Spencer-Gray

Anna Spencer-Gray (Senior statutory auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
20 Chapel Street
Liverpool
L3 9AG

Date: 20 September 2022

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Roy Castle Lung Cancer Foundation

Statement of Financial Activities for the year ended 31 December 2021

Consolidated

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income & Endowments from:					
Donations & Legacies	10	1,589,338	502,906	2,092,244	1,705,864
Charitable activities	11	1,250	-	1,250	36,512
Other trading activities	12	2,033,298	-	2,033,298	1,323,553
Investments	13	34,820	-	34,820	32,237
Other	14	525,091	-	525,091	872,420
Total income		4,183,797	502,906	4,686,703	3,970,586
Expenditure on:					
Raising funds	15	2,849,692	68,630	2,918,322	2,632,018
Charitable activities	16	1,295,694	404,966	1,700,660	1,414,280
Total expenditure		4,145,386	473,596	4,618,982	4,046,298
Net gains on investments	27	127,542	-	127,542	17,608
Net income/(expenditure)		165,953	29,310	195,263	(58,104)
Net movement in funds		165,953	29,310	195,263	(58,104)
Reconciliation of funds:-					
Total funds brought forward		341,228	797,027	1,138,255	1,196,359
Total funds carried forward		507,181	826,337	1,333,518	1,138,255

All gains and losses recognised in the year are included above.

All activities derive from continuing operations.

The notes on pages 46 to 76 form an integral part of these financial statements.

Roy Castle Lung Cancer Foundation

Statement of Financial Activities for the year ended 31 December 2021

Charity Only

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Donations & Legacies	18	1,643,620	502,906	2,146,526	1,651,929
Charitable activities	19	1,250	-	1,250	36,512
Other trading activities	20	299,381	-	299,381	275,877
Investments	21	35,731	-	35,731	33,072
Other	22	102,090	-	102,090	199,720
Total income		2,082,072	502,906	2,584,978	2,197,110
Expenditure on:					
Raising funds	23	759,887	68,630	828,517	797,353
Charitable activities	24	1,248,815	404,966	1,653,781	1,488,296
Total expenditure		2,008,702	473,596	2,482,298	2,285,649
Net gains on investments	27	127,542	-	127,542	17,608
Net income/(expenditure)		200,912	29,310	230,222	(70,931)
Net movement in funds		200,912	29,310	230,222	(70,931)
Reconciliation of funds:-					
Total funds brought forward		426,490	756,821	1,183,311	1,254,242
Total funds carried forward		627,402	786,131	1,413,533	1,183,311

All activities derive from continuing operations.

All gains and losses recognised in the year are included above.

The notes on pages 46 to 76 form an integral part of these financial statements.

Consolidated Balance Sheet as at 31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	28		152,337		145,665
Investments held as fixed assets	29		1,091,892		1,049,672
Total fixed assets			1,244,229		1,195,337
Current assets					
Stocks	31	73,931		82,906	
Debtors	32	1,034,231		409,493	
Cash at bank and in hand		242,863		668,586	
Total current assets		1,351,025		1,160,985	
Creditors: amounts falling due within one year	33	(952,182)		(1,028,067)	
Net current assets			398,843		132,918
Total assets less current liabilities			1,643,072		1,328,255
Creditors: amounts falling due over one year	34	(153,333)	(153,333)	(190,000)	(190,000)
Provisions for liabilities	36		(156,221)		-
The total net assets of the group			1,333,518		1,138,255
The total net assets of the group are funded by the funds of the charity, as follows:-					
Restricted funds					
Restricted Revenue Funds	41		826,337		797,027
Unrestricted Funds					
Unrestricted Revenue Funds	41		507,181		341,228
Total group funds			1,333,518		1,138,255

The Trustees have prepared the group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustees Investment (Scotland) Act 2005.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the board of trustees on 14th September 2022 and signed on their behalf by:

Max Steinberg CBE



Trustee

The notes on pages 46 to 75 form an integral part of these financial statements.

Charity Only Balance Sheet as at 31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	28		24,363		39,883
Investments held as fixed assets	29		1,221,487		1,179,267
Total fixed assets			1,245,850		1,219,150
Current assets					
Stocks	31	12,467		13,769	
Debtors	32	1,017,771		475,601	
Cash at bank and in hand		124,644		528,062	
Total current assets		1,154,882		1,017,432	
Creditors: amounts falling due within one year	33	(818,366)		(863,271)	
Net current assets			336,516		154,161
Total assets less current liabilities			1,582,366		1,373,311
Creditors: amounts falling due over one year	34	(153,333)	(153,333)	(190,000)	(190,000)
Provisions for liabilities	36		(15,500)		-
The total net assets of the charity			1,413,533		1,183,311
The total net assets of the charity are funded by the funds of the charity, as follows:-					
Restricted funds					
Restricted Revenue Funds	41		786,131		756,821
Unrestricted Funds					
Unrestricted Revenue Funds	41		627,402		426,490
Total charity funds			1,413,533		1,183,311

The Trustees have prepared the group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustees Investment (Scotland) Act 2005.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the board of trustees on 14th September 2022 and signed on their behalf by:

Max Steinberg CBE



Trustee

The notes on pages 46 to 75 form an integral part of these financial statements.

Roy Castle Lung Cancer Foundation

Consolidated Cash Flow Statement for the year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities as shown below	(485,135)	(70,686)
Cash flows from investing activities		
Interest received	98	442
Dividends received	32,322	28,195
Other investment income, including rents from investments	2,400	3,600
Purchase of property, plant and equipment	(54,440)	(15,107)
Receipts from sale of tangible fixed assets	376	-
Proceeds from sales of investments	213,111	178,387
Purchase of investments	(119,577)	(85,020)
(Decrease)/ Increase in cash held for investment	(8,211)	41,081
Net cash used in investing activities	66,079	151,578
Cash flows from financing activities		
Proceeds of new borrowings	-	200,000
Repayments of borrowings	(6,667)	-
Net cash used in financing activities	(6,667)	200,000
Net (decrease)/increase in cash and cash equivalents	(425,723)	280,892
Reconciliation of net cash flow to movement in net funds		
Net cash at 1 January 2021	468,586	387,694
(Decrease)/Increase in cash in the period	(425,723)	280,892
Cash outflow/(inflow) from debt financing	6,667	(200,000)
Net cash at 31 December 2021	49,530	468,586
	2021 £	2020 £
Reconciliation of net income to net cash flow from operating activities		
Net income/(expenditure) shown in the Statement of Financial Activities	195,263	(58,104)
Adjustments for :-		
Depreciation charges	47,392	58,323
Net change on investment assets	(127,542)	(17,608)
Dividends, interest and rents from investments	(34,821)	(32,237)
Decrease in stocks	8,975	9,387
(Increase)/decrease in debtors	(624,738)	61,551
(decrease)/increase in creditors	(93,845)	(91,998)
Increase/(decrease) in provisions	144,181	-
Net cash used in operating activities	(485,135)	(70,686)

