

Charity registration number 1143743

Company registration number 07767248 (England and Wales)

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Michaela M Rees Jones Mr Maurice H Craft Mr Jonathan S M Craft Mr Percy Beckley Mr Laurence J F Tarlo
Ambassadors	Mrs Kirsty Ettrick Mrs Cheryl Whitehead Ms Tiffany Chawner Ms Nicola Floyd Mr Julian O'Dell Mrs Caterina O'Dell
Patrons	Lord Alliance CBE Harry & Carolyn Black Barry Boas Roger Cadbury Family Harold & Daphne Cooper Charitable Trust Peter & Marilyn Cooper John Emery Alessandro Dusi Isabel Ettedgui The Fallon Family Leonard & Renee Feinstein Charles & Diane Herlinger Michael & Lottie Hunter Bob Lefroy Bevs Malim Martin O'Connor Sir Michael Parkinson CBE Sir Paul & Lady Ruddock Ivor & Isabelle Seddon Chris Sharp Michaela M Rees Jones
Secretary	Mrs Joyce Fletcher (J.P.)
Charity number	1143743
Company number	07767248
Principal address	2 Regency Chambers Jubilee Way Bury Lancashire BL9 0JW
Registered office	2 Regency Chambers Jubilee Way Bury Lancashire BL9 0JW

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
LEGAL AND ADMINISTRATIVE INFORMATION

Auditor

Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Bankers

Yorkshire Bank
5-9 The Rock
Bury
BL9 0YB

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
CONTENTS

	Page
Chairman's statement	1
Trustees' report	2 - 7
Statement of Trustees' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 23

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
REPORT ON BEHALF OF THE CHAIRWOMAN
FOR THE YEAR ENDED 30 SEPTEMBER 2021

As with the majority of charities the Covid 19 pandemic has severely affected the ability to raise funds. The continued travel restrictions meant that no fund raising events were possible in the year and the level of income has continued to be substantially below those achieved prior to Covid 19. It will be some time before the situation returns to normal and the income level for the coming year will undoubtedly be below normal expectations.

Despite these problems there have been positive results from our funding of continued research as outlined in the publications in medical journals as detailed in the Report of the Trustees within these financial statements. The research continues at Imperial College London and the University of Sussex where Professor Georgios Giamas continues to make progress on development of an anti LMTK3 drug. There are many more research projects that the Charity would wish to support but this will be restricted if the level of funds raised continues at the current rate.

A major legacy of my wife and the previous Chairwoman, Hilary Craft OBE was the foundation of this Charity, and all the Trustees are determined to continue to fund the important pioneering research work that it supports. I personally would like to thank the Patrons, Ambassadors, individuals, companies and charitable trusts and foundations who continue to support Action Against Cancer. My hope is that together we will be able to raise the funds required to continue the important research.



Mr Maurice H Craft

Trustee

Dated: 29 July 2022

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

ACTION AGAINST CANCER

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their report and financial statements for the year ended 30 September 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity have remained unchanged. These are to promote and protect the health of the public, in particular by research into the prevention, treatment and cure for all forms of cancer. This includes research into practical applications for the prevention, treatment and cure of cancer and to disseminate the useful results of such research to the public. The Charity Commission's general guidance on public benefit has been referred to when reviewing our aims and objectives and in planning our future activities.

Scientific Advisory Board

Action Against Cancer is privileged that the following scientists and clinicians have agreed to serve on our Scientific Advisory Board:

Professor Heinz-Josef Lenz - Director for Clinical Research and Co-Head of the GI Cancers Program, USC Norris Comprehensive Cancer Centre, Professor of Medicine and Preventative Medicine, Keck School of Medicine, University of Southern California

Dr Abby Siegel - Assistant Professor, Department of Medicine, Columbia University Medical Centre, New York

Dr Siddhartha Mukherjee - Assistant Professor, Department of Medicine, Columbia, University Medical Centre, New York

Professor Pramod K. Srivastava - Director, Carole and Ray Neag Comprehensive Cancer Centre, Connecticut

Research Themes

All work funded by Action Against Cancer falls under the following research themes:

Cancer Stem Cells
Genetic Switches
Developing a drug for a totally new approach to therapy (LMTK3)
Understanding the Cancer Brain
Metastasis

Cancer Stem Cells

Cancer Stem Cells (CSCs) only constitute up to 5% of a cancerous tumour, but they generate the fast multiplying cells that make up the majority of the rest. CSCs are also linked to some of the most malignant features of cancer, including treatment resistance and the ability to spread to other parts of the body.

