

KIDSCAN LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 July 2023

Company Registration Number: 04279954

Charity Number: 1094946

KIDSCAN LIMITED

Financial Statements

Year ended 31 July 2023

Contents	Page
Members of the board and professional advisers	3
Trustees' annual report	4 - 9
Statement of trustees' responsibilities	10
Independent auditor's report	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 26

KIDSCAN LIMITED

Members of the Board and Professional Advisers

The board of trustees	J Radcliff (Resigned 17 May 2023) R P Dennis D K Mosley E L McMurtry J S Lea K Perera S L Thorp
Company secretary	E L McMurtry
Scientific committee	R Falconer Dr G McDowell Prof M Slevin Dr Ian Pike C Quinn Prof J Sweeney
Scientific director	Dr D Pye
Registered office	Alumni House Acton Square Salford M5 4NY
Auditors	Mitchell Charlesworth (Audit) Limited Chartered Accountants Statutory Auditor 3rd Floor 44 Peter Street Manchester M2 5GP
Bankers	Barclays Bank plc PO Box 357 5th Floor Mosley Street Manchester M60 2AU

KIDSCAN LIMITED

Report of the Trustees

Year ended 31 July 2023

The Trustees (who are also directors of the company for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of Kidscan Limited (the Charitable Company or Charity) for the year ended 31 July 2023. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charity's governing document, and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102, effective 1 January 2019).

The trustees

The trustees who served the charity during the period were as follows:

J Radcliff (Resigned 17 May 2023)

R P Dennis

D K Mosley

E L McMurtry

J S Lea

K Perera

S L Thorp

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company was incorporated by Memorandum and Articles of Association dated 31 August 2001 as amended by special resolutions dated 2 October 2002 and 3 December 2002. The company is limited by guarantee and has no share capital.

Legal status

The company is registered as a charity under the Charities Act 2011 and its registered number with the Charity Commission is 1094946.

Organisation

The charity is managed by a board of trustees who are also directors of the company. Trustees are appointed for a period of five years after which they must be re-elected at the annual general meeting. Potential new trustees are identified by the members of the board based on their skills and standing within the community.

The trustees meet on a quarterly basis (or more often if required) to discuss and approve fundraising and expenditure. The day-to-day running of the charity is split between the Head of Operations and the Scientific Director (Science) ensuring that the team continues to develop its skills and working practices in line with best practise.

A Scientific Committee reports directly to the board of trustees. The membership of this committee is chosen from recognised experts in cancer research from both the UK and internationally. The scientific committee makes recommendations to the board based on medical/scientific need and the quality of the proposed work.

Trustee induction and training

All trustees receive advice and information on their roles in the organisation and administration of the charity. The Charity Commission Guide for trustees is provided to each member.

KIDSCAN LIMITED

Report of the Trustees

Year ended 31 July 2023

Related parties

The work of Kidscan is part of an international drive to provide new and improved treatments for children with cancer. Kidscan is represented on a number of national and international bodies through the membership of the Scientific Director.

Risk management and financial controls

The board of trustees has considered the risks to which the charity may be exposed. Fundraising strategy is developed and monitored by the trustees at the board meetings. Expenditure is allocated by the trustees at the Board meetings. Any external risk to the funding of the research is covered by the diversity of the activities applied to the fundraising. Internally, tight controls are applied to the administrative side of the operation to ensure cost effectiveness and compliance with procedures across all aspects of the charity. The charity benefits from the use of the financial procedures of the University of Salford. The University makes no charge for these. In addition, the University provides, free of charge, office space for the charity.

Chair's Report

It is an honor to be the Chair of the Board of Trustees for Kidscan Children's Cancer Research. It has been a tough time for the charity over the last few years, firstly with the global pandemic, then quickly followed up by the cost of living crisis which has hit the charity even harder. During the year, we reduced our cost base to enable us to get through these turbulent times. We now have plans in place (see future plans section below) that will ensure the future success of the charity and enable us to continue funding our vital research. The Board of Trustees, executive team, volunteers, ambassadors, patrons and of course supporters remain totally dedicated to growing our footprint and activities and I want to express my thanks and gratitude to our whole Team.

