

The Registered Company Number is: 03059425

The Registered Charity Number is England & Wales 1046854 Scotland SC037596  
Isle of Man 006171F



Roy Castle Lung Cancer Foundation

Report and Accounts

31 December 2022

# **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
	Cathy Brokenshire (appointed 24 May 2022)

**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  
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Birkenhead  
CH41 5AR

### **Foreword by the Chief Executive of Roy Castle Lung Cancer Foundation**

Welcome to our Annual Trustees' Report of our activities during 2022.

Ours is the only UK charity entirely dedicated to helping anyone and everyone affected by all forms of lung cancer. It has two core functions: to save lives and support those living with the disease. Each year, lung cancer kills almost 36,000 people in the UK, [1] which is more than the number of lives claimed by breast, pancreatic and prostate cancers combined. This is why our work is so vital.

We seek to save lives by funding research, promoting ways to prevent people from developing lung cancer, primarily by offering support for people seeking to stop using tobacco products, and developing high-quality information resources.

Our research projects add to the store of information on the development of lung cancer and help patients and their families better understand the disease and its implications for their lives.

Our Information Centre creates and updates high-quality collateral such as leaflets and online content, reviewed by patients and supported by input from our research and prevention projects.

We offer emotional and practical support through our nurse-led helpline and online forum, and financial support through our patient grants. In 2022 our patient support groups and information days resumed, following their necessary suspension during the pandemic.

We represent lung cancer 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.

Evidence from major clinical trials proves that screening with low-dose CT scans saves lives. We support NHS England's targeted lung health check programme, and throughout 2022 we focused on promoting and supporting this initiative. More than 1500 people have now been diagnosed at early stage, when curative treatment is available. All this evidence led the National Screening Committee to recommend the implementation of national targeted screening programme for lung cancer.

None of this would be possible without the tireless and selfless efforts of our supporters. They help us improve outcomes for lung cancer patients and their families, and we thank them for all they do.

The previous two years were among the most challenging in the charity's history, and we foresee further financial turbulence in 2023. Yet there are also strong reasons for optimism. We have witnessed significant advances in lung cancer care and provision in the last decade, and, if anything, the rate of advances seems to be increasing.

In 2022, we secured significant media coverage thanks to the involvement of our trustees, Mande Lucas and Cathy Brokenshire, our supporter Fiona Castle, and Prof David Baldwin, chair of the UK Clinical Expert Group for Lung Cancer and Mesothelioma. Such coverage helps challenge the stigma often associated with lung cancer which can add to its burden for patients and their loved ones.

We remain absolutely dedicated to seeking and achieving further improvements as we firmly believe that everyone affected by lung cancer should be able to EXPECT BETTER.



**Paula Chadwick**

Notes  
[1] CRUK

## **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 material improvements for patients, their families and those who look after them.

We have established the charity as the UK's primary support resource for all diagnosed with lung cancer, and their families and carers. We aim to be the representative 'voice' of lung cancer patients in all areas of health care policy and provision and offer first-class information and support services.

## **Our mission**

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 health promotion programmes aimed at preventing the onset of lung cancer, and we offer practical support to improve the quality of life of patients and their relatives.

During 2022 increased emphasis was placed on contributing to the successful implementation and promotion of the NHS England Targeted Lung Health Check (TLHC) programme. This is a flagship programme of work in England which is contributing significantly to the ambition of the NHS Long Term Plan to improve early diagnosis and survival for those diagnosed with cancer.

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**

### **RCLCF-funded Research**

#### **Policy on Research Grant Making**

The charity 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.

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.

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. As restrictions eased, we began accepting submissions for grants at the beginning of 2022, with a view to research projects commencing in 2023. We received few applications, as

conditions for research remained uncertain. We expect this to change in 2023. However, during 2022 the funding for our clinical research fellowship continued:

#### **Nottingham University RCLCF Clinical Research Fellow**

Dr Helen Morgan (HM) is the third CRF funded by RCLCF. During 2022 she focused on **The DECLINE Study** (Decisions against curative treatment for lung cancer in eligible patients). This research study is funded by RCLCF. It examines the reasons why some people with potentially curative lung cancer do not have treatment. The study began recruiting participants in 2022.

#### Current ongoing Research:

University of Nottingham - Evaluating lung cancer patient experience: a National Lung Cancer Audit linked study.

#### Projects concluded in 2022:

**Methods for Prevention and Early Detection of Lung Cancer after Hodgkin Lymphoma Treatment.** Led by Prof Kim Linton at The Christie and the University of Manchester, this project screened 102 HL survivors and detected two asymptomatic lung cancers, one of which was early stage. That patient has since received curative-intent surgery and is living well.

**Development and piloting of a radiographer-led smoking cessation intervention in the lung cancer screening setting.** This project, led by Dr Rebecca Beeken and based at the University of Leeds, created a training module for diagnostic radiographers which will empower them to deliver brief smoking cessation to patients when attending a CT scan. The Society of Radiographers is showing interest in hosting the training on their website and/or promoting it.

**Exploiting a unique organotypic model of bronchial dysplasia to improve the early detection of lung cancer.** This project, led by Dr Frank McCaughan at King's College, London, generated a deeper understanding of the pathobiology of SOX2-dependent squamous lung cancer, identified a potential therapeutic vulnerability for SOX2-deregulated squamous cancers, and offers a better understanding of how cancer cells interact with inflammatory microenvironment via innate immune signalling. In essence, research could lead to molecular tests that do not require an invasive biopsy and could be used to diagnose lung cancer at early stage.

Further details of our research can be found at the charity's website <https://roycastle.org/research>

#### RCLCF Policy Work in 2022

#### **Lung Cancer Clinical Expert Group**

The charity continued as secretariat for the Lung Cancer Clinical Expert Group (CEG). This is an independent group 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. It provides expert advice on clinical issues in thoracic malignancies, particularly in areas of health policy and strategy.

#### **Supporting the work of the National Lung Cancer Audit.**

The NLCA began in 2004 and the Royal College of Physicians London held the contract since 2014. In 2022, this was taken up by the Royal College of Surgeons. RCLCF continued to support the work of the NLCA in membership of the NLCA Board and Clinical Advisory function.

#### **Lung cancer and early detection.**

Throughout 2022 the charity continued to campaign for the implementation of a national Lung Cancer Screening Program, through interaction with policy makers and intense media activity. Following the death of



James Brokenshire MP from lung cancer in 2021, his wife, Cathy, took on his work with us to reach this aim. Cathy Brokenshire became a Trustee of the charity and used her media profile and connections to further the cause of promoting early detection of lung cancer.

In September 2022, the National Screening Committee (NSC) recommended the implementation of a national screening programme for lung cancer for all UK four nations. We hope that the relevant health authorities of all four nations will soon proceed to implement such programmes.

The charity also continued to work with the wider healthcare community, representing the lung cancer voice. This work included membership of the Respiratory Taskforce, Cancer Early Detection Charity Coalition, the UK Lung Cancer Coalition and the Global Lung Cancer Coalition.

#### Global Lung Cancer Coalition (GLCC)

The GLCC numbers 42 organisations from 30 countries. RCLCF provides its Secretariat. Members network online at the Annual Meeting prior to the IASLC World Congress on Lung Cancer. In 2022 several GLCC personnel shared details of research via symposia, or poster presentations.

#### GLCC activity during 2022

#### **Patient Experience and Coping with Lung Cancer Surveys**

GLCC conducted a third international survey of lung cancer patients to understand how COVID was impacting them, and a separate survey into the levels of emotional support patients receive during their care path. Findings of both can be viewed at <https://www.lungcancercoalition.org/surveys>

#### **Global State of Lung Cancer Research**

GLCC commissioned the Institute of Cancer Policy to update its report mapping published lung cancer research across the globe, to assess the worldwide impact of the pandemic on research.

#### **Global Lung Cancer Screening Project**

GLCC members are keen to see lung cancer screening programmes implemented globally. To support this, we created a screening resource section that can be viewed at <https://www.lungcancercoalition.org/screening-resource>. This brings together key publications, case studies, documentation, protocols, interviews with experts and guidance around lung cancer screening. During 2022, we updated these resources as new data became available.

#### **Lung Cancer e-Atlas**

GLCC's e-Atlas is an accessible source of international lung cancer data, including all WHO countries. In 2022 it was comprehensively updated with new data and national links.

#### **Factsheets**

The GLCC has developed a series of factsheets, available in 16 languages. Subjects covered include:

- COVID and Lung Cancer
- Virtual Consultations
- Lung Cancer Screening
- Predictive Biomarkers
- Immunotherapy
- Lung Cancer and Smoking

- Clinical Trials

We also offer a series of awareness leaflets available in 16 languages.

### **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. Since 2003, the GLCC has hosted symposia, at the invitation of the IASLC, during its World Congresses in Lung Cancer (WCLC).

### **Lung Ambition Alliance (LAA)**

GLCC is a founding partner in LAA, together with AstraZeneca, Guardant Health and IASLC. LAA is a partnership which aims to accelerate progress and bring meaningful change for lung cancer patients by amplifying the expertise of each partner and prioritising projects to further this goal.

### **Lung Cancer Screening Resources**

In 2022, the GLCC started to identify and assess the information given to people who are invited to take part in lung cancer screening programmes around the world. Findings from our research, and some of the resources that are distributed, can be found on the GLCC's screening resource centre at <https://www.lungcancercoalition.org/screening-resource>.

As GLCC members continue to advocate for, and establish, national lung cancer screening programmes, we hope this research helps them to develop high-quality screening information resources for their country's population.

### **Lung Cancer Information & Support Services**

Our services are designed to promote early detection of lung cancer and provide relevant information and support to those affected by lung cancer.

#### **Support**

Our Ask the Nurse service had contact with 1,333 new enquiries (versus 1,130 in 2021). The average contact was 41 minutes in duration. The distribution of people contacting us regarding lung cancer symptoms or pre-diagnosis increased from 8% to 16% of new contacts. This may reflect the increased profile of the charity's service and activity around Targeted Lung Health Checks and awareness campaigns to drive public engagement with them.

The profile of our contacts was as follows: 16% people with symptoms/ pre-diagnosis, 48% people with lung cancer, 30% carers, 4% Health Care Professionals and 2% other contacts.

