



Leukaemia UK

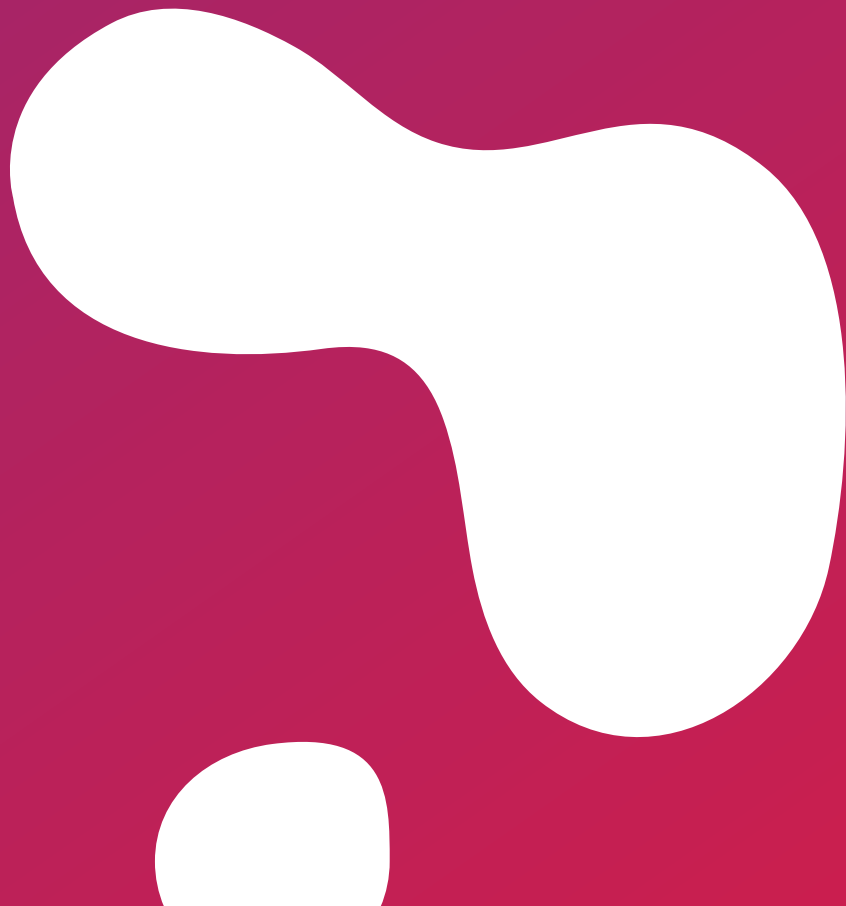
Blood cancer research and care

Annual Report and Financial Statements

Year ended 31 December 2019

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Introduction



The past year has been one of exciting change for our charity, with November 2019 seeing the merger of Leuka (charity no. 1154856) and Leukaemia UK (charity no. 1150414) to create one combined organisation bringing together the strengths of the two sister charities to create a more efficient and visible organisation.

We now have a major opportunity to develop into a significant force for change in the field of leukaemia research and care. We believe that combining our strengths will help us to ensure that patients and families affected by blood cancer can look forward to access to the best possible treatments and care today, and in future. Our combined grants portfolio now includes a world class UK wide research portfolio, innovation in the care space as well as continued acceleration of shared learning, and a small but invaluable Helping Hand offer for families badly affected by the financial stress of a leukaemia diagnosis.

At merger, the new Leukaemia UK, combined staff team of some 10 staff posts and a combined income of £1.7M. Looking forward, we have a real opportunity to play a significant role in tackling blood cancer care and cure - and changing the lives of more patients and families affected by any blood cancer for the better.

This report therefore shows the combined results of the two separate charities up until 31st October 2019 and the merged charity from 1st November 2019 until 31st December 2019.

Chris Corbin

Chris Corbin OBE

Chairman

Board of trustees' report

The Board of Trustees submit their annual report and the financial statements of Leukaemia UK for the year ended 31 December 2019. The Board of Trustees confirms that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Charity's governing document and the provisions of the 'Charities SORP (FRS 102) - 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objects and activities

Leukaemia UK – Our charitable objects

The new charity retained the legal structure of the previous Leuka as CIO number 1154856.

Our charitable objects are:

“To relieve sickness and preserve and protect health in particular by promoting research into leukaemia and/or related disorders; and providing support directly or indirectly to people affected by leukaemia and/or related disorders including the maintenance of specialist treatment units.”

Leuka was founded in 1982 at the Hammersmith Hospital, London, by a patient of the late Prof. John Goldman - Lester Cazin - whose dying wish was to find a cure for leukaemia by funding research. Goldman was a pioneer in bone marrow transplantation and the treatment of Chronic Myeloid Leukaemia (CML).

Leukaemia UK was originally known as the Elimination of Leukaemia Fund and was founded in 1977 by Derek Mitchell after his wife Isobel was treated for leukaemia at King's College Hospital, London.

From 1st November, Leukaemia UK was led jointly by Leuka's former CEO, Olive Boles, and Leukaemia UK's former CEO, Angela Smith-Morgan, until September 2020 when Fiona Hazell was appointed as the new CEO. The previous Leuka Chairman, Chris Corbin, took over as Chairman of the combined Leukaemia UK from 1st November 2019 and leads a combined Board that includes both former Leuka and Leukaemia UK Trustees. The former Leukaemia UK Chairman Alastair Adam, remains on the Board as a Trustee.

Background

During 2019 and for over the last 40 years the two charities have significantly influenced improvements to blood cancer care. Early efforts focused on facilities, including the building of a £10m specialist unit at Hammersmith Hospital - the Catherine Lewis Centre was opened in 2002 - and at King's College Hospital, the creation of four specialist blood cancer wards and a research laboratory.

Since the merger, Leukaemia UK has continued to expand its sphere, supporting high-quality blood cancer related research and care at universities and specialist patient centres across the entire UK.

Into 2020 and beyond, the new charity will continue in the footsteps of its founders, leading the way in turning scientific advances into clinical care.

Leukaemia UK is proud to be a member of the Association of Medical Research Charities (AMRC). This means that our grant recipients and their host institutions must agree to strict reporting requirements before any of our funds are released. We abide by the gold standard for medical research charities, the highest standards of governance and of accountability to our donors. And we rely on an Independent Scientific Panel of world-class experts to select the best research to be funded and who advise the trustees, accordingly.

Where Leukaemia UK fits – the context

During 2019 both charities have used our resources to fund research focused on benefiting patients, through achieving better diagnosis, discovering new, more effective treatments and psychological support - and ultimately in looking to find a cure for all blood cancers. Whilst research may hold the ultimate key to saving lives, we have also endeavoured to help patients throughout their treatment and recovery – and by making their experience as positive as possible.

Our focus is to support innovation in research and patient care and to facilitate scientific discovery, particularly in very underfunded fields of blood cancer research - and to provide patient support only where there is an unfulfilled need and we do not substitute for work/services that should be funded by the NHS or other public funds.

We have done this by:

- Supporting research that targets the most promising avenues of investigation.
- Providing opportunities to train the brightest and best ‘next generation’ scientists and clinicians.
- Making the connection between physical and emotional health as a vital part of caring for and supporting patients and their families.
- Helping improve patient survival by funding innovative clinical trials and giving patients access the best available care and sharing best practice.
- Encouraging “translational” research designed to transform discoveries (from laboratory and clinical studies) as quickly and safely as possible into patient care.