Our work on Children's Cancer Research is still so vital and must continue to exist to ensure that young people not only survive cancer, but have the chance to thrive after it. Cancer remains one of the leading causes of death in children aged 1-15 years in the UK (Source: Office for National Statistics). Of those diagnosed, 20% of children won't make it to their 30th birthday (Office for National Statistics). Many of the children who do survive, suffer life-long life-limiting side effects caused by the treatments used to cure them.

Kidscan receives no statutory funding, but with the contributions from Individuals, general public, grants and businesses we fund dedicated research to develop new treatments that will not only cure children with cancer, but also prevent the side effects of current treatments such as learning difficulties, mobility issues and infertility, which are resultant side-effects of current treatments.

Treatments for children and young adults remain effectively 'watered down' adult treatments. These treatments are designed to target rapidly developing cells normally seen as cancer cells in adults, which are visually seen in aspects such as hair growth and immune systems. In children rapidly developing cells are a normal process of a young person's growth, hence, when being treated for their cancer with these drugs, they often suffer much more severe side-effects, including long term issues, as these normal, healthy cells are also targeted through the treatment.

Children's cancer research is grossly underfunded and under resourced by pharmaceutical companies as they view the investment needed will not provide an adequate return, we also need to publicise the need for greater interest and investment to address this imbalance. In addition major national cancer charities also focus their efforts on adult cancer research rather than those associated with children. A consequence is a talent drain of researchers in this area. At Kidscan we want to reduce and hopefully mitigate these adverse effects.

The need to support Kidscan Children's Cancer Research really comes to the fore when reading our amazing young Ambassador's stories, which can be found on our website here <https://kidscan.org.uk/people-category/ambassadors/>

KIDSCAN LIMITED

Report of the Trustees

Year ended 31 July 2023

Generating increased income within the present economic situation is a constant challenge and we will continue to seek operating cost improvements where possible but will also seek to accelerate income generation by greater targeted fundraising activities. The Board continues to seek members who can bring additional skills to augment our activities. We will continue to seek alternative and additional pathways to increase our funding and activities. At this point I would like to thank The Booths Charities for their generous grant award of £30,000 towards salaries and associated running costs for July to October 2023. This grant will help us to cover necessary costs that in turn will enable us to generate additional income towards our charitable activities in both this and the next financial year. In April this year we also benefited from a £50k legacy donation which was a very important donation to us at that particular time.

The Trustees will continue to strengthen our governance, risk policies and procedures within the charity, which are based on adapting best practice throughout. These have continually refined in line with all current guidelines.

I want to restate our thanks to our Independent Scientific Committee, who are a key part of what we do and how we recognise and award leading research into Children's Cancer. We continue to be a member of the AMRC, which is the Association of Medical Research Charities, a membership organisation dedicated to supporting medical research charities in saving and improving lives through research and innovation. The AMRC ensures that member charities fund the best research by developing guides, providing training, and carrying out an audit of their funding processes. They unite and champion the sector, helping to drive positive change in the research and health landscape.

We will continue to ensure that our core aims and objectives are met, if not exceeded, into the future, whilst maintaining a strong focus on operational cost control at all times.

Jeremy Lea
Chair of Kidscan Children's Cancer Research

OBJECTIVES AND ACTIVITIES

Aims and objectives of the charity

The aims of the charity are to promote and support research into the causes, prevention, treatment and cure of cancer in children and in furtherance of that primary object to provide information and raise public understanding of such matters. The charity pursues these objectives by providing funding to carry out these research objectives in the form of grants.

Gifts in kind and seconded staff

Kidscan continues to work from premises given rent free by the University of Salford. Kidscan also receives support from the University's finance department, in the form of systems and manpower. The fair value of this is not readily available, so it has not been included in the accounts.

Results

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

KIDSCAN LIMITED

Report of the Trustees

Year ended 31 July 2023

ACHIEVEMENTS AND PERFORMANCE

Scientific Directors Report

Childhood malignancy remains the leading cause of disease related death in children and young adults. Children with many types of cancer have seen huge improvement in survival rates over the last 40 years. Acute Lymphocytic Leukaemia, the most common children's cancer known, has a 5-year survival rate of around 92% up from 50% in the 1970s. However, despite improvements in treatment some rarer types of children's cancer have seen little or no improvement in survival rates, with a number still classed as untreatable. One of the biggest issues faced by survivors of childhood cancer remains late effects of treatment, due to the harmful nature of many traditional treatment routes for children.