Roy Castle Lung Cancer Foundation

Consolidated Cash Flow Statement for the year ended 31 December 2021

	2021 £	2020 £
Analysis of cash and cash equivalents		
Cash in hand at for the year ended 31 December 2021	242,863	668,586
Loans for the year ended 31 December 2021	(193,333)	(200,000)
	<hr/>	<hr/>
Total cash and cash equivalents	49,530	468,586
	<hr/> <hr/>	<hr/> <hr/>

Roy Castle Lung Cancer Foundation

Charity only Cash Flow Statement for the year ended 31 December 2021

Charity Only

	2021 £	2020 £
Cash flows used in operating activities		
Net cash used in operating activities as shown below	(514,488)	(81,227)
Cash flows used in investing activities		
Interest received	1,009	1,277
Dividends received	32,322	28,195
Other investment income, including rents from investments	2,400	3,600
Purchase of property, plant and equipment	(3,319)	(2,820)
Proceeds from sales of investments	127,545	219,468
Purchase of investments	(42,220)	(85,020)
Net cash used in investing activities	117,737	164,700
Cash flows from financing activities		
Proceeds of new borrowings	-	200,000
Repayment of borrowings	(6,667)	-
Net cash used in financing activities	(6,667)	200,000
Net (Decrease)/increase in cash and cash equivalents	(403,418)	283,473
Reconciliation of net cash flow to movement in net funds		
Net cash at 1 January 2021	328,062	244,589
(Decrease)/increase in cash in the period	(403,418)	283,473
Cash outflow/(inflow) from debt financing	6,667	(200,000)
Net cash at 31 December 2021	(68,689)	328,062

	2021 £	2020 £
Reconciliation of net income to net cash flow from operating activities		
Net income/(expenditure) shown in the Statement of Financial Activities	230,222	(70,931)
Adjustments for:-		
Depreciation charges	18,839	23,500
Net change on investment assets	(127,542)	(17,608)
Dividends, interest and rents from investments	(35,732)	(33,072)
Decrease/(Increase) in stocks	1,300	(1,047)
(Increase)/Decrease in debtors	(542,170)	152,164
(Decrease)/Increase in creditors and provisions	(59,405)	(134,233)
Net cash used by operating activities	(514,488)	(81,227)

Roy Castle Lung Cancer Foundation

Charity only Cash Flow Statement for the year ended 31 December 2021

	2021 £	2020 £
Analysis of cash and cash equivalents		
Cash in hand at for the year ended 31 December 2021	124,644	528,062
Loans for the year ended 31 December 2021	(193,333)	(200,000)
	<hr/>	<hr/>
Total cash and cash equivalents	(68,689)	328,062
	<hr/> <hr/>	<hr/> <hr/>

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

These consolidated accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with 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 (FRS102) (effective 1 January 2019) and the Companies Act 2006.

Roy Castle Lung Cancer Foundation meets the definition of a public benefit entity under FRS102.

The registered office and principal place of business is Cotton Exchange, Old Hall Street, Liverpool, England, L3 9LQ.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results, assets and liabilities of the subsidiaries are consolidated on a line by line basis.

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

Control of members of the group and transfer of funds

The parent charity has concluded that control exists over its subsidiaries for the following reasons: - They are either a wholly owned subsidiary with directors appointed by the Roy Castle Lung Cancer Foundation or a charity and company limited by guarantee and controlled by trustees appointed by the Roy Castle Lung Cancer Foundation.

Legal Status

The Charity is a company limited by guarantee, has no share capital and is governed by its Memorandum and Articles of Association. The liability of each member in the event of winding up is £10. The company is registered as a charity with both the Charity Commission and the Office of the Scottish Charity Regulator.

Going Concern

Like all of the Charity sector and indeed the broader overall economy, the Roy Castle Lung Cancer Foundation has been adversely affected by the effects of the Covid19 pandemic and the actions that have had to be implemented by the government since March 2020 and through 2021 to tackle the issue.

Over the last 2 years key fundraising events have had to be cancelled or scaled down, the value of investments have fluctuated, shops have been closed and opened and closed again, general donations through normal channels have been depressed. The country as a whole (as well as the charity) is bracing itself for upwards pressure on the cost of living and energy prices and the population in generally is facing uncertainly with the war in the Ukraine.

Over this period of time the charity has taken prudent actions to protect itself in this period of uncertainly and minimize the negative impact of the Covid19 pandemic. The Charity has created both innovative and new social media events and virtual fundraising activities to compensate for the drop in income from traditional sources and events and over 2022 will start to integrate these with the reintroduction of physical events.

The charity, has taken advantage of every form of government support available to it and will continue do so :-

1 Accounting policies (continued)

- The charity received over £262,085 in furlough payments through the CJRS in 2021 (2020 £509,000)
- The charity has received over £257,858 from the various covid19 related retail grants through local council support (2020 £322,668)
- The charity applied for and received in October 2020 CBIL loan backed by the Government, the balance of this outstanding at the yearend was £193,333 (2020: £200,000)
- As previously stated, many of the medical and research staff working on our vital lung cancer research have been pulled back onto the medical front line, some research projects have been paused this created significant savings in expenditure.

As well as the above adjustments to the charity's cost structure, over 2021 the charity continued to successfully generating new and innovative income streams to replace some of the more traditional methods of raising donations. During 2022 work will continue to expand these events and integrate these into our non-virtual events.

As a result, after taking advantage of the government support, reducing costs and the successful implementation of new fundraising streams during 2020, and flowing these through to 2021, the charity is budgeted to generate a deficit of circa £128,000 in 2022.

Whilst the latest forecast indicates a larger deficit £168,000 than budgeted for 2022 following the significant increase in costs experienced by the whole country, the actual results for 2021 were better than budgeted due to the steps taken throughout the year to reduce costs and increased income compared to plan providing confidence that the budgeting process is robust and current forecasts can be bettered. Forecasts have been prepared to cover until December 2023.

The Trustees have reviewed this position and as such the trustees have decided that this is sustainable in the circumstances given that the charity has a strong long term investment policy, holding over £1m in investments together with further cash held on account and no indicated cashflow issues.

Within the reserves, the level of unrestricted reserves stands at £507k (2020: £341k) whilst restricted reserves are £826k (2020: £797k). However, as much of the charities long term obligations in respect of research, patient support, GLCC projects and other charitable activities, which form part of the core of the charity's activities, are within the remit of much of the restricted funds held and the balance of reserves held has moved towards the unrestricted reserves during 2021 (2021: 38%, 2020: 29%), the current weighting towards restricted funds is not seen as a significant issue.

The Trustees have therefore concluded that the accounts can be prepared on the going concern basis of accounting in preparing the financial statements.

Policies relating to categories of income and income recognition.

a) Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income.

Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

1 Accounting policies (continued)

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

b) Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

Where there is any doubt that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities.

c) Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

It is deemed impracticable to measure the fair value of goods donated for resale and that costs of valuation outweigh the benefits, as a consequence the value of donated goods are recognised as income when sold.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Policies relating to expenditure on goods and services provided to the charity.

a) Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

1 Accounting policies (continued)

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities and is decreased by the utilisation of any

provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

b) Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is:-

c) Direct Staff Cost - Directly allocated on the basis of time spent in connection with any particular activity.

d) Indirect Staffing - on a per capita basis, based on the number of people employed within any particular activity. Indirect staff costs are allocated as follows:

- Directors and CEO, estimated time spent on operational activities
- Finance, estimated time spent on governance and remaining costs allocated on number of full-time equivalent (FTE) staff
- HR, allocated on number of full-time equivalent (FTE) staff excluding research staff
- Office services and IT, allocated on number of full-time equivalent (FTE) staff

e) Premises related costs - on a per capita basis, based on the number of people employed within any particular activity.

f) Non-specific support costs - on a per capita basis, based on the number of people employed within any particular activity.

g) Estimation techniques used in apportioning costs are based on FTE time spent on activities.

h) Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income or expenditure of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 7 and the strategic report.

Policies relating to assets, liabilities and provisions and other matters.

a) Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period.

Fixed asset investments in unlisted equities are shown at the balance sheet date at cost and subsequently measured at cost less any accumulated impairment losses, a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in the Statement of Financial Activities.

1 Accounting policies (continued)

b) Tangible fixed assets

Fixed assets costing more than £500 are capitalised and valued at historic cost except for items individually below threshold but included in a project whose overall cost is greater than £500.

Tangible fixed assets are measured at their original cost value. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Leasehold premises	over the length of the lease
Fixtures and Fittings	over the length of the lease
Research, office and computer equipment	between 10% and 25%

c) Stocks and work in progress

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donated items sourced from both individuals and organisations are not included in the financial statements until they are sold.

d) Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

e) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their transaction amount.

f) Financial instruments including cash and bank balances

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

All financial assets and liabilities are measured at cost.

g) Leasing

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

h) Pensions - defined contribution schemes

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The assets of the scheme are held separately from those of the company.

1 Accounting policies (continued)

i) Charitable commitments

Commitments that are legally binding on the trustees are accounted for as a resource expended in the SOFA. Where the intention of financial support is not binding on the trustees, such intentions are not accrued for but are disclosed separately in a note to the accounts.

j) Branch Offices

The Charity carries out some activities through offices that use the same name as the Charity, raise funds for the Charity and receive support from the Charity through advice and publicity materials. All transactions are accounted for gross in the accounts and all assets and liabilities are included in the Charity's balance sheet.

k) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

l) Consolidation

Roy Castle Retail Ltd (Company number 03604677), Roy Castle Trading Ltd (Company number 03909935), and Cut Films Limited (Company number 07313137) are controlled by the Roy Castle Lung Cancer Foundation and are consolidated in these accounts on a line by line basis.

m) Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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.

Estimate of Dilapidation provision:

Dilapidations are provided for on the basis of external estimates of the cost of repair for each property held at the end of its lease, discounted to current day values at a rate of 10% to reflect current inflation expectations. These assumptions are reviewed on an annual basis. No provision was released in 2021 (2020: £Nil) with a provision of £144k as at 31 December 2021 (2020: £68k was included within accruals). This £144k provision is made up of £15k in relation to head office and £129k in relation to the shops.

Recoverability of group Debts:

Group debt is reviewed annually and any amounts deemed irrecoverable are provided for in the Charity only accounts. At 31 December 2021, intercompany debtors due to the charity from Cut Films Limited have been written down to £nil on the basis of the subsidiary's unlikely ability to repay these amounts.

Estimate of Stock Loss Accrual:

Stock Losses are estimated and accrued for on basis the of the historic level of stock losses and markdowns experienced in the business. The provision is accrued for on a straight line basis over the year and actual losses set off against the provision following physical stock checks. Physical stock checks are performed in cyclic pattern over the course of a year. There was a stock provision of £9.2k at December 2021 (2020: £9.2k).

3 Liability to taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

Value Added Tax is recoverable by Roy Castle Retail Ltd and Cut Films Ltd, it is therefore not reported or included in the costs or income figures of these companies or consolidated into the group accounts.

4 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

5 Net income/(expenditure) before tax in the financial year for the group

	2021	2020
	£	£
The net income/(expenditure) before tax in the financial year is stated after charging:-		
Depreciation of fixed assets	47,392	58,323
Operating leases	515,800	596,558
	<u>=====</u>	<u>=====</u>
Fees payable to the group's auditor:	2021	2020
	£	£
For audit services		
Audit of the financial statements of the group and charity	30,450	28,875
	<u>=====</u>	<u>=====</u>
	30,450	28,875
	<u>=====</u>	<u>=====</u>
Taxation compliance services	4,275	2,750
All other non-audit services	12,130	11,550
	<u>=====</u>	<u>=====</u>
	16,405	14,300
	<u>=====</u>	<u>=====</u>

Roy Castle Lung Cancer Foundation

Notes to the Consolidated Accounts for the year ended 31 December 2021

6 Interest payable	2021 £	2020 £
Bank interest payable	-	807
	<u>-</u>	<u>807</u>
	=====	=====

7 The contribution of volunteers

The Charity has significant support from volunteers in all our activities, currently we have 157 registered with us (2020: 526) and they regularly support us in the Foundation's shops, community engagement work, administration and Fundraising. In total the hours able to be contributed were 18,664 (2020: 8,262) which is the equivalent of 10.7 people (2020: 4.7).

The charity does not recognise in financial terms in the accounts the valuable contribution of our volunteers.

8 Staff costs and emoluments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Gross salaries	2,086,760	1,955,953	1,201,479	1,097,639
Employer's National Insurance	146,489	130,122	103,876	92,203
Employer's Pension	50,185	45,462	36,376	32,470
	<u>2,283,434</u>	<u>2,131,537</u>	<u>1,341,731</u>	<u>1,222,312</u>
	=====	=====	=====	=====

The average number of staff deployed in different activities in the group in the year was:-

	2021 £	2020 £
Engaged on charitable activities	21	25
Engaged on fundraising activities	22	16
Engaged on management and administration	12	10
Engaged on retail activities	78	86
	<u>133</u>	<u>138</u>
	=====	=====

The average number of staff in charity only in the year was 56 (2020: 50).

The number of employees whose emoluments including taxable benefits but excluding employer's pension contributions fall into the following bands were :-

	2021 £	2020 £
£60,001 to £70,000	1	1
£70,001 to £80,000	-	-
(Group and charity)	<u>1</u>	<u>1</u>
	=====	=====

8 Staff costs and emoluments (continued)

	2021	2020
	£	£
Chief Executive Officer/ Highest paid employee		
The remuneration in the year was	68,802	70,725
Pension contributions paid by the employer	4,662	4,390
	<u>73,464</u>	<u>75,115</u>
<i>Total remuneration package included in total salaries above</i>	<u>73,464</u>	<u>75,115</u>

9 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

Trustees were reimbursed expenses incurred which amounted to £30 (2020: £507) in relation to travel expenses.