It can be many months or even years after successful treatment of a primary tumour, before secondary cancer spreads. This has been described as if the dandelion has been removed from the lawn, but the CSC root is left below the surface to regrow at a later date.

Action Against Cancer is funding a number of projects examining CSCs, to enable the development of treatments that specifically target them - to more fully cut cancers out by the roots. The scientists are working to gain a thorough understanding of how CSCs operate and to answer vital questions such as:

- Why do certain patients not respond to treatments?
- What conditions allow some tumours to spread around the body?
- How could future treatments specifically target the most malignant cells?

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

EXAMPLE OF PROGRESS: A model of success in cancer research

Action Against Cancer is funding an innovative cancer stem cells research project led by Professor Justin Stebbing and Dr Nina Moderau at Imperial College London. They are developing a combination of new tools and techniques for breast cancer patients, to understand their secondary tumours before they even develop.

It is not the primary tumour that causes fatality for most breast cancer patients, but cancer spreading (metastasising) around the body. For breast cancer, the secondary or metastatic tumours develop in the brain, bones, lungs or liver.

Despite careful studies, it is still unknown how cancer cells decide where they will migrate to and grow tumours. One of the major factors that make it so difficult to predict cancer spread, and why some therapies are ineffective, is tumour heterogeneity. This characteristic of a tumour describes its complex composition with many genetic mutations.

The key objective for the first stage of this groundbreaking research was to develop a breast cancer model that addresses the issue of heterogeneity. This has been achieved, and the model is already proving invaluable in furthering research in this challenging area. For example, the team was able to use it to discover which particular cancerous mutations are capable of invasion into the liver and grow there, and which are not. It is anticipated that as this research continues it will prove of immense benefit to patients with various types of cancer.

Genetic Switches

Since the mapping of DNA with the Human Genome Project, there is greater understanding within the scientific community of some aspects of cancer. In the past, the vast majority of DNA was believed to be 'junk' as it does not code for protein. It was thought only a small amount of DNA was significant, that which turns into single stranded RNA, and then into proteins responsible for the structures and functions we are familiar with (brown hair, blue eyes etc).

However, it is now known that much of DNA is in fact transcribed into non-coding RNAs, some of which play important roles in normal biological function, gene regulation and cancer development. Action Against Cancer is funding a range of projects related to identifying non-coding RNAs that are operating as genetic switches causing cancer to grow or shrink.

EXAMPLE OF PROGRESS: Turning off a cancer causing gene

Funded by Action Against Cancer, a team led by Dr Leandro Castellano at The University of Sussex, is investigating a class of small RNA molecules called microRNAs. These can promote a transformation of normal cells into cancer cells in human bodies.

Most microRNAs are produced in cells by an enzyme called Dicer. To study how Dicer regulates cellular transformation, the team shut down its expression in cancer cells using next-generation sequencing. This strategy simultaneously evaluated how networks of gene interactions cooperate with microRNAs to promote cancer progression.

By using this approach the team discovered, for the first time, that Dicer directly and independently turns off the expression of one of the most powerful cancer causing genes, c-Myc.

This gene is very difficult to target therapeutically, but these new findings indicate that by modulating Dicer activity with chemical inhibitors, c-Myc activity can be directly turned off to fight cancer. This is an extremely promising development for patients.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Developing a drug for a totally new approach to therapy (LMTK3)

The identification of a new cancer causing gene in 2011 by Professor Georgios Giamas was the earliest significant breakthrough supported by Action Against Cancer. This gene called LMTK3 is new to humans, and is expressed more in cancer cells than in normal cells. Those cancers that have high levels of LMTK3 are also much more aggressive.