Late effects of treatment leave many former patients with long-lasting physical vulnerabilities, like the risk of heart disease, development of secondary cancers, lack of fertility, and gradual loss of mobility. Certainly, childhood cancers can bring opportunities for psychological growth, but some long-term survivors also live with learning disabilities and other neuropsychological long-term side effects such as post-traumatic stress disorder. These in turn impact on relationships, employment opportunities, and overall wellbeing. At long last there is now a more profound acknowledgement and understanding of the harmful late side-effects that the survivors of childhood cancer face as they move on with their lives. These late effects are a direct result of the damage caused by conventional radiotherapy and chemotherapy that ultimately takes their toll on the rapidly developing child.

There have been great advancements in the treatment of adult cancer, but this has not always been the case for children and young adults. Kidscan is striving to change this, and to offer children and families the best treatments possible to enable them to survive and thrive.

Key Milestones (2022-23)

During the financial year 2022-23, Kidscan awarded funds for a PhD studentship, jointly with Northwest Cancer Research and 6 research projects, conducted by undergraduate placement students. A pump priming grant was also awarded to researchers at the University of Cambridge, the project start was delayed and is now scheduled to begin in January 2024. During the 2022-23 financial year, Kidscan funded £24k of research spending on active grant awards and had £24k of commitments at the year end, plus £37.5K for the joint PhD student with Northwest Cancer Research which is due to begin in October 2023 and will be funded over the next 3 years. This commitment of funds towards research is encouraging as the charity continues a prolonged change to its fundraising mechanisms and priorities. Although this figure is slightly lower than previous years; the total still represents a significant research investment by a UK charity into childhood cancer research.

We are continuing to build research funding again as the charity emerges from the COVID pandemic, initially through pump priming awards, which have been open to applications throughout and the joint PhD with Northwest Cancer Research. However, the cost-of-living crisis following the pandemic has unfortunately slowed down that process, but we are still awarding new grants and meeting the commitments to older grants that are still active.

Kidscan's 3-year agreement with Researchfish, was due to terminate in December 2022, however we extended the contract to December 2023. Three reviews of research impacts have been held in 2020, 2021 and 2022 with the next review of impacts due in October 2023. Researchfish is used globally by research charity funders and Universities to track research and evidence impact and is recognised as being independent. The data entered into Researchfish is used by funders for many purposes such as establishing a return on their investment or to highlight the academic and non-academic impacts of research funded by them.

Despite the continuing challenges in the UK charity fundraising environment post pandemic; Kidscan remains committed to providing financial support to its researchers, via peer reviewed grants and we have several new Grant Schemes that will begin in the 2023-24 financial year. Overall, there is much to look forward to in the Kidscan research environment as we continue to build momentum back to research post pandemic levels and beyond.

KIDSCAN LIMITED

Report of the Trustees

Year ended 31 July 2023

Fundraising Overview

In the face of enduring challenges stemming from the aftermath of the Covid pandemic and the current cost of living crisis, KidsCan's Cancer Research steadfastly upheld its commitment to securing vital funds for essential research projects and unrestricted uses. Despite the shifts in traditional charity support, we are happy to report a strong year of fundraising.

Our regional initiatives, strategically tailored to location-based supporters, have shown a steady increase in cash donations from collection tins. However, we acknowledge the impact of the evolving landscape towards a 'cashless society.' To address this concern, we have proactively invested in cashless giving technology, bolstering our capacity to generate funds at various events and collections. Despite these challenges, we are pleased to announce that the charity successfully raised an annual income totaling £41,213.

We continued fortifying our ambassador programme, welcoming new resources dedicated to its advancement, including an Ambassador Lead responsible for discovering and supporting both current and new ambassadors, empowering them to assist others grappling with late effects. This investment underscores our commitment to nurturing meaningful connections and support.

Our applications to trusts and foundations enjoyed another successful year, resulting in the largest income from this source to date. The funds raised encompass crucial support for research, the Ambassador programme, and our envisioned digital strategy.

Corporate sponsorship has been pivotal to our success, with Housing Units providing steadfast support and the addition of several new companies.

These achievements stand as a testament to the dedication of our supporters, partners, and the collective effort of the KidsCan community. As we look forward, we remain resolute in our commitment to making a lasting impact in the fight against cancer.