Notes to the Consolidated Accounts for the year ended 31 December 2021

10	Donations and Legacies - Consolidated	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
	Donations and gifts from individuals				
	Donations	7,078	-	7,078	9,491
	Individual Giving	249,790	337	250,127	375,736
	Payroll Giving	94,159	-	94,159	105,126
		<u>351,027</u>	<u>337</u>	<u>351,364</u>	<u>490,353</u>
	Legacies receivable				
	Legacies receivable	720,979	-	720,979	168,315
		<u>1,072,006</u>	<u>337</u>	<u>1,072,343</u>	<u>658,668</u>
	Revenue grants and donations from non-public bodies				
	Corporate Grants	60,146	-	60,146	59,604
	Trusts	19,686	99,717	119,403	246,308
		<u>79,832</u>	<u>99,717</u>	<u>179,549</u>	<u>305,912</u>
	Sponsorship				
	Pause for Hope	-	5,559	5,559	1,293
	Sponsorship	53,992	397,273	451,265	486,050
		<u>53,992</u>	<u>402,832</u>	<u>456,824</u>	<u>487,343</u>
	In Memoriam				
	In Memoriam	237,886	20	237,906	169,265
		<u>237,886</u>	<u>20</u>	<u>237,906</u>	<u>169,265</u>
	Gift Aid on Donations				
	Gift Aid on Donations	145,622	-	145,621	84,676
		<u>145,622</u>	<u>-</u>	<u>145,621</u>	<u>84,676</u>
	Total Donations and Legacies – Consolidated	<u><u>1,589,338</u></u>	<u><u>502,906</u></u>	<u><u>2,092,244</u></u>	<u><u>1,705,864</u></u>

Of the 2020 income, £1,021,123 was unrestricted and £687,741 was restricted.

11 Income from charitable activities - Consolidated

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Charitable income from funders				
Community engagement	1,250	-	1,250	36,512
	<u>1,250</u>	<u>-</u>	<u>1,250</u>	<u>36,512</u>
Total income from charitable activities	<u>1,250</u>	<u>-</u>	<u>1,250</u>	<u>36,512</u>

Total income from charitable activities of £1,250 split by activity is split by £Nil (2020: £8,209) research and £1,250 (2020: £36,512) prevention. Of the 2020 income, £1,512 was unrestricted and £35,000 was restricted.

12 Income from other, trading activities - Consolidated

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Trading activities to raise funds	24,868	-	24,868	8,528
Income from fundraising events	470,104	-	470,104	322,698
Income from the sale of donated and brought in goods	1,529,254	-	1,529,254	983,668
Sponsorships and social lotteries which cannot be considered pure donations	9,072	-	9,072	8,659
	<u>2,033,298</u>	<u>-</u>	<u>2,033,298</u>	<u>1,323,553</u>

Total income from other, trading activities split by activity is split by £504,044 (2020: £339,885) fundraising and £1,529,254 (2020: £983,668) sales of donated and related goods. All of the 2020 income was unrestricted.

13 Investment income - Consolidated

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Property Rental Income	2,400	-	2,400	3,600
Dividend Income	32,322	-	32,322	28,195
Bank Interest Receivable	98	-	98	422
	<u>34,820</u>	<u>-</u>	<u>34,820</u>	<u>32,237</u>

All of 2020 income was unrestricted.

14 Other - Consolidated

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Consultancy and advice	-	-	-	25,698
Coronavirus grant income	525,091	-	525,091	834,285
Other income	-	-	-	12,437
	525,091	-	525,091	872,420

Of the 2020 income, £871,118 was unrestricted and £1,302 was restricted.

Government grants in relation to the Coronavirus Job Retention Scheme amounting to £262,085 (2020: £510,059) were receivable in the year in relation to employees who were put on furlough. Other government grants of £5,147 (2020: £1,558) relating to the interest free benefit incurred on a Coronavirus Business Interruption Loan and £257,858 (2020: £322,668) relating to Covid19 Local Restrictions Support Grants from Local Authorities were received by the Group in the year.

15 Expenditure on raising funds and costs of investment management - Consolidated

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Cost of fundraising activities	83,198	9,350	92,548	49,639
Marketing & advertising of fundraising	64,083	37,343	101,426	81,644
Costs of seeking donations, grants and legacies	772	-	772	144
Cost of operating social lotteries	1,508	-	1,508	1,508
Costs of staging fundraising events	80,650	-	80,650	116,931
Costs of charity shop selling goods	2,057,231	-	2,057,231	1,799,763
Gross wages and salaries - fundraising activities	406,020	-	406,020	399,171
Other Direct Costs - fundraising Activities	151,386	21,937	173,323	178,845
Staff Training & Welfare - fundraising Activities	1,975	-	1,975	2,324
Travel and Subsistence - fundraising Activities	2,869	-	2,869	2,050
	2,849,692	68,630	2,918,322	2,632,018

Of the 2020 expenditure, £2,559,637 was unrestricted and £72,381 was restricted.

16 Expenditure on charitable activities - Consolidated

	Note	Staff Costs 2021 £	Other 2021 £	Total Funds 2021 £	Total Funds 2020 £
Direct spending					
Restricted		45,081	294,572	339,653	201,123
Unrestricted		238,118	108,163	346,281	287,252
		<u>283,199</u>	<u>402,735</u>	<u>685,934</u>	<u>488,375</u>
Grant funding					
Organisation grants	26	-	73,794	73,794	78,584
Staff costs		31,962	-	31,962	29,800
		<u>31,962</u>	<u>73,794</u>	<u>105,756</u>	<u>108,384</u>
Support costs					
Staff costs		606,556	-	606,556	569,823
Premises costs		-	68,212	68,212	82,273
Legal and professional costs		-	13,991	13,991	13,164
Financial		-	59,692	59,692	45,882
Other		-	103,529	103,529	32,050
		<u>606,556</u>	<u>245,424</u>	<u>851,980</u>	<u>743,192</u>
Governance costs:					
Audit fees		30,450	-	30,450	42,495
Accountancy fees		26,540	-	26,540	31,834
		<u>978,707</u>	<u>721,953</u>	<u>1,700,660</u>	<u>1,414,280</u>

Of the £1,700,660 (2020: £1,414,280) expenditure £404,966 (2020: £325,287) related to restricted funds and was all categorised as other expenditure.

Included within financial costs of £59,692 (2020: £45,882) is a £Nil (2020: £15,068) amount payable to HMRC in relation to corporation tax in Roy Castle Retail Limited.