My first contact was in August 2022. From that moment Roy Castle nurses have been amazing. Ann was always there for a chat and to make everything that we were being told by consultants easier to understand. She went through biopsy results, treatment options and side effects. When my mum had immunotherapy and it caused her to have hyper progression, Ann was again on hand to explain all of this to me and make me see more clearly through the fog. - Sam

During 2020 we introduced our Keep in Touch support service to reduce isolation during lock down. We identified an ongoing need among people seeking one-to-one phone support. In 2022 we supported an average of 41 people per month, averaging 60 calls per month.

The 'keep in touch' service was a godsend to me during lockdown Living on my own and being 'high risk' meant I had no physical contact with anyone including my family. Other support services I had prior to lockdown were withdrawn, with no alternatives put in place. I really looked forward to my chat with Elizabeth

each week. I think it kept me sane in those crazy times. To have someone to share concerns with, who could also offer practical support, was invaluable to me. - Norma McAra

### **Financial help**

In 2022 we provided 525 grants to people experiencing financial difficulties. The average grant amount was £142. We offer one-off grants to people with limited savings and where their lung cancer diagnosis has resulted in additional financial pressure. The service was impacted by economic circumstances, and we provided an additional £34,450 in grants funding and increased the number of beneficiaries by 83%.

"Thank you so much for my £100 grant. This has taken a lot of worry off my shoulders, and I can now concentrate on my treatment and getting better. Once again thank you. "Lynn

### **Group support**

Most lung cancer support groups were paused or disbanded during the pandemic. As many people with lung cancer are immune-compromised, and since pressures on nursing staff who run the groups continued during 2022, only a few groups met in the autumn. The network is beginning to rebuild, and more groups will meet in 2023. We were able to support the lung cancer team in Harlow to host an Information Day which was attended by 35 patients, carers, and health care professionals.

"It's very good that you run those sessions to help further our understanding of lung cancer and various treatments & support that is available." - Harlow participants

### **Lung Cancer Connect**

During 2022, while most face-to-face group activity was suspended, we continued our digital group support. We hosted 54 sessions with over 100 participants registered and 93 attendees. 14% were carers and 86% people with a diagnosis. Topics covered included:

- Genetic mutation driven lung cancer
- Managing during treatment
- Living with lung cancer
- Coping as a carer

We expanded the digital content available on lung cancer connect with new surgery videos and introduced a new podcast series, 'Let's Talk About Lung Cancer'.

*"I was struggling emotionally and mentally since my diagnosis. I cannot begin to explain how much it helped me to speak to like-minded people who had all felt the same things that I was feeling. It is a very difficult time when you are first diagnosed and without the support from your Foundation."*

*Sharon D from Staffordshire, a patient who benefitted from our service in 2022*

### **Information**

During 2022 we introduced an additional three titles to our publications, taking the total to 10 printed information resources. These were 'Biomarker Testing', developed in collaboration with Amgen, a new title on Bone Metastases and a Diagnosis and Treatment aid.

We fulfilled 783 orders for publications across the year. 72% of our orders came from Health Care Professionals, 12% from Cancer Information Centres, the remainder from patients, carers, and others with an interest. Our distribution includes 8437 Answering your Questions packs, 25,475 treatment leaflets, and 2,763 leaflets on topics related to life with lung cancer.

*"Thank you for your kind support and extremely useful booklet. It clarifies so many things and has given me the courage to write down concerns in readiness for the consultation team."*

*Sharon D from Staffordshire*

## **Partnership working**

We participated in activities as part of the steering group for the National Lung Cancer Audit and Less Survivable Cancer Taskforce. During the year, an advocacy network was established in Scotland for the Less Survivable Cancer Taskforce. This group had a virtual meeting with Humza Yousaf, Scottish Health Minister, and members of the Cancer Policy team.

We participated in a campaign run in collaboration with Lung Cancer Nurses UK, the Scottish Lung Cancer Nurse network, and sponsored by MSD. This culminated in a reception in the Scottish Parliament in November, raising the importance of Clinical Nurse Specialists in patient care.

We worked in collaboration with clinicians and pharmaceutical companies to raise the profile of lung cancer and screening in Scotland. This culminated in a session at the Cross-Party Group on Cancer in Scotland in December which focused on screening and building the case for support. Via these events, Advisory Boards, British Thoracic Oncology Group (BTOG) and the World Lung Cancer meeting we have harnessed the involvement of patient carer advocates and staff working in lung cancer health care. We extend our thanks to all those affected by lung cancer who have taken the time to share experience enabling us to better tailor our services and represent their interests to other bodies.

## Communications and Marketing

### **Overview**

Much of our work throughout 2022 was aimed at helping secure a recommendation from the National Screening Committee for the establishment of a national targeted screening programme.

This included our #needtoscreen Twitter campaign as well as our ongoing work in supporting both established and newly implemented Targeted Lung Health Check programmes. We maintained focus on symptom awareness, challenging disease misconceptions, promoting patient advocacy, increasing brand awareness and providing marketing support across the charity.

### **Targeted Lung Health Checks (TLHC)**

We continued our work with phase 1 and 2 programmes, as well as supporting phase 3 initiatives.

Our work included the creation and implementation of targeted social media ads, video production, graphic design, media liaison, development of toolkits and community engagement.

Collectively, the 2022 social media ads spend was £17,188 and reached over 348,000 individuals, with over a million video views and over 44k link clicks (12.8% CTR).

In 2022, we were commissioned by NHS England to devise a two-phased campaign to increase uptake of the TLHC.

Phase one of the campaign sought to address the asymptomatic nature of early-stage disease, while phase two will focus specifically on the TLHC. Phase one of the campaign was developed throughout 2022, with the aim to launch it in Spring 2023.

## **National screening**

In addition to supporting TLHCs, we continued to campaign for a national screening programme.

In February, charity ambassadors Cathy Brokenshire and Mande Lucas appeared on the BBC Breakfast television programme to highlight the need for screening. Then, in July, we launched our #needtoscreen Twitter campaign, to push for a positive recommendation from the NSC in favour of a UK lung cancer screening programme.

The campaign was launched by Cathy Brokenshire and Fiona Castle, again on BBC Breakfast television. The 17-minute package featured Cathy and Fiona meeting for the first time, and then Cathy meeting Jeff Smith, a patient diagnosed through the Salford TLHC. This was followed by Cathy and Fiona taking part in a live studio interview, along with Professor David Baldwin, discussing screening and the work of the charity. This yielded further extensive media coverage and interaction on social media.

Watch the piece: <https://youtu.be/jMKqyHMyxNQ>

## **Awareness**

### **James and Cathy Brokenshire**

31<sup>st</sup> January saw the start of a month-long burst of multimedia coverage for the charity, beginning with the unveiling of a new train named after James Brokenshire MP.

Prior to the event, we had secured coverage in several national papers online after our press release was picked up on the Press Association. This led to ITV London covering the event. From there, we had coverage on the LBC, BBC Radio 2 (Jeremy Vine), Talk Radio and Times Radio, and an exclusive in the Sunday Telegraph magazine.

### **Help Us Help You**

In August, NHS England relaunched its 'Help Us Help You' lung cancer campaign, which we supported; the activity featured charity advocate, Tracy Bourne.

### **Let's Talk Lung Cancer roadshow**

We agreed a partnership with NHS England to run the Let's Talk Lung Cancer roadshow, a community engagement initiative encouraging more open and positive conversations around lung cancer, promoting symptoms awareness and, where appropriate, driving uptake of the lung health check programmes. The roadshow was launched with a media event in London with our MegaLungs and charity ambassadors, Cathy Brokenshire and Dr Chris George.

The team recorded their interactions. They had over 1,000 conversations with the public, and more than 3,750 pieces of informative literature distributed.

We secured much media coverage, most notably on Monday 14<sup>th</sup> November when Cathy Brokenshire was interviewed on Channel 5 News.

### **Lung cancer awareness month – On the Right Path**

Our campaign for lung cancer awareness month 2022 aimed to improve the diagnostic and treatment pathways for everyone affected by lung cancer.

The campaign was predominately led by social media and targeted high-risk individuals, their loved ones, and lower risk individuals. We held a radio day, securing 131 items of coverage to a listener reach of over

47.7million. Throughout November, the On the Right Path campaign homepage was visited over 38,500 times while the lung cancer signs and symptoms page had over 5,000 views.

We also launched our new podcast – Let's Talk about Lung Cancer, marking the beginning of a regular fortnightly production which started airing in November 2022.

### **Charity publications**

In 2022, we created and distributed two charity magazines. 'Roy's Raisers' is a fundraising-focused magazine to highlight how a supporter can get involved with the charity. 'Inspire' is the charity's primary magazine and showcases our work in support, research, and awareness, alongside personal stories from the people we support and those who support us.

### **Departmental support**

As a support department within the charity, marketing supports the fundraising, retail, and patient support departments.

2022 was a busy year which saw us undertake significant pieces of activity. Our work within the TLHC and ongoing campaign for screening is saving lives and has the potential to save thousands more, while the more strategic approach to LCAM saw strong engagement, particularly among those at higher risk, and we benefitted from strong media coverage throughout the year.

### **Income generation – Government, Pharmaceutical Sponsorship, Retail and Fundraising**

All the money raised by the Roy Castle Lung Cancer Foundation is vital to the charity's pursuit of its goals. We utilised a wide variety of means to raise these funds 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, help maintain income for future years.

#### **Retail**

Roy Castle Retail had a disappointing year financially, returning a small deficit, although, in terms of impact and achievements, it exceeded many of its targets and, operationally, performed well.

Although the high street still suffered the long-term effects of Covid 19, and public lacked confidence in crowded situations, the year started robustly. Unfortunately, the already uncertain situation was worsened by high levels of inflation and the cost-of-living crisis following the start of the war in the Ukraine. These factors appeared to have suppressed public spending during the core of the year, while those same pressures that the public faced pushed the cost structure of the operation up, thus reducing returns.

Total income for the year was £2,328,432 excluding VAT (£2,373,304 inc vat) (2021 £1,589,903, excluding government support). Many stores continued to perform strongly throughout the year despite the economic pressures, with the larger furniture stores doing well and our most recent shop, in Sale, proving a great success. Sadly, we did have to permanently close our Liscard shop during the year.

Our thanks not only to our dedicated managers and staff, but to the army of volunteers that help make our shops such a success. Hopefully, 2023 will bring a more settled environment.

#### **Fundraising**

During 2022 the charity was able to start to reintroduce some of our headline fundraising events and integrated them with the innovative new virtual activities that the Fundraising team, and particularly the

Community and Sports teams, have proved adept at creating.