Our focus

During 2019 we have worked hard to build our capacity to deliver what, for two small, specialist charities is an ambitious set of plans. To do so has meant retaining a clear focus on our purpose but we are pleased to report on another year of significant achievement.

Leuka’s focus has been funding leukaemia related research across the UK. The charity was founded by the late Prof John Goldman (1936-2013) a pioneer in the treatment of leukaemia, and it prides itself on being at the forefront of research into blood cancer.

Leukaemia UK has continued to support Early Career haematologists in their research work, as well as developing a project focussed on emotional and psychological health of blood cancer patients at Kings College Hospital, London, called the Leukaemia UK Mind and Body team.

Our Trustee Board can draw on the impartial advice of an Independent Scientific Panel made up of some 20 of the world’s top international experts, over 400 peer reviewers from around the globe, who make themselves available voluntarily to support us. We collaborate with distinguished bodies such as the National Institute of Health Research and the Medical Research Council to leverage our resources.

Our John Goldman Fellowships for Future Science programme to support exceptional scientists and next generation talent has continued to flourish. Another four Fellows joined in 2019 – bringing the alumni to twenty-two. We have also funded more innovative projects through our Project Grant scheme, including ground-breaking work at UCL Great Ormond Street Institute of Child Health, The University of Oxford, The Francis Crick Institute, London and Queen’s University Belfast.

We remain a committed funding partner on the UK’s first stem cell transplant (SCT) clinical trials platform (IMPACT) based at the University of Birmingham. Launched in 2017 we are now working with 20 specialist centres around the UK to introduce early phase trials to SCT patients who are desperate for new types of treatment.

In September 2019, the charity’s third Annual Celebration of Science was a great success. Bringing together some sixty scientists, clinicians and supporters to listen to a programme of brilliant scientific presentations from our expert grant holders, including hearing a keynote address by the renowned expert haem-oncologist Professor, Charlie Craddock CBE.

We believe that every patient deserves the best possible care and treatment. That’s why we aim to extend our research programme to ensure better outcomes for patients who are suffering and to improve their survival rates. It is heartening that due to medical research over the past 40 years the prognosis for leukaemia and blood cancer has improved. That said, so much more needs to be done.

Leukaemia is still the most common type of cancer in children and teens. Twenty-seven people are diagnosed with leukaemia every day in the UK – that’s more than one every hour – and 12 people die every day from the disease. The real challenge is that just 52% of leukaemia patients survive five years after diagnosis and, moreover, blood cancer is the fifth most common cancer in the UK.

We are particularly proud of having been able to bring about a merger of two independently successful charities in order to further our cause in a more efficient and effective manner for our beneficiaries. The new charity benefits from a strong supporter base, and we look forward to an even more impactful future as the new Leukaemia UK.

Public benefit

Trustees can confirm that they are informed by the Charity Commission’s guidance on public benefit and that they have complied with section 17 of the Charities Act 2011 to have due regard to this area.

Any research that we fund must be available to everyone regardless of race, religion, gender, sexual orientation or age, amongst other factors.

Review of 2019 and plans for 2020 onwards

We end 2019 a new, combined force for good – as the new Leukaemia UK.

Before joining forces at 1st November 2019, during the first part of the year from January to October, Leuka and the former Leukaemia UK both played an invaluable role in the UK blood cancer charity field – from supporting innovation through to facilitating scientific research that might not otherwise get funded.

We have succeeded in enhancing the world of leukaemia and blood cancer research – and through a pilot project we have highlighted the need for better emotional and psychological support for patients and their families.

We have remained committed to a process of open competition for advertising our fellowships and grants through the good offices of our Independent Scientific Panel that is made up of distinguished,

internationally renowned scientific and clinical experts. These experts volunteer their time to guide our Trustees in their decision making.

Current members of the panel are listed on page 35, from which we are also able to select a specialist Clinical Trials Committee to assess the clinical trials recommended to be taken forward under the IMPACT Clinical trials projects.

The IMPACT Clinical Trials collaboration has proved a successful model that we hope to replicate, to build more such partnerships in the future. Together we want to facilitate scientific advantage and to leverage more resources than would otherwise be available for translational research and care to improve patients’ lives, and we strongly believe that partnership working can achieve this.

Our grant giving is underpinned by a transparent, open and peer-reviewed process, with grant recipients and their host institutions being expected to sign-up to our robust reporting requirements.

Our open peer-review process makes our grants eligible to attract matched funds/top-up subsidies from the government’s charity research support fund administered by Research England. Thereby maximising further to use of the charity’s funds.

Over the next 3-5 years Leukaemia UK will continue its efforts to complement and add value to the work of larger medical charities and research bodies within the haem-oncology field, and will actively work in partnership or collaboration within the sector to further enhance the impact delivered by the sector as a whole.

Challenges

Fundraising is a key challenge for all charities, and extending our reach, supporter network and skills in this area was a key motivation for the merger, so that we can grow and deliver more research and care.

We are building a team capable of delivering a wider range of fundraising activities, campaigns and events – and we are looking to diversify our income streams across the board.

We believe that our selection of top-quality projects to be funded gives us great appeal to potential donors, as they can see that projects have the potential for significant impact in an underfunded field.

We are mindful of the need to take full advantage of digital technology and social media, as well as conventional channels. From November 2019 we launched a new website and began a programme of building on our social channels and our ability to communicate effectively and efficiently with our supporters.

We work in partnership with others in the blood cancer sector and future further collaboration will be key to making the best use of our resources to ensure the greatest impact for all those affected by blood cancers.

Research priorities 2019-2021

We have a track record of funding research and care with the potential to make a positive impact on the quality of life and the life expectancy of patients. Both founding charities share a clear goal to reduce patient suffering and to save lives. We have favoured “translational” research where we can - those investigations designed to transform discoveries into clinical applications. And we are open to requests from across a spectrum of potentially relevant areas – including, haematology, immunology, oncology, genetics and psychology – so that we can support and nurture the most innovative ideas and talent.

We are grateful for the expert advice from our Independent Scientific and Medical Panel to guide our Trustees. Members sign-up to a code of governance that covers confidentiality and conflicts of interest and only those initiatives that are independently deemed worthy of funding are recommended to our Trustees for financial support, with Trustees making the final decision as to how funds are allocated.

What we funded in 2019

- **John Goldman Fellowships:** Awards of up to £125,000 for a novel research project with a maximum 2-year duration. Open to junior clinicians and scientists to enable career progression to become independent group leaders. Open competition; Peer Review – on-going annual programme since 2015.
- **Medical Research Council (MRC) Jointly Funded Fellowships (CRTFs):** A fixed contribution of £100,000 over 3 years. Offered to junior clinicians wishing to pursue clinical research as part of their

career progression. Awards for a novel research project. Via open competition & peer review; run for past 4 years since 2016.

- **Project Grants:** Up to £250,000 for a novel potentially impactful research project. Only offered to established group leaders. Open competition; Peer reviewed; scheme has run for 2 years since 2017.
- **Mind & Body Programme:** Two-year pilot at Kings College Hospital (£461,000 grant) to provide and prove the effectiveness of integrated physical and mental healthcare for blood cancer patients. A one-off grant made in 2017.
- **Partnership for Accelerated Clinical Trials – IMPACT:** 4-year pilot initiative, the UK’s first ever clinical trials partnership dedicated to improving the outcomes of stem cell transplant (SCT) patients. (£1 million commitment). One-off national pilot; Open competition; Peer review for clinical trials.