Financial Review

Investment Powers and Restrictions

The directors have powers to expend the funds of the charity in such manner as they shall consider most beneficial for the achievement of the objects, and to invest in the name of the charity such part of the funds as they may see fit, and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the company.

Reserves policy

£60,000 of unrestricted funds held by the charity would allow the operation to continue for at least six months in the event of there being a drop in revenue from current activities. The balance on unrestricted funds is currently above this level.

Statement of Financial Activities

The cost of living crisis continued to have an impact on the fundraising activities in 2022/23. Despite this, there has been a 5% increase in income (£15k) when compared to 2021/22. Donations have increased by £56k this year to £244k. Income from trading activities has decreased by £25k to £49k, as the charity diverted its resources to concentrate more on corporate. The cost of raising funds is £197k, a decrease of £52k on the previous year. The spend on charitable activities in 22/23 is £35k (£84k less than the previous year), after a few difficult years the charity has been unable to fund as much research as it would like.

The overall result for the year is Net Income of £62k. This has resulted in an increase in the carried forward funds balance and this now stands at a balance of £190k of which £122k is restricted. The outstanding grant commitment value at the year-end was £62k; £25k of which is due to be paid in more than one year.

KIDSCAN LIMITED

Report of the Trustees

Year ended 31 July 2023

Plans for Future Periods

Despite the challenges encountered in the 22/23 financial year, marked by the deepening cost-of-living crisis, KidsCan's Cancer Research enters the new financial year with a sense of purpose and innovation. We are happy to unveil the rollout of a new digital strategy and a support and resource platform crafted to profoundly impact individuals affected by childhood cancer across the United Kingdom.

Our target audience encompasses not only those battling cancer or suffering late effects but also their parents and educators, tirelessly ensuring these children receive a quality education despite their health challenges. This transformative digital strategy and resource platform will significantly expand our charity's reach. Beyond reaching the 1,600 children diagnosed each year and directly impacted by childhood cancer, we will extend support to those well into their journey. Our platform will empower ambassadors to share their voices through regular support groups, providing a safe space and community to share experiences. Parents will benefit from regular support groups and forums, in addition to accessing information about treatments and new research. Educators will have exclusive resources such as lesson plans and guides on how to help a child juggle education with cancer treatment.

Furthermore, the platform's content and resources will be accessible to a broader audience, including healthcare professionals, researchers, and the general public, amplifying our reach and impact.

One key advantage of this platform is its ability to offer national support to those dealing with late effects, irrespective of their health and location. We will also extend our support to parents and educators on a national basis, recognising the limited support, advice, or guidance they currently receive.

As our digital strategy unfolds on a national level and reaches new groups in need of support, we anticipate a substantial increase in our impact. While we cannot provide an exact figure at this stage, it is certain to be a significant expansion beyond our current reach.

This new platform will also enable us to generate additional funds for our vital cancer research via financial support from existing and new corporate partners as well as general fundraising activity.

We are enthusiastic about the potential of this initiative and grateful for the ongoing support that enables us to evolve and better serve those affected by childhood cancer and the late-effects of cancer treatments.

We have also bolstered our research strategy this year, upping our funding for placement students resulting in ground-breaking research projects into ATRT in the pipeline for 2024.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
Alumni House
Acton Square
Salford
M5 4NY

Signed by order of the trustees



E L McMurtry
Company Secretary

Approved by the trustees on 17/01/2024

KIDSCAN LIMITED

Statement of Trustees' Responsibilities

Year ended 31 July 2023

The trustees (who are also the directors of Kidscan Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

KIDSCAN LIMITED

Independent Auditors' Report to the Members of Kidscan Limited

Year ended 31 July 2023

Opinion

We have audited the financial statements of Kidscan Limited for the year ended 31 July 2023 on pages 15 – 26 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK” (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31 July 2023, and of its incoming resources and application of resources, including its 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the 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 about the charitable company’s ability to continue as a going concern for a period of at least twelve months from the date 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.

KIDSCAN LIMITED

Independent Auditors' Report to the Members of Kidscan Limited

Year ended 31 July 2023

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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 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 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

KIDSCAN LIMITED

Independent Auditors' Report to the Members of Kidscan Limited

Year ended 31 July 2023

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and organisation's performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charitable company's Statement of Financial Activities, (ii) the charitable company's accounting policy for revenue recognition (iii) the overstatement of salary and other costs, and (iv) the understatement of creditors. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act, the Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context included employment law, health and safety at work, GDPR, and the UK Companies Act and Charities SORP.