Since 2011 we have funded research aiming to develop an anti-LMTK3 drug. This would be to overcome the resistance to treatments that often develops within patients' bodies.

Many patients respond well to initial treatment but then develop resistance to it – this is when, with currently available treatments, their cancer becomes much more difficult to treat. A potential anti-LMTK3 drug will be specifically designed to work in conjunction with a patient's existing treatment, and in a way that overcomes chemotherapy or hormonal therapy resistance, allowing these treatments to start working again. This would be a momentous step in the history of cancer treatment.

EXAMPLE OF PROGRESS: Drug compound optimisation

After years of developing LMTK3 specific drugs, the team at the University of Sussex is now working on optimising these and testing them in various models. They have established and validated different types of models for various experiments and investigative procedures. These will be used to examine and clarify the mechanism of action of these novel drug compounds. In addition, how specifically and effectively the compounds work to reduce tumour growth will be tested. This work is crucial before progressing to the next pre-clinical and clinical stages, where the aim is to test the best of these drugs in patients.

The anticipated ability of LMTK3 inhibitors to overcome treatment resistance offers enormous hope for huge numbers of people.

Understanding the Cancer Brain

It is thought that cancer cells have a 'brain', which is responsible for turning the cells 'on' or 'off'. We are funding research to gain a comprehensive understanding of this cancer brain, by learning exactly what takes place during the onset and growth of cancer – one protein at a time.

Proteins are present in all of the cells in our body, including in cancer cells. The types of proteins, their quantity, and the level of their activity can differ between normal cells and cancer cells. Proteins enable cancer cells to grow very fast or they can cause them not to respond to a given drug. One of the main approaches in studying cancer cells and identifying new treatment targets is to analyse their protein content in great detail.

Action Against Cancer supports research to understand cancer cells, to pave the way for the design of drugs targeting those proteins that are found to play the most important role in the progression of cancer.

EXAMPLE OF PROGRESS: Changing cancer cells into normal cells

By encouraging cancer cells to change into normal cells, differentiation therapy could offer a groundbreaking treatment option for cancer patients. It would also reduce the problems of toxicity of more conventional treatments such as chemotherapy and radiotherapy, which generally involve killing tumour cells. Differentiation therapy is an alternative that can alleviate this problem in the treatment of advanced cancers.

Supported by Action Against Cancer, a team has demonstrated how a specific enzyme (a type of protein) is involved in changing brain cancer cells back into normal cells. Work continues in this exciting area to further examine this enzyme and its potential to help patients.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Metastasis

When cancer is said to have spread this means it has metastasised. This is when cancer cells break away from where they first formed and travel through the blood or lymphatic systems to form new tumours in other parts of the body. This development of secondary cancer is called metastasis. A metastatic tumour is the same type of cancer as the primary tumour.

Action Against Cancer funds a number of projects that are linked to understanding the causes of metastasis, in order to:

- more effectively predict the likelihood of cancerous cells metastasising (spreading) in each patient.
- tailor the testing for patients with a high likelihood of their cancer metastasising so as to improve the likelihood of early diagnosis.
- improve the treatment strategies for these patients once a propensity for metastasis of their cancer has been identified, thus greatly increasing their chances of survival.

EXAMPLE OF PROGRESS: Tackling Triple Negative Breast Cancer

Triple negative breast cancer is often more aggressive, metastasising more effectively than other breast cancers. Action Against Cancer is supporting research into identifying receptors that specifically drive this type of cancer, to be able to target them and treat patients.

Using an innovative strategy, the team have now identified, for the first time, that a subset of such molecules is an important driver of triple negative breast cancer and that these can be used as tailored therapeutic targets to treat this notoriously difficult disease.