Additional schemes:

- **Early Career Awards:** Awards of up to £10,000 for anyone with a haematology specialism. Very broad scope and remit. Open competition, previously reviewed by Leukaemia UK’s Medical Panel.
- **International Travel Scholarships:** in collaboration with the European School of Haematology. Total pot of £5,000 p.a. to offer funding for junior scientists/clinicians to attend the annual John Goldman CML Conference. Open competition; selected by expert panel; 2020 is the 4th year of funding; 7-10 awardees per year.
- **Leukaemia UK, Annual Scientific Seminar:** Annual event to showcase the funded research portfolio and the opportunity for our funded/awardees to present and share their research with peers. Provides an environment for networking amongst the haemato-oncology community. Into its 4th year.
- **Conference Fellowships:** Awards up to £1,000, offered to anyone working in a haematology specialism, but particularly targeted at nurses and AHPs for conference attendance.
- **Helping Hand Fund:** Awards up to £500 for families affected by blood cancer. Unrestricted one-off awards made to families with proven needs caused or exacerbated by a blood cancer diagnosis. This fund supported 20 people in 2019.

Building on our current strength and plans for 2020-2023

At the time of writing the Charity is still considering its new 3-5-year strategy. Trustees began this process in December 2019 and held their first Strategy Day in early 2020.

However, we aim to build on the established successful programmes, thereby strengthening an already highly regarded scientific and care portfolio. By staying focused and building on these achievements Leukaemia UK aims is to make its programmes sustainable in the long-term.

John Goldman Fellowships for Future Science 2019

Our John Goldman Fellowships for Future Science programme invites relevant, high quality and feasible applications from scientists and clinician scientists from across the UK, with the longer-term possibility of extending this programme internationally.

Since starting in 2015, by the end of 2019 we have funded 22 John Goldman Fellows based at centres of excellence across the UK. These fellowships are widely advertised each January and, although there is no specific age limit for the awards, they are designed to provide an opportunity for talented early career scientists to develop as independent investigators. Our fellowships are open to researchers (who may or may not be medically qualified) who are generally expected to have up to five years post-doctoral experience. The crucial factor is their ability to demonstrate genuine potential.

Annual and final reports are requested from all the fellows to validate that progress has been made in line with the original proposed aims. Several peer-reviewed publications are currently being either prepared, submitted or have been published. To date our John Goldman Fellows have published 15 peer-review papers and the charity has been acknowledged accordingly.

Goldman Fellowships 2019

- Dr Matthew Blunt, University of Southampton: £119,056.00
- Dr Robert Hoozeboom, King's College London: £124,724.32

- Dr Kristina Kirschner, University of Glasgow: £124,914.00
- Dr Sunniyat Rahman, University College London: £125,000.00

Medical Research Council (MRC) Jointly Funded Fellowships

We collaborate with the MRC to offer jointly funded Clinical Research Training Fellowships (CRTF) awards, contributing a fixed sum of £100k per fellowship - starting in 2017 with the first two Leuka/MRC Fellowships. These prestigious CRTF awards are available to clinical professionals (medical doctors) within the UK to undertake a higher research degree. The scheme can also provide post-doctoral funding for applicants who achieved their PhD more than five years ago but who have not since been active in research, due to clinical training commitments.

During 2019 we have been supporting fellowships jointly with the MRC, making a total of four since we began our collaboration.

- Dr Sonia Wolf: Sonia is affiliated with Imperial College London
- Dr Jennifer O'Sullivan: Jennifer is affiliated with the Weatherall Institute of Molecular Medicine, University of Oxford.
- Dr Sandeep Potluri- Sandeep is affiliated with the University of Birmingham
- Dr Asger Jacobsen- Asger is affiliated with the University of Oxford

Project grants

We began a Project Grants initiative in 2017 to provide support for novel research that demonstrates the potential for advancement in the fundamental understanding of leukaemia, other blood cancers or related diseases or improvements in diagnosis and/or treatment. Translational projects are particularly encouraged, and applications are invited from established clinician scientists and/or research scientists with an outstanding research track record. Funding of up to £250k maximum is offered to span a 3-year duration.

During 2019 we have been supporting four Project Grants:

- Dr Jasper de Boer and Dr Owen Williams at UCL Great Ormond Street Institute of Child Health

- Professor Jackie Boulton and Dr Andrea Pellagatti at the University of Oxford
- Dr Dinis Calado and Dr Jude Fitzgibbon at The Francis Crick Institute, London
- Professor Ken Mills and Dr Kieran Savage at Queen's University Belfast

Our plan is to continue supporting this initiative by funding at least one project grant annually at up to £250k each.

IMPACT- Partnership for Accelerated Clinical Trials

During 2019 we have continued as a key-funding partner in the UK's first stem cell transplant (SCT) clinical trials platform known as IMPACT that began in 2017. The 'Partnership' is comprised of the funding partners, the Anthony Nolan Trust, NHS Blood and Transplant (NHSBT) and Leukaemia UK - together with the National Institute for Health Research (NIHR) and the British Society of Bone Marrow Transplantation (BSBMT).

The structure of the platform is a 'hub and spoke' model located within the Cancer Research UK CTU at the University of Birmingham that forms the core of an integrated UK-wide network of Transplant Centres collaborating to set-up studies, recruit patients and share data. This hub oversees the design, regulatory approval and delivery of a trials portfolio with dedicated resources focussed on trials coordination, data management and statistical analysis.

Leukaemia UK is part of an Oversight Committee that oversees IMPACT

- Henny Braund (Chair) – Chief Executive, Anthony Nolan
- Olive Boles (Deputy Chair) – Co Chief Executive, Leukaemia UK
- Prof. Charlie Craddock – Director of the BMTU Unit, QE Hospital Birmingham
- Prof. David Marks – Clinical Lead of the Bristol Bone Marrow Transplant Unit
- Dr Andrew Hadley – General Manager, Specialist Services NHSBT
- Matt Cooper – Business Development Director, NIHR Clinical Research
- Prof. Paresh Vyas – University of Oxford
- Dr Jenny Byrne – BSBMT

Selection of transplant centres

Ten centres were awarded funding (by the Hub) for a research nurse (see list below). And twelve other centres agreed to participate with unfunded affiliate status. All 21 centres take part in recruiting patients to the IMPACT clinical trials.

2019 IMPACT funded centres:

- Queen Elizabeth Hospital Birmingham
- University College London Hospital
- King's College Hospital
- University Hospitals Bristol NHS Foundation Trust
- NHS Greater Glasgow and Clyde
- St James's University Hospital Trust, Leeds
- Northern Centre for Cancer Care, Freeman Hospital Newcastle
- Churchill Hospital, Oxford
- St Bartholomew's Hospital, London
- Manchester Royal Infirmary Affiliated status centres (unfunded)
- Addenbrooke's Hospital, Cambridge
- The Christie, Manchester
- Derriford Hospital, Plymouth
- Hammersmith Hospital, London
- Heart of England, Birmingham
- Leicester Royal Infirmary, Leicester
- Nottingham City Hospital
- Royal Hallamshire Hospital, Sheffield
- The Royal Marsden Hospital, London
- Royal Liverpool University Hospital
- Southampton General Hospital
- University Hospital of Wales, Cardiff

By the end of 2019 The University of Birmingham hub was running a series of trials approved, with more being planned. By the end of 2019, the first approved clinical trials (COSI, Amadeus, All-RIC and Pro-DLI) were either recruiting patients or in the 'set-up' phase.