## **Events**

2022 provided greater certainty around physical activities and the events team created a new event that could one day rival the Spooky Welly Walk - 'Adventures in Wonderland'. This is a spin-off of the Spooky Welly Walk concept, replacing Halloween with fairytale and magical themes. 'Adventures in Wonderland' drew a crowd of 2,500 and raised £20,000 in total. Feedback from attendees and volunteers was extremely positive, making this event a certainty to return for 2023. Spooky Welly Walk raised £52,000.

## **Community**

One positive to come out of Covid was the creation of virtual communities with which we can connect. Using a business partner, we are able to create virtual projects to bring together communities of people to fundraising and support one another.

The first project we managed was 'Swimming the Distance' which saw 1200 members join an online community; of those over 160 went on to fundraise and every member played their part within the community, offering support, fundraising tips, reassurance and, of course, their swimming successes. In total we raised just under £52,000.

It was wonderful to see the return of our physical, supporter led, fundraising events such as Thrud Ball which was founded by the great Frank Giraffe. They chose to support the RCLCF as we do not conduct or fund animal research. In addition, many of their community, like most, have or know someone who has been affected by lung cancer. Simon Bond himself lost his mother to it. Thrudball raised £11,800.

*'Anything that works towards preventing this condition is a step in the right direction.'* Simon Bond

Other constant virtual vehicles, such as the Facebook Birthday Fundraising, remained strong for the charity in 2022. One of our supporters, Gini Harrison, a patient advocate with stage 4 lung cancer, raised £2,079.

## **Sporting**

During Covid our network of runners grew significantly which inspired us to create our own running events. We started with 'Delamere Dash' in September 2022. We welcomed 500 runners to our very first race, raising £15,000. Runners were treated to a spectacular course in Delamere Forest, as well as chip timing, keepsake medal and a finisher t-shirt.

We took on our first Abseil in Manchester and Tom Malone from the Gogglebox television series joined us at The Trafford Centre.

London Marathon - 2022 was the first year since the pandemic that we could attend in person again to support our runners, and although the event was still disrupted our runners and supporters raised a fantastic £167,000.

## **Lasting Tributes**

Following the loss of James Brokenshire MP in 2021, his Tribute Fund continued to raise significant sums. It raised over £27,000 in 2022; of which £10,000 was a single donation by Teresa May MP. The fund has reached a total of £156,500 to date. Cathy Brokenshire is highly engaged with the charity, supporting us in any way she can, from opening doors to major connections to shaking buckets at London train stations. James' tribute fund continues to attract support in 2023.

## **Legacies**

2022 saw a very high level of legacy income. One particularly large legacy came from an existing supporter, Jean Moscrop, who left us a total of £206,000.

## **Star Awards**

We are pleased to say that we plan to reintroduce the RCLCF Star Awards, our tribute to patients, carers, supporters and staff, in March 2023.

## **Isle of Man**

During 2022 the Isle of Man contributed just below £14,000 (2021: £24,000) of income. However, the emphasis on the island moved toward providing support, with the creation of a one-to-one listening service available to lung cancer patients by referral from Manxcare.

## **Corporate Fundraising**

However, during 2022 the corporate sector started to open up again and we were able to put on several events, and to develop many significant connections that will bear fruit in 2023. These include several 'Charity of the Year' relationships and new sponsorships.

## **Strictly Come Dancing**

Our headline event, Strictly Come Dancing, once again provided a real 'glitz and glamour' event, and, in the process, raised over £46,000 (2021 £35,000).

## **Charity Golf Days**

David May, the former Manchester United footballer, held his annual Charity Golf Day on our behalf, supported by our corporate team. This raised £27,000, and we plan to repeat it. It will be joined by several additional charity golf events in 2023.

## **Joint working - Areas of collaboration, shared interest and funding**

We work as part of several umbrella groups to campaign for improvements in lung cancer diagnosis and treatment. These include: the United Kingdom Lung Cancer Coalition, the Less Survivable Cancers Taskforce and the Lung Ambition Alliance.

Some of these groups include 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.

The charity also sits on the All-Party Parliamentary Committee for Cancer, which provides a cross-party forum for MPs to work together with other interested parties in the cancer field.

### **Drug development and availability**

We are a stakeholder consulted by National Institute for Clinical Excellence (NICE) and Scottish Medicines Consortium (SMC) 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.

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 this relationship, and in a year in which our traditional sources of income were reduced, it is appropriate to comment on this specifically.

During 2022 the charity received £405,293 (2021 £401,325) from pharmaceutical firms. This income was derived from 15 different firms averaging less than £28k (2021 32k) each, with the highest individual amount of support being £45k.

Our 2022 funding from the pharmaceutical industry:

• Amgen	45,000
• Astra Zeneca	30,750
• Boehringer	30,474
• Bristol Myers Squibb	30,000
• Daiichi Sankyo	30,491
• Elli Lilly	30,000
• Inventiv Medical	212
• Janssen	24,060
• Merck	30,248
• Novarits	33,647
• Novocure	30,000
• Patientforeningen	367
• Regeneron	29,669
• Roche	30,000
• Takeda	30,375

The above represents 7.6% of our total income for 2022 ( 2021: 8.5%) 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. While 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.

### **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 reimburse 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.

### **Volunteers**

Sadly, during 2022, the effects of Covid19 still adversely affected the opportunities available for volunteers, however with the reopening of the shops and the reintroduction of some of our events we are pleased to say that over the year the number of volunteers increased with 193 active volunteers in 2022 (2021: 157) providing vital support for the charity. Of these, 140 regular volunteers supported our retail operation across the Merseyside and Cheshire area on a regular weekly basis., whilst the remainder provided support for our popular events program.

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

In total, we estimate that our volunteers contributed about 24,000 hours of their time during 2022 (2021: 18,664 hours), which is worth over £225,000 (2021 £170,000).

### **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 2019)".

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.

#### 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.

#### Sub Committees

The Finance and Audit Committee aid the Chief Executive and the Finance Director in the financial management of the charity acting as a support, critical friend and crucial internal check and support preparations for the annual financial statements and 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.

#### 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 application process recommenced during 2022 and the grants committee reviewed and discussed applications utilising virtual meetings before passing applications for external peer review.

#### Grant making policy

The charity's 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.

#### 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 £16,480 (2021 £32,424 loss). There were no gift aid payments to the charity relating to 2022 (2021: £nil).

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 profit of £122,287 (2021: £118,757 profit) before a gift aid payment to the Charity of £122,286 (2021 £118,757)

Cut Films Ltd was established on 13<sup>th</sup> 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 £1,826 (2021: £2,538 loss). There were no gift aid payments to the charity relating to 2022 (2021: £nil).

### Financial Review Summary

The charity, as a group, made a deficit during 2022 of £80,345 (2021: £195,263 surplus). This was a solid result given the economic environment following the Covid19 pandemic and the effects of the war in the Ukraine and its impact on the cost of living.

This is a result of innovative income generation and prudent cost management while 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. Unfortunately, our spend on research has remained low because of the ongoing effects of Covid19 on the lung cancer research community.

#### **Income and funding**

Total income for the charity increased to £5,306,066 for the year (2021: £4,686,703) following the re-establishment of our retail operation and some of our fundraising activities.

Legacy income significantly increased in 2022, rising to £902,102 (2021: £720,979). Trust income also rose slightly to £146,359 (2021: £119,403), recovering following the fall after the emergency support offered in 2020.

Other voluntary donations rose to £393,687 in 2022 (2021: £351,364). However, In Memoriam donations fell slightly to £230,141 (2021: £237,906). This type of personal, individual support remains a key income stream and is a testament to our great donor care and personal touch.

Sponsorship income increased slightly in 2022 to £487,511, (2021: £451,265).

While Retail was open for all of 2022 it was undoubtedly affected by the post Covid 19 environment and the situation was further impacted by the cost-of-living crisis following the start of the war in the Ukraine. Retail generated a gross profit of £ 2,165,562 (2021: £1,487,528), and an overall result for the year was a loss of £15,496, which was a slight improvement on the previous year (2021: £32,424 loss).

Gift aid on donations for 2022 rose to £228,477 (2021: £145,621).

### Expenditure

Overall expenditure for the year was £5,305,459 (2021: £4,618,982), increasing as activity began again following the restrictions of Covid19 easing, but also as a result of pressures on costs following the rapid increase in inflation.

Total charitable expenditure for 2022 was £1,937,586 (2021: £1,700,660), and research expenditure was £1,196,723 in 2022 (2021: £1,067,924), with direct charitable research grants increased to £139,984 (2021: £73,794).

### Investments

The Charity holds £873,361 (2021: £1,091,892) in listed investments. The charity's Investments generated an income of £28,352 in the year (2021: £32,322). The markets were extremely volatile throughout the year during which, as a whole, they suffered a significant reduction in value and ended the year with a £80,952 loss (2021: £127,542 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 £136,671 (2021: £354,844)

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 £518,250 (2021: £626,283), however the trustees are comfortable that they hold sufficient reserves to meet their immediate obligations because the nature the charity, its structure and stated purposes means that the charity's restricted funds effectively meet many of the obligations noted above.

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

On the above basis, the resources required are calculated as £899,274 (2021: £1,113,670) and the charity currently holds £1,084,708 in cash and investments (2021: £1,334,759) and the overall balance sheet value less the value of fixed assets is currently £1,139,766 (2021: £1,181,181).

During 2022 the charity ran at controlled deficit as part of a manageable recovery plan post covid 19, to both rebuild its charitable activity post-Covid without further significantly reducing its total reserves. An impact of this has been to move the balance of reserves further towards restricted, but as stated, many of the core activities of the charity are within the scope of these restricted reserves.

### **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 had to be implemented by the government since March 2020 and through 2021 to tackle the issue.

The impact of this has been worsened by the cost-of-living crisis, the economic pressures that have arisen since the start of the war in the Ukraine, and the resultant rapid rise in inflation largely fueled by rises in utility, power and food prices, all of which affect our charity, our staff and our supporters.

The country as a whole (as well as the charity) has been beset by price rises on core items and is now bracing itself for continued upward pressure on the cost of living and energy prices, while the population in general is facing uncertainly, as the war in the Ukraine continues. All these factors create a difficult trading background.

Over this period the charity has taken prudent actions to protect itself and minimise the negative impacts of Covid19 and the economic downturn by reducing costs where possible.

As well as the above adjustments to the charity's cost structure, the charity has created both innovative social media events and virtual fundraising activities to support our traditional income sources and events, and, during 2022, reintroduced some of our headline physical fundraising events. During 2023 work will continue to expand

these events and rebuild our physical events both as income generators but also as profile builders for the charity.