Achievements and performance

Due to the Covid pandemic, Action Against Cancer's income has continued to be at a much lower level than during pre-pandemic times. A number of fundraising events organised by supporters for Action Against Cancer across the country were postponed or cancelled. Support from individuals, companies and trusts and foundations was also significantly reduced, resulting in less funds raised for research into cancer.

However, all at Action Against Cancer are hugely grateful to those donors and supporters who were still able to donate towards our work. We are also extremely proud of the great work the scientists were able to continue despite the many difficulties they faced.

Below is a sample of published papers describing work wholly or partly funded by Action Against Cancer:

1. Cell-derived extracellular vesicles can be used as a biomarker reservoir for glioblastoma tumor subtyping
2. Breaking through the glioblastoma micro-environment via extracellular vesicles
3. The multifaceted role of lemur tyrosine kinase 3 in health and disease
4. Multinational landscapes of normal breast during age and pregnancy determine cancer risk

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Financial review

During the year the charity's income from all sources amounted to £289,334 (2020: £202,525). In the same period, expenditure on charitable activities totalled £1,028,978 (2020: £735,594), and the cost of raising funds totalled £69,459 (2020: £73,740).

Accumulated funds as at 30 September 2021 totalled £2,225,006 (2020: £3,034,109). The Trustees consider that the financial position as at 30 September 2021 is satisfactory. Approximately two-thirds of these funds (including those in unrestricted funds) have been awarded to approved projects (see Note 13).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for the future

The charity will continue to fund all of the projects already approved, and to fundraise to support other research aiming to further understand cancer and how to better diagnose and treat it. The charity will continue to disseminate results of research in published scientific papers, on the organisation's website and in regular e-newsletters.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 8 September 2011 and registered with the Charity Commission on 9 September 2011. The charity carries out its activities using the working name Action Against Cancer.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Michaela M Rees Jones

Mr Maurice H Craft

Mr Jonathan S M Craft

Mr Percy Beckley

Mr Laurence J F Tarlo

Mrs Hilary S Craft OBE

(Deceased 27 December 2020)

The Board of Trustees is authorised to appoint new Trustees to fill vacancies arising through the resignation or death of an existing trustee.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity benefits from the provision of accommodation and administrative support from Regency Factors plc, a company that is controlled by certain of the Trustees of the charity. No monetary value can be attributed to this support, and therefore it is not included in the financial statements.

There are no other transactions with related parties. The Trustees maintain a register of interests, which is updated at every meeting.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors.

**THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the board of trustees

A handwritten signature in black ink, appearing to read 'Maurice H Craft', with a long horizontal stroke extending to the right.

Mr Maurice H Craft
Trustee

Dated: 29 July 2022

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees, who are also the directors of The Hilary Craft Charitable Foundation Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
INDEPENDENT AUDITOR'S REPORT**

TO THE TRUSTEES OF THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

Opinion

We have audited the financial statements of The Hilary Craft Charitable Foundation Limited (the 'charity') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charity'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 matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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 our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 2006, the Charities Act 2011, employment, pension and health and safety legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities' Statement of Recommended Practice.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims, their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- 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;
- obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of provisions; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management 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.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jackson Stephen LLP

Peter Atkinson F.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP

29 July 2022

Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Current financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Voluntary income	3	226,039	53,667	279,706	175,040
Investments	4	9,628	-	9,628	27,485
Total income		235,667	53,667	289,334	202,525
<u>Expenditure on:</u>					
Raising funds	5	69,459	-	69,459	73,740
Charitable activities	6	1,013,959	15,019	1,028,978	735,594
Total		1,083,418	15,019	1,098,437	809,334
Net (expenditure)/income for the year/ Net movement in funds		(847,751)	38,648	(809,103)	(606,809)
Fund balances at 1 October 2020		2,959,607	74,502	3,034,109	3,640,918
Fund balances at 30 September 2021		2,111,856	113,150	2,225,006	3,034,109