During 2019 the Peer Review process was expertly coordinated by Leukaemia UK's secretariat (Dr Dawn Farrar), with independent panel members and reviewers accepting formal terms & conditions covering the principles of independence, management of conflicts of interest and confidentiality.

International scholarships

Conference attendance is an important aspect of a researcher's career and provides an 'up to date' view of the latest findings and the ideal opportunity to build a scientific network including vital international collaborations. In 2017 Leukaemia UK began offering an annual scholarship fund of £5,000 in collaboration with the European School of Haematology (ESH) to provide approximately ten junior clinicians and scientists with funding to attend the Annual John Goldman CML conference. Both the Charity and ESH advertise these scholarships. ESH administers the selection process and an ESH expert committee selects the

successful applicants based on their scientific/clinical track record and potential.

The 2019 Annual John Goldman CML conference was held in Bordeaux, France on 12-15 September 2019. The charity committed £5,000 and seven scholarships were awarded (details in table below). The Chair of our independent Scientific Committee, Professor Nick Cross presented certificates to the successful awardees at an award ceremony held in Bordeaux. In 2020 we are continuing to support this annual initiative.

The list of scholarships supported during 2019 is shown in the table below.

Last name	First name	Institution	City	Country
Dawson	Amy	Wolfson Wohl Cancer Research Centre, Institute of Cancer Sciences, University of Glasgow	Glasgow	United Kingdom
Gullaksen	Stein-Erik	Centre of Cancer Biomarkers CCBIO, Department of Clinical Science	Bergen	Norway
Kumar	Rahul	Georg-Speyer-Haus Institute for Tumor Biology and Experimental Therapy	Frankfurt am Main	Germany
Pereira	Raquel	Georg-Speyer-Haus Institute for Tumor Biology and Experimental Therapy	Frankfurt am Main	Germany
Al Outa	Amani	Department of Anatomy, Cell Biology and Physiology, Faculty of Medicine, American University of Beirut	Beirut	Lebanon
Yu	Lu	Peking University People's Hospital	Beijing	China
Quoc Thanh	Nguyen	University of Medicine and Pharmacy at Ho Chi Minh city	Ho Chi Minh	Viet Nam

Annual scientific seminar

In 2019, we held our third annual Scientific Seminar for our Fellows, grant holders, independent scientific panel members and peer reviewers. Professor Charlie Craddock CBE,

the University of Birmingham, was the keynote speaker and the purpose of the event was to share knowledge, encourage collaboration, build our scientific networks and raise our profile in the field of blood cancer research and encourage and attract talented scientists/clinicians to the field.

Resources and fundraising

Thanks to the merger, the charity now has a diversified income base with good potential to grow, plus we have reserves which we will invest in further research projects in line with our charitable objects.

Fundraising costs represent the total fundraising costs for each charity for the first 10 months of 2019 as they continued to operate their separate fundraising programmes to maintain income through merger.

Post-merger, the legacy charity's fundraising programmes have been integrated and natural efficiency savings made, reducing overall fundraising costs to below or in line with sector benchmarks.

Our 2020 resource plan is to:

- Build our charitable programme and carefully invest our reserves in the gaps in blood cancer research and care, which will drive progress for those affected by the disease.
- Grow our income by continuing to develop our fundraising tools, skills and capabilities.

Of particular note in our 2019 fundraising calendar was the 20th Annual Who's Cooking Dinner? Gala event hosted at the Dorchester Hotel in London. Generously supported by 25 celebrity chefs, the event saw 250 guests have a once-in-a-lifetime dining experience, which raised an amazing £539,390 for our cause. Of this over £300,000 was raised through Chefs 'auctioning themselves' to cook dinner in the bidder's home for 10 guests. The balance of the money was raised through a silent auction on the night, a raffle and table sales for the event. This was a record outcome, being the 20th anniversary of the event, and we are so grateful to have this support from the Chefs and their restaurants as well as the Dorchester, and other sponsors which included Laurent Perrier, Dobel, Ferrand Cognac and Camden Town Brewery.

We also benefitted from specific gifts to contribute to the posts of Head of Fundraising and Head of Research & Policy, totalling £95,000.

The balance of our income was split across a range of sources, from individuals undertaking events such as the London Marathon, or giving in memory of loved ones. Trust and Foundation income reached £92,716 from a number of organisations,

many of whom have supported us for many years. For the first time in 2019 we accepted support from a pharmaceutical company Janssen, of £10,000. The money was aimed at helping us to improve our digital information about leukaemia and blood cancer, and to raise awareness amongst our audience.

There is also a historic programme of payroll giving which is run and promoted for us by two Payroll Giving Agents, Payroll Giving in Action and Sharing the Caring. We have no other commitments to professional fundraisers or commercial participation agreements.

The charity is a member of the Institute of Fundraising and is registered with the Fundraising Regulator and seeks to adhere to its Code of Fundraising practice in all its activities. We received no complaints during the year about the charity or any person acting on our behalf. During the year, following specialist training, we reviewed and updated our safeguarding policy and this will be repeated each year to include the protection of any potentially vulnerable individuals within our fundraising practice. One Trustee attended training in Safeguarding which was then shared with the staff and Board, and recommendations integrated into our own policies.

In 2020 we will seek to continue building our income, particularly from:

- **Corporates** – particularly to be their chosen Charity of the Year.
- **Trusts and Foundations** – by identifying exciting and ground breaking projects to fund, we hope to attract multi-year funding relationships with a small number of Trusts and Foundations.
- **Individual donations** – from a range of initiatives, but particularly driven by our more active voice on all digital platforms, and a richer mix of content including a number of digital campaigns.
- **Legacies** – we are a member of the Remember a Charity group, and also use the Free Wills Network and Farewills.

This approach will be reviewed regularly in light of the impact of the ongoing COVID-19 pandemic.

Financial performance

Total income at £1,719k, was up £228k from 2018. The biggest change was within table sales for Who's Cooking Dinner? 2019 and income from auctions and raffles, with the event being one of the most successful in financial terms to date.

This increase income was achieved with minimal increase on expenditure on raising funds, demonstrating the increasing effectiveness of the Charity's fundraising activities.

Expenditure on charitable activities was £1,559k – a significant increase of £650k on the prior period, reflecting the planned expansion of the research programme. Grants committed in the period totalled £1,262k, almost double the prior year commitment of £675k.

As a result, net income in the year showed a deficit of £51k compared to a deficit of £146k in the prior year. This deficit would have been significantly higher had it not been for a positive result for investments in the year with a net unrealised gain in the year of £346k compared to a net deficit of £183k in the prior year.

This result reflects a recognition within the Trustees that the reserves accumulated over the past few years should be released over the next few years, but also reflects a desire to ensure that only research and care projects that meet the stringent requirements of the Charity are funded.