The charity has made a conscious decision in 2023 to increase its charitable activity and as a result, after reducing unnecessary costs and the successful implementation of new fundraising streams during 2022, and flowing these through to 2023, the charity is now budgeted to generate an estimated deficit of circa £288k in 2023 because of this managed increase in activity.

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 cash and investments, with no indicated cashflow issues and with total funds of £1,253,173 (2021 £1,333,518).

Whilst within the reserves, the level of unrestricted reserves stands at £250k (2021: £507k) and restricted reserves are £1,003k (2021: £826k). 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 this 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 three principal risks to the charity as 1) significant decrease in income through reduced legacies 2) reduced public fundraising and a change in retail trends 3) staff recruitment and retention. The Charity believes that these business risks could be effectively managed by restructuring existing resources and maintaining appropriate accessible cash reserves. A tiered management structure is being developed to allow internal staff progression and a clear pathway to promotion which together with investment in training and appropriate remuneration is designed to improve staff retention and recruitment.

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 to date at the time of the trustees' report in successfully managing the situation and ensuring the future of the charity and the reflected in subsequent risk registers.

### **Plans for the Future.**

#### **Screening**

The Targeted Lung Health Check programme in England post pandemic is making a significant impact on lung cancer with 1700 diagnosis to date and a significant switch to earlier stage diagnose with the obvious benefits in prognosis. The second phase is progressing well bringing the total number of trusts operating the programme to 43.

We are investigating how we can also support Lung Health pilots in Scotland, Wales and Northern Ireland, and 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.

#### **Research**

During 2022 we re-established our lung cancer research programme. However, the response to the call for applications was low. Clearly, post-covid, the research community is still being adversely affected.

While our existing research programmes have restarted, only one of this year's applications were felt suitable to take forward, which, combined with the low response to our calls, has persuaded the charity that it should increase funding for three further Doctorial Research Fellows in addition to our post 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 level of patient grants delivered are maintained especially in the current economic situation.

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 continue the reintroduction of face-to-face support meetings and the reintroduction of physical support groups.

#### Funding the above

There is a realisation that to fund the level of work envisaged in 2023 the charity will need to utilise some of its historical reserves in the short term (12 months).

The charity will also 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 2023, which is likely to remain 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. The view of the charity is that this situation is also likely to remain during 2024.

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 role 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 leading to a national screening programme, rather than income generation.

Further development of online income streams, combining these with re-emerging physical events, will be brought forward.

Our online retail offer will continue to be developed, and our logistics operation will be streamlined.

Retail, as a whole, will continue to move in a direction towards larger outlets, with a furniture-based product footprint. There is one planned new shop opening in 2023, and we will look to prudently extend our geographical reach with this. We are also actively looking to relocate one store within its existing geographical area.

#### **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: 25th September 2023

**Roy Castle Lung Cancer Foundation**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER**  
**FOUNDATION**

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## **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 2022 which comprise the consolidated and Parent Charitable Company Statement of Financial Activities, the consolidated and Parent Charitable Company Balance Sheets, the consolidated 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 2022; 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 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 23-24 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.

**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 and 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 laws 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. Income testing included agreeing a sample of individual income transactions in the year back to source documentation and bank receipt, ensuring recognised in the appropriate category and fund, testing cut off two weeks either side of the year end to ensure a sample of transactions were recorded in the appropriate period, sample checking controls around

**Roy Castle Lung Cancer Foundation**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROY CASTLE LUNG CANCER**  
**FOUNDATION**

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trading (shops / retail) reconciliations and system postings and an overall reconciliation of cash received in the bank to income recognised for the trading element.

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.

*Laura Inglesby*

Laura Inglesby FCA (Senior statutory auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
14<sup>th</sup> Floor  
20 Chapel Street  
Liverpool  
L3 9AG

Date: 26th September 2023

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

## Consolidated Statement of Financial Activities for the year ended 31 December 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	10	1,933,281	523,869	2,457,150	2,092,244
Charitable activities	11	-	7,814	7,814	1,250
Other trading activities	12	2,770,813	-	2,770,813	2,033,298
Investments	13	28,352	-	28,352	34,820
Other	14	41,531	406	41,937	525,091
<b>Total income</b>		<b>4,773,977</b>	<b>532,089</b>	<b>5,306,066</b>	<b>4,686,703</b>
<b>Expenditure on:</b>					
Raising funds	15	3,360,830	7,043	3,367,873	2,918,322
Charitable activities	16	1,589,298	348,288	1,937,586	1,700,660
<b>Total expenditure</b>		<b>4,950,128</b>	<b>355,331</b>	<b>5,305,459</b>	<b>4,618,982</b>
Net (loss)/gain on investments	27	(80,952)	-	(80,952)	127,542
<b>Net (expenditure)/income</b>		<b>(257,103)</b>	<b>176,758</b>	<b>(80,345)</b>	<b>195,263</b>
Net movement in funds		(257,103)	176,758	(80,345)	195,263
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		<b>507,181</b>	<b>826,337</b>	<b>1,333,518</b>	<b>1,138,255</b>
<b>Total funds carried forward</b>		<b>250,078</b>	<b>1,003,095</b>	<b>1,253,173</b>	<b>1,333,518</b>

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

All activities derive from continuing operations.

The notes on pages 35 to 65 form an integral part of these financial statements.

# Roy Castle Lung Cancer Foundation

## Charity Only Statement of Financial Activities for the year ended 31 December 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Donations & Legacies	18	1,900,670	523,869	2,424,539	2,146,526
Charitable activities	19	-	7,814	7,814	1,250
Other trading activities	20	294,803	-	294,803	299,381
Investments	21	29,263	-	29,263	35,731
Other	22	41,531	406	41,937	102,090
<b>Total income</b>		<b>2,266,267</b>	<b>532,089</b>	<b>2,798,356</b>	<b>2,584,978</b>
<b>Expenditure on:</b>					
Raising funds	23	880,642	7,043	887,685	828,517
Charitable activities	24	1,544,447	348,288	1,892,735	1,653,781
<b>Total expenditure</b>		<b>2,425,089</b>	<b>355,331</b>	<b>2,780,420</b>	<b>2,482,298</b>
Net (loss)/gain on investments	27	(80,952)	-	(80,952)	127,542
<b>Net (expenditure)/income</b>		<b>(239,774)</b>	<b>176,758</b>	<b>(63,016)</b>	<b>230,222</b>
Net movement in funds		(239,774)	176,758	(63,016)	230,222
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		<b>627,402</b>	<b>786,131</b>	<b>1,413,533</b>	<b>1,183,311</b>
<b>Total funds carried forward</b>		<b>387,628</b>	<b>962,889</b>	<b>1,350,517</b>	<b>1,413,533</b>

All activities derive from continuing operations.

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

The notes on pages 35 to 65 form an integral part of these financial statements.

## Consolidated Balance Sheet as at 31 December 2022

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	28		113,407		152,337
Investments held as fixed assets	29		873,367		1,091,892
<b>Total fixed assets</b>			<u>986,774</u>		<u>1,244,229</u>
<b>Current assets</b>					
Stocks	31	86,998		73,931	
Debtors	32	1,151,957		1,034,231	
Cash at bank and in hand		211,347		242,863	
<b>Total current assets</b>		<u>1,450,302</u>		<u>1,351,025</u>	
<b>Creditors: amounts falling due within one year</b>	33	(895,583)		(952,182)	
<b>Net current assets</b>			<u>554,719</u>		<u>398,843</u>
<b>Total assets less current liabilities</b>			<u><b>1,541,493</b></u>		<u><b>1,643,072</b></u>
<b>Creditors: amounts falling due over one year</b>	34	(113,333)	(113,333)	(153,333)	(153,333)
<b>Provisions for liabilities</b>	36		(174,987)		(156,221)
<b>The total net assets of the group</b>			<u><b>1,253,173</b></u>		<u><b>1,333,518</b></u>
<b>The total net assets of the group are funded by the funds of the charity, as follows:-</b>					
<b>Restricted funds</b>					
Restricted Revenue Funds	41		1,003,095		826,337
<b>Unrestricted Funds</b>					
Unrestricted Revenue Funds	41		250,078		507,181
<b>Total group funds</b>			<u><b>1,253,173</b></u>		<u><b>1,333,518</b></u>

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 25th September 2023 and signed on their behalf by:

Max Steinberg CBE



Trustee

The notes on pages 35 to 65 form an integral part of these financial statements.



## Charity Only Balance Sheet as at 31 December 2022

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	28		12,109		24,363
Investments held as fixed assets	29		873,367		1,221,487
<b>Total fixed assets</b>			<b>885,476</b>		<b>1,245,850</b>
<b>Current assets</b>					
Stocks	31	16,575		12,467	
Debtors due within one year	32	1,060,778		1,017,771	
Debtors due over one year	32	129,592		-	
Cash at bank and in hand		121,679		124,644	
<b>Total current assets</b>		<b>1,328,624</b>		<b>1,154,882</b>	
<b>Creditors: amounts falling due within one year</b>	33	<b>(733,316)</b>		<b>(818,366)</b>	
<b>Net current assets</b>			<b>595,308</b>		<b>336,516</b>
<b>Total assets less current liabilities</b>			<b>1,480,784</b>		<b>1,582,366</b>
<b>Creditors: amounts falling due over one year</b>	34	<b>(113,333)</b>	<b>(113,333)</b>	<b>(153,333)</b>	<b>(153,333)</b>
<b>Provisions for liabilities</b>	36		<b>(16,934)</b>		<b>(15,500)</b>
<b>The total net assets of the charity</b>			<b>1,350,517</b>		<b>1,413,533</b>
<b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>					
<b>Restricted funds</b>					
Restricted Revenue Funds	41		962,889		786,131
<b>Unrestricted Funds</b>					
Unrestricted Revenue Funds	41		387,628		627,402
<b>Total charity funds</b>			<b>1,350,517</b>		<b>1,413,533</b>

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 [25th September 2023](#) and signed on their behalf by:

Max Steinberg CBE



Trustee

The notes on pages 35 to 65 form an integral part of these financial statements.