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Voluntary income	3	160,021	15,019	175,040
Investments	4	27,485	-	27,485
Total income		187,506	15,019	202,525
<u>Expenditure on:</u>				
Raising funds	5	73,740	-	73,740
Charitable activities	6	702,751	32,843	735,594
Total		776,491	32,843	809,334
Net (expenditure)/income for the year/ Net movement in funds		(588,985)	(17,824)	(606,809)
Fund balances at 1 October 2019		3,548,592	92,326	3,640,918
Fund balances at 30 September 2020		2,959,607	74,502	3,034,109

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	10	381		381	
Cash at bank and in hand		2,302,991		3,133,361	
		<u>2,303,372</u>		<u>3,133,742</u>	
Creditors: amounts falling due within one year	11	(78,366)		(99,633)	
Net current assets		<u>2,225,006</u>		<u>3,034,109</u>	
Funds of the charity					
Restricted funds	12	113,150		74,502	
Unrestricted funds:					
General unrestricted funds		641,903		431,359	
Designated funds	13	1,469,953		2,528,248	
		<u>2,225,006</u>		<u>3,034,109</u>	

The financial statements were approved by the Trustees on 29 July 2022


Mr Maurice H Craft
Trustee

Company Registration No. 07767248

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	16		(839,998)		(587,626)
Investing activities					
Investment income received		9,628		27,485	
Net cash generated from investing activities			9,628		27,485
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(830,370)		(560,141)
Cash and cash equivalents at beginning of year			3,133,361		3,693,502
Cash and cash equivalents at end of year			<u>2,302,991</u>		<u>3,133,361</u>

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Charity information

The Hilary Craft Charitable Foundation Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity in England and Wales. The registered office is 2 Regency Chambers, Jubilee Way, Bury, Lancashire, BL9 0JW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements and despite the effect of Covid-19, 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 financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services are recognised as income when the charity has control over the item, any conditions associated with the item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably.

On receipt, donated services are recognised on the basis of the value of the gift to the charity which is the amount the charity would be 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.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on the accruals basis.

Fundraising costs are those incurred in generating funds and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those cost incurred directly in support of expenditure of the objects of the charity.

Overhead costs are allocated on the basis of the actual spend by activity.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity 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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees consider there to be no critical accounting estimates or judgements made.

3 Voluntary income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	218,494	52,545	271,039	159,116	15,019	174,135
Fundraising events	7,545	1,122	8,667	905	-	905
	<u>226,039</u>	<u>53,667</u>	<u>279,706</u>	<u>160,021</u>	<u>15,019</u>	<u>175,040</u>

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Bank account switch incentive	-	6,563
Interest receivable	9,628	20,922
	<u>9,628</u>	<u>27,485</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Costs of generating voluntary income		
Travelling and subsistence	-	1,566
Printing, stationery and postage	1,130	1,255
Fundraising expenses	-	536
Other expenses	177	85
Advertising	445	634
Other fundraising costs	266	272
Staff costs	66,594	68,545
Insurance	847	847
	<u>69,459</u>	<u>73,740</u>

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Charitable activities

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	2020 £
LMTK3 drug development	308,789	-	308,789	124,039
Understanding the cancer brain	-	-	-	21,835
PhD and other student bursaries	99,393	-	99,393	60,595
Ovarian cancer research	23,094	-	23,094	19,870
Pancreatic cancer research	14,808	-	14,808	56,332
Cancer stem cells research	-	-	-	23,569
Genetic switches	134,508	-	134,508	129,136
Breast cancer research	428,075	15,019	443,094	279,117
Other research project	232	-	232	16,310
	<u>1,008,899</u>	<u>15,019</u>	<u>1,023,918</u>	<u>730,803</u>
Share of governance costs (see note 7)	5,060	-	5,060	4,791
	<u>1,013,959</u>	<u>15,019</u>	<u>1,028,978</u>	<u>735,594</u>
Analysis by fund				
Unrestricted funds	1,013,959	-	1,013,959	702,751
Restricted funds	-	15,019	15,019	32,843
	<u>1,013,959</u>	<u>15,019</u>	<u>1,028,978</u>	<u>735,594</u>

The other research project is mainly in relation to project on tumour micromanagement.