Reserves policy

At the end of 2019, the total funds of the charity were £3,207,938 down from £3,259,234 at the end of 2018. Funds held on 31 December 2019 were unrestricted £3,147,938, restricted £60,000 (2018 - unrestricted £3,188,059). £573,057 (2018 - £799,703) of the unrestricted funds were designated to the IMPACT project and this will be spent over the next year.

In 2018, to demonstrate their commitment to research the Trustees had created a new designated Grants fund of £1,000,000 representing one year of future grant awards, however, following a review of the reserves policy post merger this was incorporated within the reserves requirement of the Charity and released back to general reserves. As a result, free or general reserves totalled £2,574,881 (2018 - £1,388,356).

As noted above, following the completion of the merger, the reserves policy of the Charity was revised to simplify it.

The new reserves policy requires sufficient free reserves to cover 12 months running costs (c. £525k) and one year's worth of grant commitments (c. £1m), all uplifted by an additional 25%. This requires a general reserves level of c. £1,900k. The current level of £2,574,881 exceeds this amount.

The Trustees have identified this excess of general or free reserves as one of the risks currently facing the charity, and that they are aware that the reserves guidance issued by the Charities Commission states we should not hold excessive reserves.

However, Trustees believe it is prudent to hold general reserves at the current level to preserve the ability to fund research while investing in developing the charity's ability to increase its income.

Structure, governance and management

Leukaemia UK operates as a charitable incorporated organisation (CIO) and is governed in line with its constitution dated December 3, 2013. The CIO took over the charitable activities of the original Leukaemia UK on 1st November 2019, and that charity number 1150414 was renamed Leukaemia UK Organisation. The joint charity chose to operate with the charitable objects of the CIO, as these also reflected the existing activities and ambitions of the original Leukaemia UK.

Appointment of trustees

The Board of Trustees currently consists of a Chair, a vice-Chair, a Treasurer and twelve other Trustees following the bringing together of the two founding charity Boards in full. The constitution states there must be a minimum of three Board Members. All Trustees have a term length of three or four years but are eligible for one reappointment. Any new Trustees are invited by agreement of the existing Trustees having due regard to the skills, knowledge and experience required for the effective administration of the Charity.

Management

The Trustees are responsible for the governance of the charity, ensuring it meets its statutory responsibilities as well as determining overall strategy, policies and direction with the expert guidance of the Management Team. The Trustees delegate day to day management of the charity to the senior management team consisting of a Chief Executive and following the merger, two CO CEOs.

Remuneration policy

The salaries of staff are reviewed on an annual basis by the remuneration subcommittee of the Board. Each year a salary review is considered but not guaranteed, with any agreed uplift applicable from 1st January and only available to staff who have completed their probationary period. When new roles are considered the charity benchmarks them against similar roles in similar sized medical charities.

Investment policy

The Trustees take a cautious and prudent approach to investment of its funds and to ensure appropriately diversified investments have agreed for the Charity's funds be split between:

- short and medium-term bank money market deposits; and,
- a portfolio of investments managed by the firm of stockbrokers, Investec.

This split of resources is designed to balance potential returns with appropriate risk, as well as ensuring enough liquidity to meet cash flow requirements. The long-term investment portfolio is managed to ensure both a cash income source through dividends and interest which is withdrawn from the portfolio on a quarterly basis, and to achieve capital growth by reinvesting funds from disposed of investments.

The only restriction placed on the investment portfolio is an instruction that the firms must not invest charity funds in tobacco companies.

All long-term investments are managed by Investec, who provides regular updates to Board meetings throughout the year. Investec are invited annually to present to the Finance & Audit Committee.

Risk assessment

We have a stringent approach to risk management with the risk register and processes reviewed on a regular basis by the Finance, Audit and Risk Committee and annually by the full Board of Trustees. The Trustees actively review the major strategic, business and operational risks that the Charity faces and confirm that they have established systems to manage the significant risks.

The risk management process takes account of several factors when identifying risks, including internal factors such as staff expertise, cash and donation levels, and current commitments, as well as external factors including reputational risk, trends within the sector, and changes in legislation.

Each risk is then given a rating based on the level of impact it might have on the operations of the charity against the likelihood of any negative impact occurring. The major risks identified by the management team at the end of the reporting period are outlined on the next page.

Risk	Mitigating activities
<p>Reserve levels are currently high, following the merger of the two charities, awaiting our new grant giving strategy for the combined charity, and this may have a negative impact on fundraising activities.</p>	<ul style="list-style-type: none"> • The Board has set up a Finance, Audit and Risk sub-committee, chaired by the Treasurer. Its remit includes reviewing the investment & reserves policy and advising the Board accordingly. • The Board keeps the reserve policy under review to ensure it is fit for purpose and balances risk. • Two to three year rolling cashflow forecasts are presented as part of the management accounts to show current cash and investment levels against future commitments and expected income, including showing the balance of funds remaining uncommitted at the end of the period. • The Charity plans to designate these reserves to a new Grant Giving Strategy to be developed for the combined organisation.
<p>Failure in internal controls leads to fraud or misappropriation of funds, including cyber crime.</p>	<ul style="list-style-type: none"> • Double signature on all payments. Clear process in place for processing of post received, and cheque tracking and handling. Most income is now received online. • All documents and databases are cloud-based. We use an external IT company to manage our office systems and their security. • Two Factor Authentication is used as standard for all payment platforms.
<p>Adverse Economic Climate</p>	<ul style="list-style-type: none"> • We are very aware of the risk of any general downturn in the economy negatively impacting our income, with particular concerns over the ongoing COVID-19 global pandemic. • We have, and continue to work on, a diversified income base, but individual donations from a range of sources are very important to us, as well as the keynote annual dinner. • Developing a stronger digital presence across all platforms, and having a stronger charity presence will give us the best chance of dealing with any adverse change.

Statement of board of trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the excess of expenditure over income for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that content of the annual review in pages 3 to 15 of this document meet the requirements of the Trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Auditors

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and,
- the Trustee has taken all the steps he/ she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved and authorised for issue by the Board of Trustees on 16 October 2020 and signed on its behalf by:

Chris Corbin OBE, Chairman

Chris Corbin

Independent auditor's report

Opinion

We have audited the financial statements of Leukaemia UK for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (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 December 2019, 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 Charities Act 2011.

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity 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 required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees 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 charity 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 144 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Mahmood Ramji (Senior Statutory Auditor)

For and on behalf of Moore Kingston Smith LLP
Statutory auditor

Dated: **29 October 2020**

Devonshire House,
60 Goswell Road, London, EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006



Financial statements

for the year ended 31 December 2019

Statement of financial activities

For the year ended 31 December 2019

	<i>Notes</i>	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	<i>Total Funds 2018 £</i>
Income from					
Donations and legacies	3	943,303	114,463	1,057,766	<i>1,005,479</i>
Other trading activities	4	533,190	-	533,190	<i>363,592</i>
Investments	5	127,672	-	127,672	<i>121,714</i>
Total income		1,604,165	114,463	1,718,628	<i>1,490,785</i>
Expenditure on					
Raising funds	6 & 7	477,069	79,538	556,607	<i>544,470</i>
Charitable activities	6 & 8	1,513,133	46,100	1,559,233	<i>909,720</i>
Total expenditure		1,990,202	125,638	2,115,840	<i>1,454,190</i>
Net gains/(losses) on investments	12	345,916	-	345,916	<i>(183,066)</i>
Net income/(expenditure)		(40,121)	(11,175)	(51,296)	<i>(146,471)</i>
Reconciliation of funds					
Total funds brought forward	16 & 17	3,188,059	71,175	3,259,234	<i>3,405,705</i>
Total funds carried forward	16 & 17	3,147,938	60,000	3,207,938	<i>3,259,234</i>

The notes on pages 23 to 34 form part of the financial statements.