KIDSCAN LIMITED

Independent Auditors' Report to the Members of Kidscan Limited

Year ended 31 July 2023

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Buckley
Mitchell Charlesworth (Audit) Limited
Accountants
Statutory Auditor
3rd Floor
44 Peter Street
Manchester
M2 5GP

17/01/2024

Mitchell Charlesworth (Audit) Limited is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

KIDSCAN LIMITED

Statement of Financial Activities (including income and expenditure account)

Year ended 31 July 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Income from:							
Donations and legacies	4	128,229	115,643	243,872	132,037	55,509	187,546
Income from trading activities	5	49,148	-	49,148	74,614	-	74,614
Grants received		-	-	-	17,140	-	17,140
Investment income	6	1,265	-	1,265	47	-	47
Total income		178,642	115,643	294,285	223,838	55,509	279,347
Expenditure on:							
Raising funds	7	179,733	17,120	196,853	234,832	14,488	249,320
Charitable activities	8	11,244	23,979	35,223	35,374	84,330	119,704
Total expenditure		190,977	41,099	232,076	270,206	98,818	369,024
Net income/(expenditure)		(12,335)	74,544	62,209	(46,368)	(43,309)	(89,677)
Reconciliation of funds:							
Total funds brought forward		79,873	47,624	127,497	126,241	90,933	217,174
Transfer of funds		-	-	-	-	-	-
Total funds carried forward		67,538	122,168	189,706	79,873	47,624	127,497

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

KIDSCAN LIMITED

Balance Sheet

31 July 2023

	Note	2023 £	2022 £
Current assets:			
Stocks	12	1,983	2,445
Debtors	13	16,786	18,615
Cash at bank		230,697	269,822
Total current assets		249,466	290,882
Liabilities:			
Creditors: falling due within one year	14	(28,023)	(134,724)
Net current assets		221,443	156,158
Provisions			
USS pension scheme deficit recovery plan		(31,737)	(28,661)
Net assets		189,706	127,497
The funds of the charity:			
Unrestricted income funds	16	67,538	79,873
Restricted income funds	16	122,168	47,624
Total funds		189,706	127,497

For the year ending 31 July 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 18 - 26 form part of these accounts.

Signed: 

Name: Jeremy Lea
Chair of trustees on behalf of the trustees

Approved by the trustees on: 17/01/2024

Company Number: 04279954

KIDSCAN LIMITED

Statement of Cash Flows

31 July 2023

	Note	2023 £	2022 £
Cash expended in operating activities	18	(40,390)	(111,439)
Cash flows from investing activities			
Interest income		1,265	47
Decrease in cash and cash equivalents for the year		(39,125)	(111,392)
Cash and cash equivalents at the beginning of the year		269,822	381,214
Total cash and cash equivalents at the end of the year			

As the only cash and cash equivalents at both year-ends is cash at bank and in hand no net debt reconciliation has been considered necessary.

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

1 Accounting Policies

Company information

Kidscan Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Alumni House, Acton Square, Salford M5 4NY.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared 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 (Charities SORP (FRS 102)), and in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

Going concern

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

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a fundraising event or provision of other specified service is deferred until the criteria for income recognition are met.

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general time of the Volunteers is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest receivable

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

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

Expenditure and irrecoverable VAT

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

- Costs of raising funds comprise the costs of fundraising events and activities and their associated support costs.
- Expenditure on charitable activities includes the allocated grant claims made by the research organisation.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

These costs have been allocated between the various activities within the cost of raising funds. The bases on which the costs have been allocated are set out in note 7.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Stock

Stock is included at the lower of cost or net realisable value after making due allowance for obsolete stock.

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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 settlement amount after allowing for any trade discounts due.

Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

During the year three members of staff were members of the Universities Superannuation Scheme (USS). This is a defined benefit scheme which is contracted out of the State Second Pension (S2P), externally funded and subject to periodic actuarial valuations. The assets of the scheme are held in a separate trustee-administered fund.

The scheme is a defined benefit scheme, but the employer is unable to identify its share of the underlying assets and liabilities (see below for availability of overall funding position of the scheme) and therefore accounts for contributions to the scheme as if it were a defined contribution scheme as permitted by FRS102 'Retirement benefits.'