# Roy Castle Lung Cancer Foundation

## Consolidated Cash Flow Statement for the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities as shown below	(140,119)	(485,135)
<b>Cash flows from investing activities</b>		
Interest received	170	98
Dividends received	28,182	32,322
Other investment income, including rents from investments	-	2,400
Purchase of property, plant and equipment	(18,108)	(54,440)
Receipts from sale of tangible fixed assets	782	376
Proceeds from sales of investments	127,410	213,111
Purchase of investments	(105,551)	(119,577)
Increase/(decrease) in cash held for investment	66,375	(8,211)
Realised gain on investments	49,343	-
<b>Net cash from investing activities</b>	148,603	66,079
<b>Cash flows from financing activities</b>		
Repayments of borrowings	(40,000)	(6,667)
<b>Net cash used in financing activities</b>	(40,000)	(6,667)
<b>Net decrease in cash and cash equivalents</b>	(31,516)	(425,723)
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net cash at 1 January 2022	49,532	468,586
Decrease in cash in the period	(31,516)	(425,723)
Cash outflow from debt financing	40,000	6,667
<b>Net cash at 31 December 2022</b>	<b>37</b> <b>58,016</b>	<b>49,530</b>
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net (expenditure)/income shown in the Statement of Financial Activities	(80,345)	195,263
<b>Adjustments for :-</b>		
Depreciation charges	56,257	47,392
Net change on investment assets	80,952	(127,542)
Dividends, interest and rents from investments	(28,356)	(34,821)
(Increase)/decrease in stocks	(13,067)	8,975
Increase in debtors	(117,724)	(624,738)
Decrease in creditors	(56,602)	(93,845)
Increase in provisions	18,766	144,181
<b>Net cash used in operating activities</b>	<b>(140,119)</b>	<b>(485,135)</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand at for the year ended 31 December 2022	211,347	242,863
<b>Total cash and cash equivalents</b>	<b>211,347</b>	<b>242,863</b>

# Roy Castle Lung Cancer Foundation

## Charity only Cash Flow Statement for the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows used in operating activities</b>		
Net cash used in operating activities as shown below	(124,455)	(514,488)
<b>Cash flows used in investing activities</b>		
Interest received	1,082	1,009
Dividends received	28,182	32,322
Other investment income, including rents from investments	-	2,400
Purchase of property, plant and equipment	(5,347)	(3,319)
Proceeds from sales of investments	127,410	127,545
Purchase of investments	(105,551)	-
Increase in cash held for investment	66,375	-
Realised gain on investments	49,343	(42,220)
<b>Net cash from investing activities</b>	161,494	117,737
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(40,000)	(6,667)
<b>Net cash used in financing activities</b>	(40,000)	(6,667)
<b>Net Decrease in cash and cash equivalents</b>	(2,961)	(403,418)
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net cash at 1 January 2022	(68,689)	328,062
Decrease in cash in the period	(2,961)	(403,418)
Cash outflow from debt financing	40,000	6,667
<b>Net cash at 31 December 2022</b>	<b>37</b>	<b>(68,689)</b>
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net (expenditure)/income shown in the Statement of Financial Activities	(63,016)	230,222
<b>Adjustments for:-</b>		
Depreciation charges	17,601	18,839
Net change on investment assets	80,952	(127,542)
Dividends, interest and rents from investments	(29,257)	(35,732)
(Increase)/decrease in stocks	(4,109)	1,300
Increase in debtors	(43,010)	(542,170)
Decrease in creditors	(85,050)	(74,905)
Increase in provisions	1,434	15,500
<b>Net cash used by operating activities</b>	<b>(124,455)</b>	<b>(514,488)</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand at for the year ended 31 December 2022	121,679	124,644
<b>Total cash and cash equivalents</b>	<b>121,679</b>	<b>124,644</b>

## 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 except for listed investments which are stated at market value, 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**

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**

Over the period since Covid19 the charity has taken prudent actions to protect itself and minimise the negative impact of the subsequent economic downturn by reducing costs, looking for alternative sources of funding and taking advantage of whatever government aid has been made available.

- The charity received £nil in furlough payments through the CJRS in 2022 (2021 £262,085)
- The charity has received £nil from the various covid19 related retail grants through local council support (2021 £257,858)
- The charity applied for and received in October 2020 CBIL loan backed by the Government, the balance of this outstanding at the yearend was £153,333 (2021: £193,333)

Many of the medical and research staff working on our vital lung cancer research have been recalled onto the medical front line during Covid19 and over the last 2 years so sadly the research community has still to fully recover with the result that there has been less demand for research funding. The charity has therefore made a conscious decision to diversify the types of research it will fund to increase future research activity and spend.

**1 Accounting policies (continued)**

As a result of the above points, the latest forecast indicates a larger deficit of £367,000 due mainly to depressed income levels in 2023 and a deficit for 2024 of £235,000. Further steps will be taken throughout 2023 and 2024 to further reduce costs and generate new income streams that the current forecast deficits can be improved upon. Forecasts have been prepared to cover until December 2024 which show reducing deficits and an improving position year on year.

The charity has had a strong long term investment policy for many years, holding nearly £1m of fixed assets of which over £800k are in readily convertible investments that can be liquidated at short notice without significant risk of crystallising losses, these assets together with a significant level of cash held at the bank mean that the charity has ready access to working capital to support whatever cashflow requirements become due. The Trustees have reviewed the position and as such have decided that this is sustainable in the circumstances and that any debt or obligations can be paid as they become due using this method.

Within the reserves, the level of unrestricted reserves stands at £250k (2021: £507k) and restricted reserves are £1,003k (2021: £826k). Whilst the significance of the balance of funds held as restricted is recognised as a concern, the fact that as much of the charity's obligations in respect of research, patient support, GLCC projects and other charitable activities, all of which form part of the core of the charity's activities and thus costs, are within the remit of much of these restricted funds mitigates the risk.

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:-

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

**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

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

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

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

**c) 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 front end of the accounts.

**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.

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

All financial assets and liabilities are measured at cost with the exception of listed investments which are stated at market value.

**g) Leasing**

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



**1 Accounting policies (continued)**

**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.

**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 time value of

## 2 Critical accounting estimates and judgements (continued)

money. These assumptions are reviewed on an annual basis. No provision was released in 2022 (2021: £Nil) with an additional provision of £20k made as at 31 December 2022 (2021: £144k). This £164k provision includes £17k in relation to head office and £147k in relation to the shops held by retail.

### *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 2022, 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.

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

	2022 £	2021 £
The net (expenditure)/income before tax in the financial year is stated after charging:-		
Depreciation of fixed assets	56,257	47,392
Operating leases	570,104	515,800
	=====	=====
<b>Fees payable to the group's auditor:</b>	<b>2022 £</b>	<b>2021 £</b>
<b>For audit services</b>		
Audit of the financial statements of the group and charity	35,100	30,450
	=====	=====
	<b>35,100</b>	<b>30,450</b>
	=====	=====
Taxation compliance services	3,450	4,275
All other non-audit services	14,750	12,130
	=====	=====
	<b>18,200</b>	<b>16,405</b>
	=====	=====

# Roy Castle Lung Cancer Foundation

## Notes to the Consolidated Accounts for the year ended 31 December 2022

<b>6 Interest payable</b>	<b>2022 £</b>	<b>2021 £</b>
Bank interest payable	678	-
	<u>678</u>	<u>-</u>

## 7 The contribution of volunteers

The Charity has significant support from volunteers in all our activities, currently we have 186 registered with us (2021: 157) 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 20,528 (2021: 18,664) which is the equivalent of 10.67 people (2021: 10.70).

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

## 8 Staff costs and emoluments

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Charity 2022 £</b>	<b>Charity 2021 £</b>
Gross salaries	2,518,934	2,086,760	1,376,487	1,201,479
Employer's National Insurance	196,278	146,489	131,718	103,876
Employer's Pension	64,255	50,185	45,613	36,376
	<u>2,779,467</u>	<u>2,283,434</u>	<u>1,553,818</u>	<u>1,341,731</u>

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

	<b>2022 £</b>	<b>2021 £</b>
Engaged on charitable activities	36	21
Engaged on fundraising activities	16	22
Engaged on management and administration	14	12
Engaged on retail activities	88	78
	<u>154</u>	<u>133</u>

The average number of staff in charity only in the year was 66 (2021: 56).

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

	<b>2022 £</b>	<b>2021 £</b>
£60,001 to £70,000	1	1
£70,001 to £80,000	1	-
(Group and charity)	<u>2</u>	<u>1</u>

**8 Staff costs and emoluments (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Chief Executive Officer/ Highest paid employee		
The remuneration in the year was	74,438	68,802
Pension contributions paid by the employer	5,043	4,662
	<u>79,481</u>	<u>73,464</u>
<b><i>Total remuneration package included in total salaries above</i></b>	<b><u>79,481</u></b>	<b><u>73,464</u></b>

**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 £40 (2021: £30) in relation to travel expenses.

10	Donations and Legacies - Consolidated	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
	<b>Donations and gifts from individuals</b>				
	Donations	11,054	-	11,054	7,078
	Individual Giving	304,154	50	304,204	250,127
	Payroll Giving	78,429	-	78,429	94,159
		<u>393,637</u>	<u>50</u>	<u>393,687</u>	<u>351,364</u>
	<b>Legacies receivable</b>				
	Legacies receivable	902,102	-	902,102	720,979
		<u>1,295,739</u>	<u>50</u>	<u>1,295,789</u>	<u>1,072,343</u>
	<b>Revenue grants and donations from non-public bodies</b>				
	Corporate Grants	67,317	-	67,317	60,146
	Trusts	23,750	122,609	146,359	119,403
		<u>91,067</u>	<u>122,609</u>	<u>213,676</u>	<u>179,549</u>
	<b>Sponsorship</b>				
	Pause for Hope	-	1,556	1,556	5,559
	Sponsorship	87,857	399,654	487,511	451,265
		<u>87,857</u>	<u>401,210</u>	<u>489,067</u>	<u>456,824</u>
	<b>In Memoriam</b>				
	In Memoriam	230,141	-	230,141	237,906
		<u>230,141</u>	<u>-</u>	<u>230,141</u>	<u>237,906</u>
	<b>Gift Aid on Donations</b>				
	Gift Aid on Donations	228,477	-	228,477	145,621
		<u>228,477</u>	<u>-</u>	<u>228,477</u>	<u>145,621</u>
	<b>Total Donations and Legacies – Consolidated</b>	<u><u>1,933,281</u></u>	<u><u>523,869</u></u>	<u><u>2,457,150</u></u>	<u><u>2,092,244</u></u>

Of the 2021 income, £1,589,123 was unrestricted and £502,906 was restricted.

**11 Income from charitable activities - Consolidated**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Charitable income from funders</b>				
Community engagement	-	7,814	7,814	1,250
	-	7,814	7,814	1,250
<b>Total income from charitable activities</b>	<b>-</b>	<b>7,814</b>	<b>7,814</b>	<b>1,250</b>

Total income from charitable activities all related to prevention. Of the 2021 income, £1,250 was unrestricted and £Nil was restricted.