All the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above

Balance sheet

As of 31 December 2019

	<i>Notes</i>	Total Funds 2019 £	<i>Total Funds 2018 £</i>
Fixed assets			
Tangible assets	<i>11</i>	4,178	8,432
Investments	<i>12</i>	3,105,250	2,781,126
Total fixed assets		3,109,428	2,789,558
Current assets			
Debtors and prepayments	<i>13</i>	75,251	155,142
Investments		1,013,762	1,311,533
Cash at bank and in hand		1,695,594	1,290,153
Total current assets		2,784,607	2,756,828
Creditors - amounts falling due within one year	<i>14</i>	(1,862,729)	(1,467,445)
Net current assets		921,878	1,289,383
Grants awarded - due in more than one year	<i>15</i>	(823,368)	(819,707)
Total net assets		3,207,938	3,259,234
Funds of the charity			
Restricted	<i>16 & 17</i>	60,000	71,175
Unrestricted			
Designated	<i>16 & 17</i>	573,057	1,799,703
General	<i>16 & 17</i>	2,574,881	1,388,356
Total unrestricted		3,147,938	3,188,059
Total funds		3,207,938	3,259,234

The notes on pages 23 to 34 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 16 October 2020 and signed on their behalf by:

Chris Corbin OBE, Chairman

Chris Corbin

Statement of cash flows

For the year ended 31 December 2019

	Total Funds 2019 £	<i>Total Funds 2018 £</i>
Cash flows from operating activities		
Net income/(expenditure) for period (as per SOFA)	(51,296)	<i>(146,471)</i>
Adjustments for:		
Depreciation charges	4,064	4,443
(Profit)/loss on disposal of tangible asset	190	335
Investment income received	(127,672)	<i>(121,714)</i>
(Gain)/loss on revaluation of investments	(345,916)	<i>183,066</i>
(Increase)/decrease in short term investments	297,771	89,232
(Increase)/decrease in trade debtors	(7,000)	<i>(25,000)</i>
(Increase)/decrease in accrued gift aid	13,249	<i>(7,525)</i>
(Increase)/decrease in other accrued income	61,882	<i>(78,727)</i>
(Increase)/decrease in rent deposit	3,325	<i>(1,137)</i>
(Increase)/decrease in prepayments	8,318	<i>(5,653)</i>
(Increase)/decrease in other debtors	117	<i>(10)</i>
Increase/(decrease) in trade creditors	(2,413)	<i>(9,885)</i>
Increase/(decrease) in payroll liabilities	(4,851)	2,247
Increase/(decrease) in grants payable - due in less than a year	387,800	<i>(66,821)</i>
Increase/(decrease) in accruals	6,167	3,694
Increase/(decrease) in deferred income	52,500	38,500
Increase/(decrease) in other creditors	(43,919)	43,919
Increase/(decrease) in grants payable - due in more than a year	3,661	<i>(37,034)</i>
	307,273	<i>11,930</i>
Net cash flows from operating activities	255,977	<i>(134,541)</i>
Cash flows from investing activities		
Investment income received	127,672	121,714
Purchase of tangible fixed assets	-	<i>(3,762)</i>
Proceeds from sale of investments	318,892	<i>670,038</i>
Purchase of investments	(372,712)	<i>(658,201)</i>
Decrease/(increase) in cash held in portfolio	75,612	<i>11,150</i>
Net cash flows from investing activities	149,464	<i>140,939</i>
Change in cash and cash equivalents in period	405,441	<i>6,398</i>
Cash at bank and in hand brought forward	1,290,153	<i>1,283,755</i>
Cash at bank and in hand carried forward	1,695,594	<i>1,290,153</i>

The notes on pages 23 to 34 form part of the financial statements.

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with 'Charities SORP (FRS 102) - 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) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 1, and relevant charities law.

The effect of any event relating to the year ended 31 December 2019, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2019 and the results for the year ended on that date.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

Legal status

Leukaemia UK is a charitable incorporated organisation registered in England & Wales, and meets the definition of a public benefit entity. The registered office is 52 Portland Place, London, W1B 1NH.

Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

The Trustees have considered the Charity's forecasts and projections and have taken account of pressures on donation, fundraising and investment income. After making enquiries, the Trustees confirm that the Charity has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that would impact this assessment. The ongoing COVID-19 pandemic has had no material impact on this assessment. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated Funds are unrestricted funds which have been designated for a specific purpose by the Trustees. The aim and use of each designated fund is set out in note 16 of the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 16 of the financial statements.

Income

All income is included in the Statement of Financial Activities when the Charity has entitlement, there is probability of receipt and the amount is measurable.

For donations and gifts this is when they are received. Gift Aid is recognised on a receivable basis as part of the income to which it relates.

Grants are recognised in full in the year in which they are receivable except in situations where they are related to performance in which case they are accrued as the Charity earns the right through performance.

Fundraising income is accounted for gross, with any associated costs presented as expenditure.

Interest is recorded when it is receivable.

Dividends are accounted for when due, and tax recoverable on such income is accounted for based on the repayment due in the fiscal year ending in that accounting year.

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at the period end.

Expenditure and irrecoverable VAT

Expenditure is accounted for on an accruals basis and liabilities are recognised as expenditure when there is a legal obligation committing the Charity to the expenditure, it is probable that settlement will be made, and the obligation can be measured.

Non-recoverable VAT is included against the expenditure heading to which it relates.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated between activities proportionate to the direct costs incurred in those activities.

Grants payable are payments made to third parties in furtherance of the Charity's objectives.

Unconditional grant offers are accrued in full once the recipient has been advised of the grant award and the payment is probable. Where grant awards are subject to performance conditions that are outside of the control of the Charity these are accrued when the recipients have been notified of the grant award.

Multi-year grants are recognised at their historic cost and thereafter at the best estimate of the amount required to settle the obligation at the reporting date. Where payments are due over more than one year from the date of the award and there are no unfulfilled conditions which are within the control of the Charity and the effect of discounting is immaterial, no adjustment is made to discount the liability to its present value at the reporting date.

Taxation

As a registered charity income and gains are exempt from Corporation Tax to the extent that they are applied to the charitable objectives.

Donated goods and services

Where goods are provided to the Charity as a donation that would normally be purchased from suppliers this contribution is included in the financial statements as an estimated based on the value of the contribution to the Charity.

Investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date, which gives rise to unrealised gains/losses at the end of the financial period which is reflected in the SOFA. Realised gains/losses are calculated as the difference between the sales proceeds and the opening carrying value or the purchase price if acquired during the financial period. Partial disposals are accounted for using the average value. Fair value is based on the quoted price at the balance sheet date without deduction of estimated future selling costs.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment losses, with individual assets over £500 being capitalised.

Depreciation is provided at rates calculated to write off the cost of each asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computers – straight line over 4 years

Fixtures and fittings – straight line over 5 years

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount is applied.