The 2020 valuation was the sixth and latest fully signed off valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%. A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%.

The rate of employer contributions for the period was 21.6% (2022: 21.4%) of the gross pay of the staff in respect of USS. The total cost of company contributions for the year to the scheme was £9,508 (2022: £23,545).

The key financial assumptions used in the 2020 valuation is set out in the Statement of Funding Principles. (<https://www.uss.co.uk/about-us/valuation-and-funding/statement-offunding-principles>).

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

The 2023 valuation is now almost complete. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion, indicating a surplus of £7.4 billion. As at 1/1/2024 new contribution rates of 14.5% (employer) and 6.1% employee have been introduced. The formal valuation paperwork will be filed here (<https://www.uss.co.uk/about-us/valuation-and-funding>) once completed. The Deeds of Amendment for the improved benefits are on course to be completed in February 2024 and implemented from 1/4/2024.

2. Judgements and key sources of estimation uncertainty

In order to calculate the USS pension provision, the trustees estimate the current year discount rate, and the pensionable payroll growth. These estimates are reviewed each year. 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.

3. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per trustee of the charity.

4. Income

from donations and legacies	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Gifts	128,229	115,643	243,872	132,037	55,509	187,546
	128,229	115,643	243,872	132,037	55,509	187,546

Income of £115,643 (2022: £55,509) was received for restricted purposes.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5. Income from other trading activities

	2023 £	2022 £
Events	5,221	27,159
Street/Stadium collections	2,714	4,528
Placed collection tins	41,213	42,927
	49,148	74,614

6. Investment income

The charity's investment income of £1,265 (2022: £47) arises from money held in interest bearing deposit accounts and treasury deposits.

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

6. Investment income (continued)

	Basis of allocation	Donations & Legacies	Events	Student/Community	Placed Tins	Trusts & Foundations	2023 Total	2022 Total
Costs directly allocated to activities:								
Staff Costs	Direct	65,371	11,616	28,529	24,577	12,032	142,125	187,028
Catering / Hospitality	Direct	-	-	-	-	-	-	29
Event / Room Hire	Direct	9,360	2,267	-	-	-	11,627	9,756
Printing / Publicity	Direct	95	1,017	191	-	-	1,303	12,793
Travel & Expenses	Direct	-	4,317	301	2,766	-	7,384	3,508
General Consumables	Direct	-	-	262	740	-	1,002	2,342
Audit Fee	Direct	-	-	-	-	-	-	-
Recruitment Fees	Direct	-	-	-	-	-	-	-
Interest	Direct	-	-	-	-	-	-	-
Support Costs		-	-	-	-	-	-	-
allocated to activities:								
Insurance	Staff Costs	1,007	179	439	379	185	2,189	1,524
Travel & Expenses	Staff Costs	-	-	-	-	-	-	11
General Office Costs	Staff Costs	10,556	1,876	4,607	3,969	1,943	22,951	22,990
Marketing & Publicity	Staff Costs	1,666	296	727	626	306	3,621	3,716
Software/Website	Staff Costs	2,140	380	934	805	394	4,653	5,623
Total Expenditure		90,195	21,948	35,990	33,860	14,860	196,854	249,320

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

8. Charitable activities	Unrestricted funds	Restricted funds	Total funds 2023	Unrestricted funds	Restricted funds	Total funds 2022
	£	£	£	£	£	£
Research grants	(5,016)	23,979	18,961	22,716	84,330	107,046
Governance costs	16,260	-	16,260	12,658	-	12,658
	11,244	23,979	35,221	35,374	84,330	119,704

Expenditure of £23,979 (2022: £84,330) was paid from the restricted funds to fund research grants. A research grant funded from unrestricted funds was returned un-spent in the year (£5,016).

Governance cost analysis:		Total 2023	Total 2022
Costs directly allocated to activities:	Basis of allocation	£	£
Staff costs	Direct	1,990	2,304
Audit fee	Direct	2,677	2,400
Recruitment fees	Direct	10,176	7,200
Interest	Direct	949	337
Support costs allocated to activities:			
Insurance	Staff costs	31	19
General office costs	Staff costs	317	283
Marketing & publicity	Staff costs	51	46
Software/website	Staff costs	69	69
Total expenditure		16,260	12,658

9. Analysis of staff costs, trustee remuneration and expenses	2023	2022
	£	£
Salaries and wages	120,599	188,413
Social security costs	9,024	(12,211)
Pension costs	9,508	23,545
Pension deficit plan provision	2,127	(10,415)
Redundancy costs	2,855	-
	144,113	189,332

No employees had employee benefits in excess of £60,000 (2022: no employees). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

9. Analysis of staff costs, trustee remuneration and expenses (continued)

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2022: £Nil). No trustees were reimbursed for travel expenses during the year (2022: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £Nil).