**12 Income from other, trading activities - Consolidated**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Trading activities to raise funds	9,471	-	9,471	24,868
Income from fundraising events	583,550	-	583,550	470,104
Income from the sale of donated and brought in goods	2,165,754	-	2,165,754	1,529,254
Sponsorships and social lotteries which cannot be considered pure donations	12,038	-	12,038	9,072
	<b>2,770,813</b>	<b>-</b>	<b>2,770,813</b>	<b>2,033,298</b>

Total income from other, trading activities split by activity is split by £605,059 (2021: £504,044) fundraising and £2,165,754 (2021: £1,529,254) sales of donated and related goods. All of the 2021 income was unrestricted.

**13 Investment income - Consolidated**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Property Rental Income	-	-	-	2,400
Dividend Income	28,182	-	28,182	32,322
Bank Interest Receivable	170	-	170	98
	<b>28,352</b>	<b>-</b>	<b>28,352</b>	<b>34,820</b>

All of 2021 income was unrestricted.

**14 Other - Consolidated**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Coronavirus grant income	-	225	225	525,091
Other income	41,531	181	41,712	-
	<b>41,531</b>	<b>406</b>	<b>41,937</b>	<b>525,091</b>

Of the 2021 income, £525,091 was unrestricted and £Nil was restricted.

Government grants in relation to the Coronavirus Job Retention Scheme amounting to £Nil (2021: £262,085) were receivable in the year in relation to employees who were put on furlough. Other government grants of £225 (2021: £5,147) relating to the interest free benefit incurred on a Coronavirus Business Interruption Loan and £Nil (2021: £257,858) 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 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Cost of fundraising activities	92,364	(2,947)	89,417	92,548
Marketing & advertising of fundraising	72,315	1,146	73,461	101,426
Costs of seeking donations, grants and legacies	556	-	556	772
Cost of operating social lotteries	2,135	-	2,135	1,508
Costs of staging fundraising events	63,000	2,748	65,748	80,650
Costs of charity shop selling goods	2,345,095	-	2,345,095	2,057,231
Gross wages and salaries - fundraising activities	503,363	-	503,363	406,020
Other Direct Costs - fundraising Activities	276,424	6,096	282,520	173,323
Staff Training & Welfare - fundraising Activities	289	-	289	1,975
Travel and Subsistence - fundraising Activities	5,289	-	5,289	2,869
	<b>3,360,830</b>	<b>7,043</b>	<b>3,367,873</b>	<b>2,918,322</b>

Of the 2021 expenditure, £2,849,692 was unrestricted and £68,630 was restricted.

**16 Expenditure on charitable activities - Consolidated**

	Note	Staff Costs 2022 £	Other 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Direct spending</b>					
Restricted		20,921	230,025	250,946	339,653
Unrestricted		299,433	188,407	487,840	346,281
		<u>320,354</u>	<u>418,432</u>	<u>738,786</u>	<u>685,934</u>
<b>Grant funding</b>					
Organisation grants	26	-	139,984	139,984	73,794
Staff costs		38,451	-	38,451	31,962
		<u>38,451</u>	<u>139,984</u>	<u>178,435</u>	<u>105,756</u>
<b>Support costs</b>					
Staff costs		510,784	-	510,784	606,556
Premises costs		-	66,503	66,503	68,212
Legal and professional costs		-	15,294	15,294	13,991
Financial		-	56,447	56,447	59,692
Other		-	305,895	305,895	103,529
		<u>510,784</u>	<u>444,139</u>	<u>954,923</u>	<u>851,980</u>
<b>Governance costs:</b>					
Audit fees		-	35,100	35,100	30,450
Accountancy fees		-	30,342	30,342	26,540
		<u>869,589</u>	<u>1,067,997</u>	<u>1,937,586</u>	<u>1,700,660</u>

Of the £1,937,586 (2021: £1,700,660) expenditure £348,288 (2021: £404,966) related to restricted funds and was all categorised as other expenditure.

**17 Summary of charitable costs by activity - Consolidated**

	Direct costs	Support costs	Grant funding of activities	Governance	Total 2022	Total 2021
Research	738,786	424,410	4,441	29,085	1,196,722	1,067,924
Support	-	229,888	173,994	15,755	419,637	305,508
Prevention	-	300,625	-	20,602	321,227	327,228
	<u>738,786</u>	<u>954,923</u>	<u>178,435</u>	<u>65,442</u>	<u>1,937,586</u>	<u>1,700,660</u>



**18 Donations and Legacies - Charity only**

	<b>Unrestricted Funds 2022 £</b>	<b>Restricted Funds 2022 £</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
<b>Donations and gifts from individuals</b>				
Donations	-	-	-	-
Individual Giving	304,154	50	304,204	250,127
Payroll Giving	78,429	-	78,429	94,158
	<u>382,583</u>	<u>50</u>	<u>382,633</u>	<u>344,285</u>
<b>Legacies receivable</b>				
Legacies receivable	902,102	-	902,102	720,979
	<u>902,102</u>	<u>-</u>	<u>902,102</u>	<u>720,979</u>
<b>Revenue grants and donations from non-public bodies</b>				
Corporate Grants	67,317	-	67,317	60,146
Trusts	23,750	122,609	146,359	119,403
	<u>91,067</u>	<u>122,609</u>	<u>213,676</u>	<u>179,549</u>
<b>Sponsorship</b>				
Pause for Hope	-	1,556	1,556	5,559
Sponsorships	87,857	399,654	487,511	451,266
	<u>87,857</u>	<u>401,210</u>	<u>489,067</u>	<u>456,825</u>
<b>In Memoriam</b>				
In Memoriam	228,137	-	228,137	235,975
	<u>228,137</u>	<u>-</u>	<u>228,137</u>	<u>235,975</u>
<b>Gift Aid on Donations</b>				
Gift Aid on Donations	86,638	-	86,638	90,156
Gift aid from subsidiary	122,286	-	122,286	118,757
	<u>208,924</u>	<u>-</u>	<u>208,924</u>	<u>208,913</u>
<b>Total Donations and Legacies - Charity</b>	<b><u>1,900,670</u></b>	<b><u>523,869</u></b>	<b><u>2,424,539</u></b>	<b><u>2,146,526</u></b>

Of the 2021 income, £1,643,620 was unrestricted and £502,906 was restricted.

**19 Income from charitable activities - Charity only**

	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022	Total Funds 2021
<b>Charitable income from funders</b>				
Community engagement	-	7,814	7,814	1,250
	-	7,814	7,814	1,250
<b>Total income from charitable activities</b>	<b>-</b>	<b>7,814</b>	<b>7,814</b>	<b>1,250</b>

Total income from charitable activities all related to prevention. Of the 2021 income, £1,250 was unrestricted and £Nil was restricted.

**20 Income from other, trading activities - Charity only**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income from fundraising events	283,589	-	283,589	290,601
Sponsorships and social lotteries which cannot be considered pure donations	11,214	-	11,214	8,780
	<b>294,803</b>	<b>-</b>	<b>294,803</b>	<b>299,381</b>

Total income from other, trading activity split by activity all related to fundraising activities. All of the 2021 income was unrestricted.

**21 Investment income - Charity Only**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Property Rental Income	-	-	-	2,400
Dividend Income	28,182	-	28,182	32,322
Bank Interest Receivable	1,081	-	1,081	1,009
	<b>29,263</b>	<b>-</b>	<b>29,263</b>	<b>35,731</b>

All of 2021 income was unrestricted.

**22 Other - Charity**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Coronavirus grant income	-	225	225	102,090
Other income	41,531	181	41,712	-
	<b>41,531</b>	<b>406</b>	<b>41,937</b>	<b>102,090</b>

Of the £102,090 of 2021 income, £102,090 was unrestricted and £Nil was restricted.

Government grants in relation to the Coronavirus Job Retention Scheme amounting to £Nil (2021: £96,942) were receivable in the year in relation to employees who were put on furlough. Other government grants of £225 (2021: £5,147) relating to the interest free benefit incurred on a Coronavirus Business Interruption Loan were received by the charity in the year.

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

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Cost of fundraising activities	32,364	(2,947)	29,417	80,119
Marketing & advertising of fundraising	32,315	1,146	33,461	101,426
Costs of seeking donations, grants and legacies	556	-	556	772
Cost of operating social lotteries	2,135	-	2,135	1,508
Costs of staging fundraising events	43,000	2,748	45,748	67,287
Gross wages and salaries - fundraising activities	694,985	-	694,985	406,020
Other Direct Costs - Fundraising Activities	71,331	6,096	77,427	166,542
Staff Training & Welfare - Fundraising Activities	289	-	289	1,975
Travel and Subsistence - Fundraising Activities	3,667	-	3,667	2,868
	<b>880,642</b>	<b>7,043</b>	<b>887,685</b>	<b>828,517</b>

Of the £828,517 of 2021 expenditure, £68,630 was restricted and £759,887 was unrestricted.

**24 Expenditure on charitable activities - Charity**

	Note	Staff costs 2022 £	Other 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Direct spending</b>					
Restricted		20,921	230,025	250,946	339,652
Unrestricted		299,433	188,407	487,840	346,254
		<u>320,354</u>	<u>418,432</u>	<u>738,786</u>	<u>685,906</u>
<b>Grant funding</b>					
Organisation grants	26	-	139,984	139,984	73,794
Staff costs		38,451	-	38,451	31,962
		<u>38,451</u>	<u>139,984</u>	<u>178,435</u>	<u>105,756</u>
<b>Support costs</b>					
Staff costs		510,784	-	510,784	606,556
Premises costs		-	66,497	66,497	68,213
Legal and professional costs		-	15,294	15,294	13,992
Depreciation/interest		-	17,601	17,601	18,839
Other - admin		-	305,896	305,896	103,529
		<u>510,784</u>	<u>405,288</u>	<u>916,072</u>	<u>811,129</u>
<b>Governance costs:</b>					
Audit fees		-	35,100	35,100	30,450
Accountancy fees		-	24,342	24,342	20,540
		<u>869,589</u>	<u>1,023,146</u>	<u>1,892,735</u>	<u>1,653,781</u>

Of the £1,892,735 (2021: £1,653,781) expenditure £348,288 (2021: £404,966) 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 2022	Total 2021
Research	738,786	407,143	4,441	24,966	1,175,336	1,048,217
Support	-	220,536	173,994	13,077	407,607	295,202
Prevention	-	288,393	-	21,399	309,792	310,362
	<u>738,786</u>	<u>916,072</u>	<u>178,435</u>	<u>59,442</u>	<u>1,892,735</u>	<u>1,653,781</u>

**26 Breakdown of Grants to organisations**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
University of Liverpool	-	-	-	(2,500)
University College London	(26,723)	-	(26,723)	(2,920)
Community Engagement Research Programme	(6,249)	-	(6,249)	-
University of Nottingham	137,619	28,877	166,496	86,078
Leeds	(10,000)	-	(10,000)	25,000
University of Sterling	-	-	-	(454)
Bibliometric Research	-	-	-	(40,629)
Social Media Research	-	-	-	(20,324)
University of Sheffield	(19,178)	-	(19,178)	(3,354)
University of Manchester	27,502	8,136	35,638	32,897
	<b>102,971</b>	<b>37,013</b>	<b>139,984</b>	<b>73,794</b>

In 2021 £97,669 was unrestricted and £(23,875) was restricted.