Creditors

Creditors 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.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The treatment of tangible fixed assets is sensitive to changes in useful economic lives and residual values of assets. These are reassessed annually.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Pensions

Pension contributions payable under a defined contribution scheme are charged to the SOFA in the accounting period to which they relate.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

2. Merger of Leuka and Leukaemia UK

As of 1 November 2019 Leuka (charity no. 1154856) and Leukaemia UK (charity no. 1150414) merged to form Leukaemia UK, utilising the existing structure of Leuka (charity no. 1154856).

The figures for 2019 and the restated figures for 2018 in these financial statements represent the combined totals for both entities.

There have been no significant changes to either entity's accounting policies as a result of the merger, although the cost allocation model has been amended so that indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated between activities proportionate to the direct costs incurred in those activities.

The figures from Leukaemia UK for the prior year reflect the restated income figures as per the correction to prior year error reflected in note 2 of the 2019 accounts for the old Leukaemia UK charity – now renamed Leukaemia UK Operations Ltd (charity no. 1150414).

An analysis of the principal components of both the current and prior period's SOFA split between the two entities pre-merger, and combined entity post-merger is shown below.

	Leuka (pre-merger) 2019 £	Leukaemia UK (pre-merger) 2019 £	Combined (post-merger) 2019 £	Total Funds 2019 £
Total income	888,524	596,392	233,712	1,718,628
Total expenditure	(1,611,531)	(273,691)	(230,618)	(2,115,840)
Net income (expenditure)	(723,007)	322,701	3,094	(397,212)
Net gains/(losses) on investments	270,977	-	74,939	345,916
Net movement in funds	(452,030)	322,701	78,033	(51,296)

	Leuka 2018 £	Leukaemia UK re stated 2018 £	Total Funds re stated 2018 £
Total income	1,030,485	460,300	1,490,785
Total expenditure	(1,211,010)	(243,180)	(1,454,190)
Net income (expenditure)	(180,525)	217,120	36,595
Net gains/(losses) on investments	(183,066)	-	(183,066)
Net movement in funds	(363,591)	217,120	(146,471)

The aggregate carrying amount of net assets of each party to the merger, differentiating between restricted and unrestricted funds at the date of the merger (1 November 2019) was as follows:

	Leuka £	Leukaemia UK £	Total Funds £
Net assets as at 1 November 2019	2,362,544	767,361	3,129,905
Represented by:			
Unrestricted funds	2,362,544	767,361	3,129,905
Restricted funds	-	-	-
Total funds as at 1 November 2019	2,362,544	767,361	3,129,905

3. Income from donations and legacies

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Donations	530,186	99,684	629,870
Grants	77,937	14,779	92,716
Legacies and in memorium	193,945	-	193,945
Donated goods and services	141,235	-	141,235
Total income from donations & legacies	943,303	114,463	1,057,766

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Donations	464,803	100,637	565,440
Grants	72,524	-	72,524
Legacies and in memorium	174,986	-	174,986
Donated goods and services	192,529	-	192,529
<i>Total income from donations & legacies</i>	<i>904,842</i>	<i>100,637</i>	<i>1,005,479</i>

Donated goods and services consists of:

	Total Funds 2019 £	Total Funds 2018 £
Office accommodation and related costs	60,322	59,139
Who's Cooking Dinner support	68,163	76,807
BigGive event	-	40,333
Other	12,750	16,250
Total donated goods and services	141,235	192,529

4. Income from other trading activities

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Sale of tables at Who's Cooking Dinner	160,450	-	160,450
Auctions and raffles	371,533	-	371,533
Other	1,207	-	1,207
Total income from other trading activities	533,190	-	533,190

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Sale of tables at Who's Cooking Dinner	117,000	-	117,000
Auctions and raffles	245,615	-	245,615
Other	977	-	977
<i>Total income from other trading activities</i>	<i>363,592</i>	<i>-</i>	<i>363,592</i>

5. Income from investments

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Dividends and interest on fixed asset investments	110,136	-	110,136
Interest on short term cash deposits	17,536	-	17,536
Total income from investments	127,672	-	127,672

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Dividends and interest on fixed asset investments	107,364	-	107,364
Interest on short term cash deposits	14,350	-	14,350
<i>Total income from investments</i>	<i>121,714</i>	<i>-</i>	<i>121,714</i>

6. Total expenditure

	Grants to institutions 2019 £	Direct staff 2019 £	Direct other 2019 £	Indirect 2019 £	Total costs 2019 £
Expenditure on					
Raising funds	-	201,064	262,241	93,302	556,607
Charitable activities	1,262,004	24,978	10,883	261,368	1,559,233
Total expenditure	1,262,004	226,042	273,124	354,670	2,115,840

	Grants to institutions 2018 £	Direct staff 2018 £	Direct other 2018 £	Indirect 2018 £	Total costs 2018 £
<i>Expenditure on</i>					
Raising funds	-	107,272	317,226	119,972	<i>544,470</i>
Charitable activities	674,648	27,333	7,286	200,453	<i>909,720</i>
<i>Total expenditure</i>	<i>674,648</i>	<i>134,605</i>	<i>324,512</i>	<i>320,425</i>	<i>1,454,190</i>

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated between activities proportionate to the direct costs incurred in those activities.

A breakdown of expenditure on raising funds between restricted and unrestricted funds can be found in note 7.

A breakdown of charitable expenditure between restricted and unrestricted funds can be found in note 8.

An analysis of staff costs can be found in note 10.

Indirect costs includes the following items:

	Total costs 2019 £	Total costs 2018 £
Management & operational staff	160,914	130,488
Premises	74,151	70,677
IT, finance & other professional services	61,106	75,142
General admin	10,472	29,403
Governance	48,027	14,715
Total indirect costs	354,670	320,425

Governance costs includes the following items:

	Total costs 2019 £	Total costs 2018 £
Audit and independent examination costs	11,640	8,782
Legal costs	35,722	4,753
Insurance costs	651	1,180
Other costs	14	-
Total governance costs	48,027	14,715

7. Expenditure on raising funds

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Direct staff costs	133,006	68,058	201,064
Other direct costs	250,761	11,480	262,241
Indirect costs	93,302	-	93,302
Total expenditure on raising funds	477,069	79,538	556,607

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Direct staff costs	102,810	4,462	107,272
Other direct costs	317,226	-	317,226
Indirect costs	119,972	-	119,972
<i>Total expenditure on raising funds</i>	<i>540,008</i>	<i>4,462</i>	<i>544,470</i>

Included within other direct costs are investment management costs of £22,991 (2018 - £22,986).

8. Expenditure on charitable activities

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Grants to institutions	1,238,571	23,433	1,262,004
Direct staff costs	2,311	22,667	24,978
Other direct costs	10,883	-	10,883
Indirect costs	261,368	-	261,368
Total expenditure on charitable activities	1,513,133	46,100	1,559,233

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Grants to institutions	674,648	-	674,648
Direct staff costs	2,333	25,000	27,333
Other direct costs	7,286	-	7,286
Indirect costs	200,453	-	200,453
<i>Total expenditure on charitable activities</i>	<i>884,720</i>	<i>25,000</i>	<i>909,720</i>

9. Analysis of grants awarded in period

	Total funds 2019 £	<i>Total funds 2018 £</i>
European School of Haematology	5,000	5,000
Francis Crick Institute	249,999	-
Imperial College London	-	100,000
Kings College London	136,724	103,586
Queens University Belfast	237,443	-
University College London	125,000	124,621
University of Birmingham	226,646	124,852
University of Glasgow	124,914	-
University of Liverpool	-	124,799
University of Oxford	-	100,000
University of Southampton	119,056	-
Early career awards*	26,668	54,919
Small project grants*	10,554	6,450
Release of prior year provision	-	(69,579)
Total grants awarded	1,262,004	674,648

*Early career awards and small project grants consist of a number of small awards which are not listed in their entirety here as they are not individually material to the accounts.