17 Summary of charitable costs by activity - Consolidated

	Direct costs	Support costs	Grant funding of activities	Governance	Total 2021	Total 2020
Research	222	357,832	685,934	23,936	1,067,924	568,258
Support	105,534	187,436	-	12,538	305,508	534,004
Prevention	-	306,712	-	20,516	327,228	312,018
	<u>105,756</u>	<u>851,980</u>	<u>685,934</u>	<u>56,990</u>	<u>1,700,660</u>	<u>1,414,280</u>

18 Donations and Legacies - Charity only

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Donations and gifts from individuals				
Donations	-	-	-	2,000
Individual Giving	249,790	337	250,127	375,735
Payroll Giving	94,158	-	94,158	105,126
	<u>343,948</u>	<u>337</u>	<u>344,285</u>	<u>482,861</u>
Legacies receivable				
Legacies receivable	720,979	-	720,979	168,315
	<u>720,979</u>	<u>-</u>	<u>720,979</u>	<u>168,315</u>
Revenue grants and donations from non-public bodies				
Corporate Grants	60,146	-	60,146	59,604
Trusts	19,686	99,717	119,403	246,308
	<u>79,832</u>	<u>99,717</u>	<u>179,549</u>	<u>305,912</u>
Sponsorship				
Pause for Hope	-	5,559	5,559	1,293
Sponsorships	53,993	397,273	451,266	482,550
	<u>53,993</u>	<u>402,832</u>	<u>456,825</u>	<u>483,843</u>
In Memoriam				
In Memoriam	235,955	20	235,975	166,977
	<u>235,955</u>	<u>20</u>	<u>235,975</u>	<u>166,977</u>
Gift Aid on Donations				
Gift Aid on Donations	90,156	-	90,156	86,362
Gift aid from subsidiary	118,757	-	118,757	3,223
Gift aid from subsidiary – prior year	-	-	-	(45,564)
	<u>208,913</u>	<u>-</u>	<u>208,913</u>	<u>44,021</u>
Total Donations and Legacies - Charity	<u>1,643,620</u>	<u>502,906</u>	<u>2,146,526</u>	<u>1,651,929</u>

Of the 2020 income, £967,187 was unrestricted and £684,742 was restricted.

19 Income from charitable activities - Charity only

	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
Charitable income from funders				
Community engagement	1,250	-	1,250	36,512
	<u>1,250</u>	<u>-</u>	<u>1,250</u>	<u>36,512</u>
Total income from charitable activities	<u>1,250</u>	<u>-</u>	<u>1,250</u>	<u>36,512</u>

Total income from charitable activities all related to prevention. Of the 2020 income, £1,512 was unrestricted and £36,512 was restricted.

20 Income from other, trading activities - Charity only

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from fundraising events	290,601	-	290,601	267,293
Sponsorships and social lotteries which cannot be considered pure donations	8,780	-	8,780	8,584
	<u>299,381</u>	<u>-</u>	<u>299,381</u>	<u>275,877</u>

Total income from other, trading activity split by activity all related to fundraising activities. All of the 2020 income was unrestricted.

21 Investment income - Charity Only

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Property Rental Income	2,400	-	2,400	3,600
Dividend Income	32,322	-	32,322	28,195
Bank Interest Receivable	1,009	-	1,009	1,277
	<u>35,731</u>	<u>-</u>	<u>35,731</u>	<u>33,072</u>

All of 2020 income was unrestricted.

22 Other - Charity

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Consultancy and advice	-	-	-	25,698
Coronavirus grant income	102,090	-	102,090	161,585
Other income	-	-	-	12,437
	102,090	-	102,090	199,720

Of the £199,720 of 2020 income, £1,302 was restricted and £198,418 was unrestricted.

Government grants in relation to the Coronavirus Job Retention Scheme amounting to £96,942 (2020: £160,027) were receivable in the year in relation to employees who were put on furlough. Other government grants of £5,147 (2020: £1,558) relating to the interest free benefit incurred on a Coronavirus Business Interruption Loan were received by the Group in the year.

23 Expenditure on raising funds and costs of investment management - Charity only

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Cost of fundraising activities	70,769	9,350	80,119	31,026
Marketing & advertising of fundraising	64,083	37,343	101,426	81,643
Costs of seeking donations, grants and legacies	772	-	772	144
Cost of operating social lotteries	1,508	-	1,508	1,508
Costs of staging fundraising events	67,287	-	67,287	106,304
Gross wages and salaries - fundraising activities	406,020	-	406,020	399,170
Other Direct Costs - Fundraising Activities	144,605	21,937	166,542	173,184
Staff Training & Welfare - Fundraising Activities	1,975	-	1,975	2,324
Travel and Subsistence - Fundraising Activities	2,868	-	2,868	2,050
	759,887	68,630	828,517	797,353

Of the £797,353 of 2020 expenditure, £72,381 was restricted and £724,972 was unrestricted.

24 Expenditure on charitable activities - Charity

	Note	Staff costs 2021 £	Other 2021 £	Total Funds 2021 £	Total Funds 2020 £
Direct spending					
Restricted		45,081	294,571	339,652	201,123
Unrestricted		238,118	108,136	346,254	285,892
		<u>283,199</u>	<u>402,707</u>	<u>685,906</u>	<u>487,015</u>
Grant funding					
Organisation grants	26	-	73,794	73,794	78,584
Staff costs		31,962	-	31,962	29,800
		<u>31,962</u>	<u>73,794</u>	<u>105,756</u>	<u>108,384</u>
Support costs					
Staff costs		606,556	-	606,556	569,823
Premises costs		-	68,213	68,213	82,273
Legal and professional costs		-	13,992	13,992	13,164
Depreciation/interest		-	18,839	18,839	25,880
Other - admin		-	103,529	103,529	136,731
		<u>606,556</u>	<u>204,573</u>	<u>811,129</u>	<u>827,871</u>
Governance costs:					
Audit fees		30,450	-	30,450	42,495
Accountancy fees		20,540	-	20,540	22,531
		<u>972,707</u>	<u>681,074</u>	<u>1,653,781</u>	<u>1,488,296</u>

Of the £1,653,781 (2020: £1,488,296) expenditure £404,966 (2020: £325,287) related to restricted funds and was categorised as other expenditure.

25 Summary of charitable costs by activity – Charity only

	Direct costs	Support costs	Grant funding of activities	Governance	Total 2021	Total 2020
Research	222	340,674	685,905	21,416	1,048,217	595,394
Support	105,535	178,449	-	11,218	295,202	553,601
Prevention	-	292,006	-	18,356	310,362	339,301
	<u>105,757</u>	<u>811,129</u>	<u>685,905</u>	<u>50,990</u>	<u>1,653,781</u>	<u>1,488,296</u>

26 Breakdown of Grants to organisations

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
University of Liverpool	(2,500)	-	(2,500)	2,500
University College London	(2,920)	-	(2,920)	-
Community Engagement Research Programme	-	-	-	6,249
University of Nottingham	62,970	23,108	86,078	14,044
Leeds	18,968	6,032	25,000	-
Manchester Cancer Research Centre	-	-	-	9,791
University of Sterling	(454)	-	(454)	-
Bibliometric Research	-	(40,629)	(40,629)	26,000
Social Media Research	-	(20,324)	(20,324)	50,765
University of Sheffield	(3,354)	-	(3,354)	-
University of Manchester	24,959	7,938	32,897	-
	97,669	(23,875)	73,794	78,584

In 2020 £23,644 was unrestricted and £59,940 was restricted.