**27 Investment gains**

Group	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Listed investments – Realised gains	49,345	-	49,345	63,378
Listed investments – Unrealised (losses)/gains	(130,297)	-	(130,297)	64,164
<b>Total realised and unrealised (losses)/ gains</b>	<b>(80,952)</b>	<b>-</b>	<b>(80,952)</b>	<b>127,542</b>

All the gains on investments in 2021 were unrestricted.

Charity Only	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Listed investments – Realised gains	49,345	-	49,345	63,378
Listed investments – Unrealised (losses)/gains	(130,297)	-	(130,297)	64,164
<b>Total realised and unrealised (losses)/ gains</b>	<b>(80,952)</b>	<b>-</b>	<b>(80,952)</b>	<b>127,542</b>

All the gains on investments in 2021 were unrestricted.

**28 Tangible fixed assets**

<b>Group</b>	<b>Leasehold land and buildings £</b>	<b>Fixtures and fittings £</b>	<b>Research office and computer equipment £</b>	<b>Group total £</b>
<b>Cost</b>				
At 1 January 2022	530,070	356,816	483,213	1,370,099
Additions	3,097	9,593	5,418	18,108
Disposals	(13,323)	(6,849)	(7,461)	(27,633)
<b>At 31 December 2022</b>	<b>519,844</b>	<b>359,560</b>	<b>481,170</b>	<b>1,360,574</b>
<b>Depreciation</b>				
At 1 January 2022	507,781	254,296	455,685	1,217,762
Charge for the year	6,181	33,770	16,306	56,257
Eliminated on disposal	(13,323)	(6,272)	(7,257)	(26,852)
<b>At 31 December 2022</b>	<b>500,639</b>	<b>281,794</b>	<b>464,734</b>	<b>1,247,167</b>
<b>Net book value</b>				
At 31 December 2022	19,205	77,766	16,436	113,407
At 31 December 2021	22,289	102,520	27,528	152,337

<b>Charity Only</b>	<b>Leasehold land and buildings £</b>	<b>Fixtures and fittings £</b>	<b>Research office and computer equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2022	6,783	44,696	346,681	398,160
Additions	-	1,343	4,004	5,347
<b>At 31 December 2022</b>	<b>6,783</b>	<b>46,039</b>	<b>350,685</b>	<b>403,507</b>
<b>Depreciation</b>				
At 1 January 2022	5,093	38,391	330,313	373,797
Charge for the year	786	6,109	10,706	17,601
<b>At 31 December 2022</b>	<b>5,879</b>	<b>44,500</b>	<b>341,019</b>	<b>391,398</b>
<b>Net book value</b>				
At 31 December 2022	904	1,539	9,666	12,109
At 31 December 2021	1,690	6,305	16,368	24,363

**29 Investments held as fixed assets by the Parent Company**

	Investments in Subsidiary undertakings £	Listed investments £	Total £
<b>Carrying values of investments</b>			
At 1 January 2022	129,595	1,091,892	1,221,487
Additions	-	105,554	105,554
Cash movement	-	(66,375)	(66,375)
Disposals	-	(127,410)	(127,410)
Revaluation	-	(130,297)	(130,297)
Reallocation	(129,592)	-	(129,592)
<b>At 31 December 2022</b>	<b>3</b>	<b>873,364</b>	<b>873,367</b>

During the year £129,592 (2021: £Nil) was reallocated from investments to long term debtors to better reflect substance in that it relates to a long-term loan provided to a subsidiary. It is not considered material to restate comparatives.

**Analysis between historical cost and revaluation based on market value**

Investments as above historical cost-	-	677,339	806,934
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**Analysis of types of investments:**

	2022	2021
Cash	24,710	91,086
Listed investments	848,651	1,000,806
	<b>873,361</b>	<b>1,091,892</b>

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

	Included at Historical cost, less write down £
<b>Analysis of equity investments:</b>	
Investments cost	3
	<b>3</b>

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 subsidiaries activities relate to those of the holding company in that the subsidiary's are trading enterprises engaging in trades similar to the charitable activities of the holding company which 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 2022 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:-

	2022 £	2021 £
<b>Assets and Funds</b>		
Aggregate amount of assets	544,727	561,407
Aggregate amounts of liabilities	(922,214)	(921,571)
	<u>(377,487)</u>	<u>(360,164)</u>
<b>Profit and Loss</b>		
Turnover net of VAT	2,584,033	1,769,106
Expenses net of VAT	(2,479,142)	(1,672,361)
	<u>104,891</u>	<u>96,745</u>
<b>Net profit for the year before tax</b>	104,891	96,745
Interest Paid	(911)	(911)
Gift Aid Payments made to holding company	(122,286)	(118,757)
	<u>(18,306)</u>	<u>(22,923)</u>
<b>Net loss for the year after tax and gift aid</b>	(18,306)	(22,923)

The £18,306 net loss above (2021: £22,923) is split as follows; Cut Films Limited made a net loss of £1,826 (2021: £2,538 net loss). Roy Castle Retail Limited made a net loss of £15,496 (2021: £32,424 net loss). Roy Castle Trading Limited made a net profit of £122,286 (2021: £118,757 net profit) which was all fully gift aided.



**30 Subsidiary companies (continued)**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Restricted funds retained within charitable subsidiaries	41	40,208	40,208

<b>31 Stock</b>	<b>Group</b>		<b>Charity Only</b>	
	<b>2022 £</b>	<b>2021 £</b>	<b>2022 £</b>	<b>2021 £</b>
Stocks	86,998	73,931	16,575	12,466
	<b>86,998</b>	<b>73,931</b>	<b>16,575</b>	<b>12,466</b>

Costs of stock included in the statement of financial activities amounted to £152,220 (2021: £87,370).

Stock includes an impairment provision of £5,447 (2021: £7,521).

**Analysis of the value of stock by activity**

	<b>Group</b>		<b>Charity Only</b>	
<b>Activity</b>	<b>2022 £</b>	<b>2021 £</b>	<b>2022 £</b>	<b>2021 £</b>
Fundraising activities	16,575	12,467	16,575	12,466
Stocks for Sales of purchased and related Goods	70,423	61,464	-	-
	<b>86,998</b>	<b>73,931</b>	<b>16,575</b>	<b>12,466</b>

<b>32 Debtors</b>	<b>Group</b>		<b>Charity Only</b>	
	<b>2022 £</b>	<b>2021 £</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	109,494	161,788	43,784	118,597
Amounts owed by group undertakings	-	-	145,321	174,911
Prepayments and accrued income	961,899	821,092	839,709	714,405
Other debtors	80,564	51,351	31,964	9,858
	<b>1,151,957</b>	<b>1,034,231</b>	<b>1,060,778</b>	<b>1,017,771</b>

A provision for bad debts of £4,834 (2021: £2,256) was included against trade debtors.

The amounts due from group undertakings are interest free and repayable on demand.

32 Debtors (continued)	Group		Charity Only	
	2022 £	2021 £	2022 £	2021 £
<b>Amounts falling due after more than one year:</b>				
Intercompany loan debtor	-	-	129,592	-
	-	-	<b>129,592</b>	-
Total debtors	<b>1,151,957</b>	<b>1,034,231</b>	<b>1,190,370</b>	<b>1,017,771</b>

During the year £129,592 (2021: £Nil) was reallocated from investments to long term debtors to better reflect substance in that it relates to a long-term loan provided to a subsidiary. The loan is due to be paid on 31<sup>st</sup> December 2099 or earlier if mutually agreed. Interest is payable at the bank of England base rate.

**33 Creditors: amounts falling due within one year**

	Note	Group		Charity Only	
		2022 £	2021 £	2022 £	2021 £
Trade creditors		140,410	306,916	68,704	252,982
Accruals and deferred income	35	351,130	296,049	260,576	216,171
PAYE, NIC VAT and other taxes		62,046	47,645	62,046	47,645
Bank loan		40,000	40,000	40,000	40,000
Other creditors		301,997	261,572	301,990	261,568
		<b>895,583</b>	<b>952,182</b>	<b>733,316</b>	<b>818,366</b>

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 included within note 32.

The amount of bank loans repayable included in creditors due within one year relates to a Coronavirus Business Interruption Loan received in 2020.

**34 Creditors: amounts falling due within more than one year**

	Group		Charity Only	
	2022 £	2021 £	2022 £	2021 £
Bank loan	113,333	153,333	113,333	153,333
	<b>113,333</b>	<b>153,333</b>	<b>113,333</b>	<b>153,333</b>

The amount of bank loans repayable included in creditors due more than one year relates to a Coronavirus Business Interruption Loan received in 2020. 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 (2021: £Nil).

**35 Deferred income**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought Forward	88,299	96,031	88,299	96,031
Deferred in the year	94,886	88,299	94,886	88,299
Amounts released in the year	(88,299)	(96,031)	(88,299)	(96,031)
	<b>94,886</b>	<b>88,299</b>	<b>94,886</b>	<b>88,299</b>

Deferred income of £8,000 (2021: £28,299) relates to income received for the Charity's LCam Project. £86,886 (2021: £60,000) of the income deferred in the year relates to income for GLCC that was received from Amgen relating to 2023 sponsorship.

**36 Provisions for liabilities**

	<b>Group</b>		<b>Charity Only</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Dilapidation's provision	163,931	144,181	16,934	15,500
Deferred tax liabilities	11,056	12,040	-	-
	<b>174,987</b>	<b>156,221</b>	<b>16,934</b>	<b>15,500</b>

The deferred tax liability above relates to short term timing differences and is expected to reverse within the foreseeable future.