7 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Audit fees	-	4,050	4,050	-	4,050
Bank charges	-	727	727	-	483
Professional fees	-	283	283	-	258
	<u>-</u>	<u>5,060</u>	<u>5,060</u>	<u>-</u>	<u>4,791</u>
Analysed between					
Charitable activities	-	5,060	5,060	-	4,791
	<u>-</u>	<u>5,060</u>	<u>5,060</u>	<u>-</u>	<u>4,791</u>

Governance costs include £4,050 (2020: £4,050) in relation to audit fees payable to the auditor. These services were donated by the auditor and hence are included within voluntary income.

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. A close family member of a trustee was remunerated for administrative services provided in the year totalling £15,000 (2020: £15,000).

9 Employees

The average monthly number employees during the year was:

	2021	2020
	Number	Number
Management	2	2
	<u>2</u>	<u>2</u>
Employment costs	2021	2020
	£	£
Wages and salaries	62,720	63,425
Social security costs	2,591	3,831
Other pension costs	1,283	1,289
	<u>66,594</u>	<u>68,545</u>

No employees had annual remuneration of £60,000 or more.

Many of the research projects involve the use of PhD students. Action Against Cancer is currently funding a number of PhD studentships and fellowships at Imperial College to support the research work.

10 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	381	381
	<u>381</u>	<u>381</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	76,808	97,999
Other creditors	1,558	1,634
	<u>78,366</u>	<u>99,633</u>

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 October 2019	Income	Expenditure	Balance at 1 October 2020	Income	Expenditure	Balance at 30 September 2021
	£	£	£	£	£	£	£
Cancer stem cells research	83,052	-	(23,569)	59,483	53,667	-	113,150
Genetic switches	9,274	-	(9,274)	-	-	-	-
Breast cancer research	-	15,019	-	15,019	-	(15,019)	-
	<u>92,326</u>	<u>15,019</u>	<u>(32,843)</u>	<u>74,502</u>	<u>53,667</u>	<u>(15,019)</u>	<u>113,150</u>

The research work being undertaken is described in detail in the Trustees' Report under Research Themes.

13 Designated funds

Out of the total funds of £2,225,006 available, including unrestricted income, funds have been awarded to approved projects where planned future expenditure over the next two years is calculated to be £1,583,103. Of this, £113,150 are restricted funds and £1,469,953 are unrestricted funds.

Designated funds were awarded to projects within the research themes shown in the table below.

Programme area	Funds designated	Restricted	Unrestricted	%
Genetic Switches	£229,972.37	£0.00	£229,972.37	14.53
LMTK3	£835,699.03	£1,500.00	£834,199.03	52.79
CSCs	£375,851.76	£111,650.00	£264,201.76	23.74
UCB	£34,527.05	£0.00	£34,527.05	2.18
Metastasis	£107,052.82	£0.00	£107,052.82	6.76
Total	£1,583,103.03	£113,150.00	£1,469,953.03	

THE HILARY CRAFT CHARITABLE FOUNDATION LIMITED
ACTION AGAINST CANCER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 30 September 2021 are represented by:						
Current assets/(liabilities)	2,111,856	113,150	2,225,006	2,959,607	74,502	3,034,109
	<u>2,111,856</u>	<u>113,150</u>	<u>2,225,006</u>	<u>2,959,607</u>	<u>74,502</u>	<u>3,034,109</u>

15 Related party transactions

Other than as disclosed in note 8, there were no disclosable related party transactions during the year (2020 - none).

16 Cash generated from operations

	2021 £	2020 £
Deficit for the year	(809,103)	(606,809)
Adjustments for:		
Investment income recognised in statement of financial activities	(9,628)	(27,485)
Movements in working capital:		
(Decrease)/increase in creditors	(21,267)	46,668
Cash absorbed by operations	<u>(839,998)</u>	<u>(587,626)</u>

17 Analysis of changes in net funds

The charity had no debt during the year.