27 Investment gains

Group	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Listed investments – Realised gains	63,378	-	63,378	34,523
Listed investments – Unrealised gains/ (losses)	64,164	-	64,164	(16,915)
Total realised and unrealised gains	127,542	-	127,542	17,608

All the gains on investments in 2020 were unrestricted.

Charity Only	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Listed investments – Realised gains	63,378	-	63,378	34,523
Listed investments – Unrealised gains/ (losses)	64,164	-	64,164	(16,915)
Total realised and unrealised gains	127,542	-	127,542	17,608

All the gains on investments in 2020 were unrestricted.

28 Tangible fixed assets

Group	Leasehold land and buildings £	Fixtures and fittings £	Research office and computer equipment £	Group total £
Cost				
At 1 January 2021	590,373	320,160	473,442	1,383,975
Additions	1,412	43,257	9,771	54,440
Disposals	(61,715)	(6,601)	-	(68,316)
At 31 December 2021	530,070	356,816	483,213	1,370,099
Depreciation				
At 1 January 2021	563,304	237,201	437,805	1,238,310
Charge for the year	6,192	23,320	17,880	47,392
Eliminated on disposal	(61,715)	(6,225)	-	(67,940)
At 31 December 2021	507,781	254,296	455,685	1,217,762
Net book value				
At 31 December 2021	22,289	102,520	27,528	152,337
At 31 December 2020	27,069	82,959	35,637	145,665

Charity Only	Leasehold land and buildings £	Fixtures and fittings £	Research office and computer equipment £	Total £
Cost				
At 1 January 2021	6,783	43,844	344,214	394,841
Additions	-	852	2,467	3,319
At 31 December 2021	6,783	44,696	346,681	398,160
Depreciation				
At 1 January 2021	4,307	32,158	318,493	354,958
Charge for the year	786	6,233	11,820	18,839
At 31 December 2021	5,093	38,391	330,313	373,797
Net book value				
At 31 December 2021	1,690	6,305	16,368	24,363
At 31 December 2020	2,476	11,686	25,721	39,883

29 Investments held as fixed assets by the Parent Company

	Investments in Subsidiary undertakings £	Listed investments £	Total £
Carrying values of investments			
At 1 January 2021	129,595	1,049,672	1,179,267
Additions	-	119,577	119,577
Cash movement	-	8,211	8,211
Disposals	-	(149,785)	(149,785)
Revaluation at 31 December 2021	-	64,217	64,217
At 31 December 2021	129,595	1,091,892	1,221,487

Analysis between historical cost and revaluation based on market value

Investments as above historical cost	129,595	765,411	895,006
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Analysis of types of investments:

	2021	2020
Cash	91,086	82,822
Listed investments	1,000,806	966,850
	1,091,892	1,049,672

Analysis of investments in subsidiary undertakings by the Parent Company, The Roy Castle Lung Cancer Foundation

	Included at Historical cost, less write down £
Loans to group undertakings	129,592
Equity investment in group undertakings	3
	129,595
Analysis of equity investments:	
Investments cost	3
	3

The company holds 20% or more of the share capital of the following companies:

Company	Shares held Class	Direct %
Cut Films Limited	Ordinary	100
Roy Castle Retail Limited	Ordinary	100
Roy Castle Trading Limited	Ordinary	100

30 Subsidiary companies

The Charity has three wholly owned subsidiaries:

Three trading Subsidiaries

Roy Castle Retail Ltd - Company number: 03604677
 Roy Castle Trading Ltd - Company number: 03909935
 Cut Films Ltd – Company number 07313137

Principle Activities

Retail Charity Shops
 Charity and Charitable Events
 Provision of Charity Youth Projects

Where liability is limited by shareholding the amount of the holding company's investment in each subsidiary is £2, which represents 100% of the issued ordinary share capital of each subsidiary. In all cases the subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

All companies are incorporated in England and Wales and are exempt from audit.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company and donates its entire taxable trading profit to the holding company by way of gift aid.

Under Section 479A of the Companies Act 2006, exemption from an audit of the financial statements for the financial period ending 31 December 2021 has been taken by the following subsidiary companies:

- Roy Castle Retail Limited (03604677)
- Roy Castle Trading Limited (03909935)
- Cut Films Limited (07313137)

As required, the company guarantees all outstanding liabilities to which the subsidiary companies, listed above, are subject to at the end of the financial period, until they are satisfied in full and the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary companies listed above is liable in respect of those liabilities.

A summary of the financial statements of the subsidiaries is:-

	2021 £	2020 £
Assets and Funds		
Aggregate amount of assets	561,407	584,930
Aggregate amounts of liabilities	(921,571)	(910,231)
	<u>(360,164)</u>	<u>(325,201)</u>
Profit and Loss		
Turnover net of VAT	1,769,106	1,084,576
Expenses net of VAT	(1,672,361)	(1,119,575)
	<u>96,745</u>	<u>(34,999)</u>
Net profit for the year before tax	96,745	(34,999)
Interest Paid	(911)	(835)
Gift Aid Payments made to holding company	(118,757)	(3,223)
	<u>(22,923)</u>	<u>(39,057)</u>
Net loss for the year after tax and gift aid	(22,923)	(39,057)

The £22,923 net loss above (2020: £39,057) is split as follows; Cut Films Limited made a net loss of £2,538 (2020: £54,185 net profit). Roy Castle Retail Limited made a net loss of £32,424 (2020: £101,384). Roy Castle Trading Limited made a net profit of £118,757 (2020: £26,433) of which was gift aided.

30 Subsidiary companies (continued)

	Note	2021 £	2020 £
Restricted funds retained within charitable subsidiaries	40	40,208	40,208

31	Stock	Group		Charity Only	
		2021 £	2020 £	2021 £	2020 £
	Stocks	73,931	82,906	12,466	13,769
		73,931	82,906	12,466	13,769

Costs of stock included in the statement of financial activities amounted to £87,370 (2020: £74,200).

Stock includes an impairment provision of £7,521 (2020: £9,223).

Analysis of the value of stock by activity

Analysis of the value of stock by activity				
	Group		Charity Only	
	2021	2020	2021	2020
	£	£	£	£
Activity				
Fundraising activities	12,467	13,769	12,466	13,769
Stocks for Sales of donated and related Goods	61,464	69,137	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	73,931	82,906	12,466	13,769

32	Debtors	Group		Charity Only	
		2021 £	2020 £	2021 £	2020 £
	Trade debtors	161,788	93,423	118,597	44,162
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	-	174,911	273,868
	Prepayments and accrued income	821,092	254,283	714,405	134,243
	Other debtors	51,351	61,787	9,858	23,328
		1,034,231	409,493	1,017,771	475,601

The intercompany balances of £nil (2020: £73,514) have been impaired in Charity only.