Social security costs includes an HMRC refund of £979 (2022: £27,698)

10. Staff numbers

2023

2022

The average number of administration staff in the charity was as follows:

Headcount	6	9
Full time equivalent	4.2	6.6

11. Corporation tax

Chapter 3 part 11 of Corporation Taxes Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. Stock

2023

2022

£

£

Promotional merchandise	1,577	1,837
Clothing	406	608
	1,983	2,445

13. Debtors

2023

2022

£

£

Prepayments and accrued income	16,786	18,615
	16,786	18,615

14. Creditors: amounts falling due within one year

2023

2022

£

£

Other creditors	13,953	80,836
Accruals	13,400	52,652
Deferred income	670	1,236
	28,023	134,724

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

14. Creditors: amounts falling due within one year (continued)

Deferred income:

Deferred income as at 1 August 2022	1,236	6,589
Released from previous year	(1,236)	(6,589)
Income deferred in year	670	1,236
Deferred income as at 31 July 2023	670	1,236

At the balance sheet date, the charity was holding funds received in advance in respect of events taking place later in 2023/24.

15. Commitments	2023 £	2022 £
At the reporting end date the company had commitments in respect of grants payable as follows:		
Within one year	36,712	49,544
After one year	25,000	
	61,712	49,544

16. Analysis of charitable funds

	Balance 01/08/2022 £	Incoming resources £	Resources expended £	Transfers £	Balance 31/07/2023 £
Unrestricted funds:	79,873	178,642	190,977	-	67,538
Restricted funds:					
Gracie's Goal Fund	4,964	-	-	-	4,964
Tim Bacon Foundation	12,412	-	(12,412)	-	-
M/cr Guardian Society	-	-	2,126	-	4,030
The Grand Trust	1,904	-	(13,693)	-	3,172
UKH Foundation	-	-	-	-	3,500
General Research	-	33,312	(4,913)	-	452
Student Placements	9,115	7,750	(4,707)	-	19,657
Pump Priming	-	3,500	-	-	10,500
Core Costs	5,365	30,000	-	-	7,500
Ambassador Prog	13,864	10,500	(7,500)	-	22,500
PhD Research	-	10,500	-	-	45,893
Education Programme	-	20,081	-	-	4,964
	47,624	115,643	(41,099)	-	122,169

The £122,169 Restricted Funds (2022: £47,624) are all held within the net assets of the charity as cash balances.

KIDSCAN LIMITED

Notes to the Financial Statements

Year Ended 31 July 2023

16. Analysis of charitable funds (continued)

Name of restricted fund description, nature and purposes of the fund

Gracie's Goal	To fund children's cancer research grants
Tim Bacon Foundation	To fund children's cancer research grants
M/cr Guardian Society	To fund research grant
The Grand Trust	To Fund research grants
UKH Foundation	To fund research grants
Student Placements	To fund student placement grants from various trusts and foundations
Pump Priming Grants	To fund pump priming grants from various trusts and foundations
Core Costs	To fund specific core costs from various trusts and foundations
Ambassador Programme	To fund ambassador activity from various trusts and foundations
PhD Research	
Education Programme	

17. Related party transactions

There were no related party transactions in 2023 (2022: £Nil).

Office space and certain facilities are provided by the University of Salford to the charity. No charge is made for these, and no charge was made in the prior year.

18. Reconciliation of net movement in funds to net cash flow from operating expenses

	2023 £	2022 £
Net movement in funds	62,209	(89,677)
(Decrease)/Increase in provisions	3,076	(10,079)
Deduct interest income shown in investing activities	(1,265)	(47)
Decrease/(increase) in stock	462	(1,231)
Decrease/(increase) in debtors	1,829	(2,431)
(Decrease)/Increase in creditors	(106,701)	(7,974)
Net cash generated in operating activities	(40,390)	(111,439)