Movement on provisions and deferred tax:

	<b>Dilapidations provision</b>		<b>Charity Only</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2022	144,181	-	15,500	-
Additional provisions in the year	19,750	144,181	1,434	15,500
Reversal of provision	-	-	-	-
Utilisation of provision	-	-	-	-
	<b>163,931</b>	<b>144,181</b>	<b>16,934</b>	<b>15,500</b>

	<b>Deferred tax</b>		<b>Charity Only</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2022	12,040	-	-	-
Additional provisions in the year	-	12,040	-	-
Reversal of provision	-	-	-	-
Utilisation of provision	(984)	-	-	-
	<b>11,056</b>	<b>12,040</b>	<b>-</b>	<b>-</b>

**36 Provisions for liabilities (continued)**

**Dilapidation's provision**

The group and 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.

**37 Analysis of changes in net cash**

**Group**

	<b>01/01/2022</b>	<b>Cash flows</b>	<b>31/12/2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net Cash</b>			
Cash at bank and in hand	242,865	(31,516)	211,349
	<b>242,865</b>	<b>(31,516)</b>	<b>211,349</b>
<b>Debt</b>			
Debts falling due within one year	(40,000)	-	(40,000)
Debts falling due after one year	(153,333)	40,000	(113,333)
	<b>(193,333)</b>	<b>40,000</b>	<b>(153,333)</b>
<b>Net debt</b>	<b>49,532</b>	<b>8,484</b>	<b>58,016</b>

**Charity**

	<b>01/01/2022</b>	<b>Cash flows</b>	<b>31/12/2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net Cash</b>			
Cash at bank and in hand	124,644	(2,961)	121,683
	<b>124,644</b>	<b>(2,961)</b>	<b>121,683</b>
<b>Debt</b>			
Debts falling due within one year	(40,000)	-	(40,000)
Debts falling due after one year	(153,333)	40,000	(113,333)
	<b>(193,333)</b>	<b>40,000</b>	<b>(153,333)</b>
<b>Net debt</b>	<b>(68,689)</b>	<b>37,039</b>	<b>(31,650)</b>

### 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 £Nil (2021: £161,135) of awards that are contingent on the grants meeting their criteria that would then fall across the next two subsequent years accounts.

<b>At the year end the group had total outstanding commitments under non-cancellable operating leases as set out below:</b>	<b>2022 £</b>	<b>2021 £</b>
Operating leases which expire:		
within one year	402,867	505,178
within two to five years	946,363	1,116,266
in over five years	217,500	224,000
	<u>1,566,730</u>	<u>1,845,444</u>
<b>At the year end the charity had total outstanding commitments under non-cancellable operating leases as set out below:</b>	<b>2022 £</b>	<b>2021 £</b>
Operating leases which expire:		
within one year	20,680	72,878
within two to five years	-	146,816
	<u>20,680</u>	<u>219,694</u>

### 39 Related party transactions

The remuneration paid to key management personnel as identified in the Trustees Annual Report amounted to £329,567 (2021: £313,430).

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

	<b>2022 £</b>	<b>2021 £</b>
Included in short term debtors:	145,321	174,911
Included in long term debtors:	129,592	-
Interest charged on balances:	911	911
	<u>=====</u>	<u>=====</u>

The movement in the amount due to the charity included in short term debtors relates to amounts advanced in the year of £1,866,775 (2021: £1,370,329), amounts credited in the year of £1,766,733 (2021: £1,469,285) and amounts written off of £Nil (2021: £Nil). The movement in amounts due to the charity in long term debtors relates to amounts reallocated from investments in the year.

### 40 Related party transactions with trustees

During the year an amount of £9,952 (2021: £Nil) was paid to a trustee in relation to building works during the year.

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

**Group**

**At 31 December 2022**

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	113,407	-	113,407
Fixed asset investments	873,367	-	873,367
Current Assets	447,207	1,003,095	1,450,302
Current Liabilities	(895,583)	-	(895,583)
Non-current Liabilities	(113,333)	-	(113,333)
Provisions for liabilities	(174,987)	-	(174,987)
	<b>250,078</b>	<b>1,003,095</b>	<b>1,253,173</b>

**Charity**

**At 31 December 2022**

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	12,109	-	12,109
Fixed asset investments	873,367	-	873,367
Current Assets	236,143	962,889	1,199,032
Non-current Assets	129,592	-	129,592
Current Liabilities	(733,316)	-	(733,316)
Non-current Liabilities	(113,333)	-	(113,333)
Provisions for liabilities	(16,934)	-	(16,934)
	<b>387,628</b>	<b>962,889</b>	<b>1,350,517</b>

**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)
	<b>507,181</b>	<b>826,337</b>	<b>1,333,518</b>

**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)
	<b>627,402</b>	<b>786,131</b>	<b>1,413,533</b>

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

Group	Funds brought forward 2022 £	Income £	Expenditure £	Funds carried forward 2022 £
<b>Unrestricted and designated funds:-</b>				
Group Unrestricted Funds	507,181	4,773,977	(5,031,080)	250,078
<b>Total unrestricted and designated funds</b>	<b>507,181</b>	<b>4,773,977</b>	<b>(5,031,080)</b>	<b>250,078</b>
<b>Charity Restricted Funds</b>				
Sundry RCF Restricted Reserves	333,589	171,529	(109,656)	395,462
GLCC	453,086	360,560	(245,675)	567,971
Boehringer Ingelheim Awareness Project	(546)	-	-	(546)
<b>Subsidiary Restricted Funds</b>				
Cut Films Restricted Reserves	40,208	-	-	40,208
<b>Total restricted funds</b>	<b>826,337</b>	<b>532,089</b>	<b>(355,331)</b>	<b>1,003,095</b>
<b>Total Group Funds</b>	<b>1,333,518</b>	<b>5,306,066</b>	<b>(5,386,411)</b>	<b>1,253,173</b>

Included in the expenditure above are losses on investments of £80,952 in unrestricted funds.

**Restricted Funds**

Boehringer Ingelheim Awareness Project	To fund lung cancer awareness for individuals
Cut Films Restricted Reserves	To stimulate discussion amongst young people about the issue of smoking.
Sundry RCF Restricted Reserves	To fund lung cancer research for individuals
GLCC	To fund lung cancer research for individuals

**Charity only**

	Funds brought forward 2022 £	Income £	Expenditure £	Funds carried forward 2022 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	627,402	2,266,267	(2,506,041)	387,628
<b>Total unrestricted and designated funds</b>	<b>627,402</b>	<b>2,266,267</b>	<b>(2,506,041)</b>	<b>387,628</b>
<b>RCF Restricted funds:-</b>				
Research - GLCC	453,086	360,560	(245,675)	567,971
Research - others	333,045	171,529	(109,656)	394,918
<b>Total restricted funds</b>	<b>786,131</b>	<b>532,089</b>	<b>(355,331)</b>	<b>962,889</b>
<b>Total Charity Funds</b>	<b>1,413,533</b>	<b>2,798,356</b>	<b>(2,861,372)</b>	<b>1,350,517</b>

Included in the expenditure above are losses on investments of £80,952 in unrestricted funds.

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

Group	Funds brought forward 2021 £	Income £	Expenditure £	Funds carried forward 2021 £
<b>Unrestricted and designated funds:-</b>				
Group Unrestricted Funds	341,228	4,183,797	(4,017,844)	507,181
<b>Total unrestricted and designated funds</b>	<b>341,228</b>	<b>4,183,797</b>	<b>(4,017,844)</b>	<b>507,181</b>
<b>Charity Restricted Funds</b>				
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)
<b>Subsidiary Restricted Funds</b>				
Cut Films Restricted Reserves	40,208	-	-	40,208
<b>Total restricted funds</b>	<b>797,027</b>	<b>502,906</b>	<b>(473,596)</b>	<b>826,337</b>
<b>Total Group Funds</b>	<b>1,138,255</b>	<b>4,686,703</b>	<b>(4,491,440)</b>	<b>1,333,518</b>

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

**Restricted Funds**

Boehringer Ingelheim Awareness Project	To fund lung cancer awareness for individuals
Cut Films Restricted Reserves	To stimulate discussion amongst young people about the issue of smoking.
Sundry RCF Restricted Reserves	To fund lung cancer research for individuals
GLCC	To fund lung cancer research for individuals

**Charity only**

	Funds brought forward 2021 £	Income £	Expenditure £	Funds carried forward 2021 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	426,490	2,082,072	(1,881,160)	627,402
<b>Total unrestricted and designated funds</b>	<b>426,490</b>	<b>2,082,072</b>	<b>(1,881,160)</b>	<b>627,402</b>
<b>RCF Restricted funds:-</b>				
Research - GLCC	425,823	335,862	(308,599)	453,086
Research - others	330,998	167,044	(164,997)	333,045
<b>Total restricted funds</b>	<b>756,821</b>	<b>502,906</b>	<b>(473,596)</b>	<b>786,131</b>
<b>Total Charity Funds</b>	<b>1,183,311</b>	<b>2,584,978</b>	<b>(2,354,756)</b>	<b>1,413,533</b>

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



43 Change in total funds over the year

Group	Income 2022 £	Expenditure 2022 £	Losses 2022 £	Movement in funds 2022 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	4,773,977	(4,950,128)	(80,952)	(257,103)
<b>Restricted funds:-</b>				
Restricted Reserves	532,089	(355,331)	-	176,758
	<b>5,306,066</b>	<b>(5,305,459)</b>	<b>(80,952)</b>	<b>(80,345)</b>

Change in total funds over the year

Charity only	Income 2022 £	Expenditure 2022 £	Losses 2022 £	Movement in funds 2022 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	2,266,267	(2,425,089)	(80,952)	(239,774)
<b>Restricted funds:-</b>				
Restricted Reserves	532,089	(355,331)	-	176,758
	<b>2,798,356</b>	<b>(2,780,420)</b>	<b>(80,952)</b>	<b>(63,016)</b>

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

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

**44 The purposes for which the funds as detailed in note 41 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.

<b>45 Financial instruments</b>	<b>2022</b>	<b>Group</b>	<b>Charity</b>	
	<b>2021</b>	<b>2022</b>	<b>2021</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>				
Financial instruments	873,361	1,091,892	873,361	1,221,487

**46 Ultimate controlling party**

The Roy Castle Lung Cancer Foundation is the ultimate controlling party and is under the control of its legal members. There is no one individual controlling party.