A provision for bad debts of £2,256 (2020: £3,305) was included against trade debtors.

33 Creditors: amounts falling due within one year

	Note	Group		Charity Only	
		2021 £	2020 £	2021 £	2020 £
Trade creditors		306,916	113,148	252,982	80,509
Accruals and deferred income	35	296,049	384,965	216,171	267,882
PAYE, NIC VAT and other taxes		47,645	41,319	47,645	41,319
Bank loan		40,000	10,000	40,000	10,000
Other creditors		261,572	478,635	261,568	463,561
		952,182	1,028,067	818,366	863,271

The is a debenture in place dated 11 April 2001 in Roy Castle Retail Limited over leasehold property of the company by Barclays Bank plc.

There is a cross guarantee between Roy Castle Retail Limited and Roy Castle Lung Foundation that relates to a loan of £129k.

The amount of bank loans repayable included in creditors due within one year relates to a Coronavirus Business Interruption Loan received in the prior year.

34 Creditors: amounts falling due within more than one year

	Group		Charity Only	
	2021 £	2020 £	2021 £	2020 £
Bank loan	153,333	190,000	153,333	190,000
	153,333	190,000	153,333	190,000

The amount of bank loans repayable included in creditors due more than one year relates to a Coronavirus Business Interruption Loan received in the year. Interest is charged at 2.99% over Bank of England base rate and the loan is secured with a fixed and floating debenture over all assets of the Charity. The amount due after five years is £nil (2020: £30,000).

35 Deferred income

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Brought Forward	96,031	31,960	96,031	31,960
Deferred in the year	88,299	96,031	88,299	96,031
Amounts released in the year	(96,031)	(31,960)	(96,031)	(31,960)
	88,299	96,031	88,299	96,031

Deferred income of £28,299 (2020: £66,031) relates income received for the Charity's LCam Project but relates to 2022 and 2023. £60,000 (2020: £30,000) of the income deferred in the prior year relates to income for GLCC that was received from Amgen relating to 2022 sponsorship.

36 Provisions for liabilities

	Group		Charity Only	
	2021	2020	2021	2020
	£	£	£	£
Dilapidation's provision	144,181	-	15,500	-
Deferred tax liabilities	12,040	-	-	-
	156,221	-	15,500	-

Movement on provisions apart from deferred tax liabilities:

	Group		Charity Only	
	2021	2020	2021	2020
	£	£	£	£
At 1 January 2021	-	-	-	-
Additional provisions in the year	144,181	-	15,500	-
Reversal of provision	-	-	-	-
Utilisation of provision	-	-	-	-
	144,181	-	15,500	-

Dilapidation's provision

The company has a present obligation to make good lease properties it occupies at the end of each respective property lease. Therefore, a dilapidations provision is required based upon the expected discounted cost to make good the properties. This was included as an accrual in previous years.

37 Analysis of changes in net cash

Group	01/01/2021 £	Cash flows £	Market value movements £	31/12/2021 £
Net Cash				
Cash at bank and in hand	668,586	(425,723)	-	242,863
	668,586	(425,723)	-	242,863
Debt				
Debts falling due within one year	(10,000)	(30,000)	-	(40,000)
Debts falling due after one year	(190,000)	36,667	-	(153,333)
	(200,000)	6,667	-	(193,333)
Net debt	468,586	(419,054)	-	49,532
Charity				
	01/01/2021 £	Cash flows £	Market value movements £	31/12/2021 £
Net Cash				
Cash at bank and in hand	528,062	(403,418)	-	124,644
	528,062	(403,418)	-	124,644
Debt				
Debts falling due within one year	(10,000)	(30,000)	-	(40,000)
Debts falling due after one year	(190,000)	36,667	-	(153,333)
	(200,000)	6,667	-	(193,333)
Net debt	328,062	(396,751)	-	(68,689)

38 Charitable commitments not recognised as provisions or commitments in the accounts

The charity operates an open grants process for Research Grants, some grant applications extend beyond one year, however the charity has an annual review policy for grants that extend beyond one year, with the ability to terminate the grant should it not meet its objectives. Grant costs are accrued in the accounts up to the review date of each grant as this forms the contractual obligation.

There is £161,135 (2020: £257,841) of awards that are contingent on the grants meeting their criteria that would then fall across the next two subsequent years accounts.

At the year end the group had total outstanding commitments under non-cancellable operating leases as set out below:	2021 £	2020 £
Operating leases which expire:		
within one year	505,178	580,058
within two to five years	1,116,266	1,352,594
in over five years	224,000	324,000
	<u>1,845,444</u>	<u>2,256,652</u>

At the year end the charity had total outstanding commitments under non-cancellable operating leases as set out below:	2021 £	2020 £
Operating leases which expire:		
within one year	72,878	75,508
within two to five years	146,816	159,694
	<u>219,694</u>	<u>235,202</u>

39 Related party transactions

The remuneration paid to key management personnel as identified in the Trustees Annual Report amounted to £313,430 (2020: £294,912).

Balances held with subsidiary companies of Roy Castle Lung Cancer Foundation in the year were as follows:

	2021 £	2020 £
Included in debtors:	174,911	273,868
Interest charged on balances:	911	835
	<u>175,822</u>	<u>274,703</u>

The movement in the amount due to the charity relates to amounts advanced in the year of £1,370,329 (2020: £1,291,278), amounts credited in the year of £1,469,285 (2020: £1,369,132) and amounts written off of £nil (2020: £73,514).

40 Related party transactions with Trustees

Transactions of £13,456 (2020: £12,127) occurred in the year with a close family member (Mr Robert Chadwick) of one of the trustees, Paula Chadwick (Chief Executive of the Charity), these transactions were in respect of work carried out in the shops £13,456 (2020: £11,767). No balance was outstanding at the year end (2020: £Nil). Mr Robert Chadwick also provides the estimated dilapidation costs valuation used in the calculation of the dilapidation provision.

41 Particulars of how particular funds are represented by assets and liabilities

Group

At 31 December 2021

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	152,337	-	152,337
Fixed asset investments	1,091,892	-	1,091,892
Current Assets	524,688	826,337	1,351,025
Current Liabilities	(952,182)	-	(952,182)
Non-current Liabilities	(153,333)	-	(153,333)
Provisions for liabilities	(156,221)	-	(156,221)
	507,181	826,337	1,333,518

Charity

At 31 December 2021

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	24,363	-	24,363
Fixed asset investments	1,221,487	-	1,221,487
Current Assets	368,751	786,131	1,154,882
Current Liabilities	(818,366)	-	(818,366)
Non-current Liabilities	(153,333)	-	(153,333)
Provisions for liabilities	(15,500)	-	(15,500)
	627,402	786,131	1,413,533

Group

At 31 December 2020

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	145,665	-	145,665
Fixed asset investments	1,049,672	-	1,049,672
Current Assets	363,958	797,027	1,160,985
Current Liabilities	(1,028,067)	-	(1,028,067)
Non-current Liabilities	(190,000)	-	(190,000)
	341,228	797,027	1,138,255

Charity

At 31 December 2020

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	39,883	-	39,883
Fixed asset investments	1,179,267	-	1,179,267
Current Assets	260,611	756,821	1,017,432
Current Liabilities	(863,271)	-	(863,271)
Non-current Liabilities	(190,000)	-	(190,000)
	426,490	756,821	1,183,311

42 Change in total funds over the year as shown in Note 40, analysed by individual funds

Group	Funds brought forward 2021 £	Income £	Expenditure £	Funds carried forward 2021 £
Unrestricted and designated funds:-				
Group Unrestricted Funds	341,228	4,183,797	(4,017,844)	507,181
Total unrestricted and designated funds	341,228	4,183,797	(4,017,844)	507,181
Charity Restricted Funds				
Sundry RCF Restricted Reserves	331,542	167,044	(164,997)	333,589
GLCC	425,823	335,862	(308,599)	453,086
Boehringer Ingelheim Awareness Project	(546)	-	-	(546)
Subsidiary Restricted Funds				
Cut Films Restricted Reserves	40,208	-	-	40,208
Total restricted funds	797,027	502,906	(473,596)	826,337
Total Group Funds	1,138,255	4,686,703	(4,491,440)	1,333,518

Included in the expenditure above are gains on investments of £127,542 in unrestricted funds.

Restricted Funds

Boehringer Ingelheim Awareness Project
Cut Films Restricted Reserves

To fund lung cancer awareness for individuals
To stimulate discussion amongst young people about the issue of smoking.

Sundry RCF Restricted Reserves
GLCC

To fund lung cancer research for individuals
To fund lung cancer research for individuals

Charity only

	Funds brought forward 2021 £	Income £	Expenditure £	Funds carried forward 2021 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	426,490	2,082,072	(1,881,160)	627,401
Total unrestricted and designated funds	426,490	2,082,072	(1,881,160)	627,401
RCF Restricted funds:-				
Research - GLCC	425,823	335,862	(308,599)	453,086
Research - others	330,998	167,044	(164,997)	333,045
Total restricted funds	756,821	502,906	(473,596)	786,131
Total Charity Funds	1,183,311	2,584,978	(2,354,756)	1,413,533

Included in the expenditure above are gains on investments of £127,542 in unrestricted funds.

42 Change in total funds over the year as shown in Note 39, analysed by individual funds (continued)

Group	Funds brought forward 2020 £	Income £	Expenditure £	Funds carried forward 2020 £
Unrestricted and designated funds:-				
Group Unrestricted Funds	722,707	3,249,543	(3,631,022)	341,228
Total unrestricted and designated funds	722,707	3,249,543	(3,631,022)	341,228
Charity Restricted Funds				
Sundry RCF Restricted Reserves	186,992	328,278	(183,728)	331,542
GLCC	246,998	392,765	(213,940)	425,823
Boehringer Ingelheim Awareness Project	(546)	-	-	(546)
Subsidiary Restricted Funds				
Cut Films Restricted Reserves	40,208	-	-	40,208
Total restricted funds	473,652	721,043	(397,668)	797,027
Total Group Funds	1,196,359	3,970,586	(4,028,690)	1,138,255

Included in the expenditure above are gains on investments of £17,608 in unrestricted funds.

Restricted Funds

Boehringer Ingelheim Awareness Project
Cut Films Restricted Reserves

To fund lung cancer awareness for individuals
To stimulate discussion amongst young people about the issue of smoking.

Sundry RCF Restricted Reserves
GLCC

To fund lung cancer research for individuals
To fund lung cancer research for individuals

Charity only

	Funds brought forward 2020 £	Income £	Expenditure £	Funds carried forward 2020 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	820,796	1,476,067	(1,870,373)	426,490
Total unrestricted and designated funds	820,796	1,476,067	(1,870,373)	426,490
RCF Restricted funds:-				
Research - GLCC	246,998	392,765	(213,940)	425,823
Research - others	186,448	328,278	(183,728)	330,998
Total restricted funds	433,446	721,043	(397,668)	756,821
Total Charity Funds	1,254,242	2,197,110	(2,268,041)	1,183,311

Included in the expenditure above are gains on investments of £17,608 in unrestricted funds.

43 Change in total funds over the year

Group	Income 2021 £	Gains & Expenditure 2021 £	Losses 2021 £	Movement in funds 2021 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	4,183,797	(4,145,386)	127,542	165,953
Restricted funds:-				
Restricted Reserves	502,906	(473,596)	-	29,310
	4,686,703	(4,618,982)	127,542	195,263

Change in total funds over the year

Charity only	Income 2021 £	Gains & Expenditure 2021 £	Losses 2021 £	Movement in funds 2021 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	2,082,072	(2,008,702)	127,542	200,912
Restricted funds:-				
Restricted Reserves	502,906	(473,596)	-	29,310
	2,584,978	(2,482,298)	127,542	230,222

Group	Income 2020 £	Expenditure 2020 £	Gains & Losses 2020 £	Movement in funds 2020 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	3,249,543	(3,648,630)	17,608	(381,479)
Restricted funds:-				
Restricted Reserves	721,043	(397,668)	-	323,375
	3,970,586	(4,046,298)	17,608	(58,104)

Charity only	Income 2020 £	Expenditure 2020 £	Gains & Losses 2020 £	Movement in funds 2020 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	1,476,067	(1,887,981)	17,608	(394,306)
Restricted funds:-				
Restricted Reserves	721,043	(397,668)	-	323,375
	2,197,110	(2,285,649)	17,608	(70,931)

44 The purposes for which the funds as detailed in note 40 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted revenue funds

These funds are held for the meeting the general objectives of the charity, and to provide reserves for future activities, and subject to charity legislation, are free from all restrictions on their use.

Restricted funds:-

Sundry RCF Restricted Reserves

These funds are held for meeting specific objectives of the charity as specified by the donor, and to provide reserves for future suitable activities subject to charity legislation and subject to the restrictions placed on them by individual donors.

GLCC

These funds are held for meeting specific objectives of the charity as specified by the donor, and to provide reserves for future suitable activities subject to charity legislation and subject to the restrictions placed on them by individual donors.

45 Financial instruments	2021	Group	Charity	
	£	2020	2021	2020
		£	£	£
Carrying amount of financial assets				
Financial instruments measured at fair value	1,091,892	1,049,672	1,221,487	1,179,267

46 Ultimate controlling party

The Roy Castle Lung Cancer Foundation is the ultimate controlling party and is under the control of its legal members.