10. Staff numbers and costs

	Total costs 2019 £	<i>Total costs 2018 £</i>
Gross salaries	336,599	235,221
Employer's NIC	30,537	17,666
Employer's pension	19,820	12,206
Total staff costs	386,956	265,093

The average number of employees (head count based on number of staff employed) during the year was 9 persons (2018 – 9).

One employee received employee benefits of between £60,000 and £69,999 (2018 – NIL).

Total remuneration to key management personnel in the year was £128,188 (2018 - £92,152 This has been restated from the prior year to only include the two CEOs/Co CEOs and no longer includes the Head of Finance for Leuka.

11. Tangible fixed assets

	Computer equipment £	Fixtures & fittings £	Total tangible fixed assets £
Cost			
Brought forward on 1 January 2019	17,151	606	17,757
Additions in year	-	-	-
Disposals in year	(1,365)	-	(1,365)
Cost carried forward on 31 December 2019	15,786	606	16,392
Accumulated depreciation			
Brought forward on 1 January 2019	9,083	242	9,325
Charge in year	3,942	122	4,064
Disposals in year	(1,175)	-	(1,175)
Accumulated depreciation carried forward on 31 December 2019	11,850	364	12,214
Net book value			
Brought forward on 1 January 2019	8,068	364	8,432
Net book value carried forward on 31 December 2019	3,936	242	4,178

12. Fixed asset investments

	Total funds 2019 £	Total funds 2018 £
Market value brought forward	2,691,845	2,886,748
Additions at cost	372,712	658,201
Proceeds on disposal	(318,892)	(670,038)
Net gains/(losses) in period	345,916	(183,066)
Market value carried forward	3,091,581	2,691,845
Cash held as part of the investment portfolio	13,669	89,281
Total market value of investment portfolio carried forward	3,105,250	2,781,126

Analysis of market value of investments by investment type:

	Total funds 2019 £	Total funds 2018 £
UK fixed interest bonds	511,901	562,114
Non UK fixed interest bonds	43,052	-
UK equities and funds	1,356,440	1,140,453
Non UK equities and funds	733,730	563,682
Other funds including cash	460,127	514,877
Total market value of investment portfolio carried forward	3,105,250	2,781,126

13. Debtors and prepayments

	Total funds 2019 £	<i>Total funds 2018 £</i>
Trade debtors	39,000	32,000
Accrued gift aid	265	13,514
Other accrued income	23,488	85,370
Rent deposit	-	3,325
Prepayments	12,498	20,816
Other debtors	-	117
Total debtors and prepayments	75,251	155,142

14. Creditors: amounts falling due within one year

	Total funds 2019 £	<i>Total funds 2018 £</i>
Trade creditors	13,976	16,389
Payroll liabilities	4,165	9,016
Grants awarded - due in less than a year	1,720,254	1,332,454
Accruals	19,334	13,167
Deferred income - table income received for Who's Cooking Dinner? 2020	105,000	52,500
Other creditors	-	43,919
Total creditors - amounts falling due within one year	1,862,729	1,467,445

15. Grants payable

	Total funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>	<i>Total funds 2018 £</i>
Brought forward on 1 January 2019		2,152,161		2,256,016
Grants awarded (see note 9)	1,262,004		744,227	
Release of prior year provision (see note 9)	-		(69,579)	
		1,262,004		674,648
Grants paid in year		(870,543)		(778,503)
Total grants payable on 31 December 2019		2,543,622		2,152,161
		Total funds 2019 £		<i>Total funds 2018 £</i>
Payable within one year		1,720,254		1,332,454
Payable within two to five years		823,368		819,707
Total grants payable on 31 December 2019		2,543,622		2,152,161

16. Analysis of charity funds

	Funds brought forward 2019 £	Income in year 2019 £	Expenditure in year 2019 £	Net gains/(losses) on revaluation 2019 £	Transfers between funds 2019 £	Funds carried forward 2019 £
Restricted funds						
Head of Fundraising	67,538	72,000	(79,538)	-	-	60,000
Project grants	3,637	19,796	(23,433)	-	-	-
Research manager	-	22,667	(22,667)	-	-	-
Total restricted funds	71,175	114,463	(125,638)	-	-	60,000
Designated funds						
IMPACT	799,703	-	(226,646)	-	-	573,057
Grants fund	1,000,000	-	-	-	(1,000,000)	-
Total designated funds	1,799,703	-	(226,646)	-	(1,000,000)	573,057
General funds	1,388,356	1,604,165	(1,763,556)	345,916	1,000,000	2,574,881
Total funds	3,259,234	1,718,628	(2,115,840)	345,916	-	3,207,938

Restricted funds – Head of Fundraising

The Charity received funds from a corporate partner to support the role of Head of Fundraising and associated costs over two years.

Restricted funds – Project grants

The Charity received funds from a variety of sources to support small project grants.

Restricted funds – Research Manager

The Charity received funds from an individual to support the role of Research Manager and associated costs for a number of years.

Designated funds – IMPACT

The IMPACT designated fund is to fund the IMPACT clinical trial, a collaborative project with Anthony Nolan, NHSBT, and the University of Birmingham. The agreement was signed early 2017, with funding split over several years originally to 31st December 2019 but now extended. The amount set aside in designated funds is the maximum grant available over the grant term.

Designated funds – Grants fund

Previously the Trustees had set aside an amount to cover a years worth of grant commitments, however following a review of the reserves policy post merger, to incorporate this within the general reserves, this has now been released.

	Funds brought forward 2018 £	Income in year 2018 £	Expenditure in year 2018 £	Net gains/(losses) on revaluation 2018 £	Transfers between funds 2018 £	Funds carried forward 2018 £
<i>Restricted funds</i>						
Head of Fundraising	-	72,000	(4,462)	-	-	67,538
Project grants	-	3,637	-	-	-	3,637
Research manager	-	25,000	(25,000)	-	-	-
Total restricted funds	-	100,637	(29,462)	-	-	71,175
<i>Designated funds</i>						
IMPACT	810,068	-	-	-	(10,365)	799,703
Grants fund	1,200,000	-	-	-	(200,000)	1,000,000
Total designated funds	2,010,068	-	-	-	(210,365)	1,799,703
General funds	1,395,637	1,390,148	(1,424,728)	(183,066)	210,365	1,388,356
Total funds	3,405,705	1,490,785	(1,454,190)	(183,066)	-	3,259,234

17. Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Fixed assets	3,109,428	-	3,109,428
Current assets	2,724,607	60,000	2,784,607
Current liabilities	(1,862,729)	-	(1,862,729)
Non-current liabilities	(823,368)	-	(823,368)
Total net assets	3,147,938	60,000	3,207,938

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Fixed assets	2,789,558	-	2,789,558
Current assets	2,685,653	71,175	2,756,828
Current liabilities	(1,467,445)	-	(1,467,445)
Non-current liabilities	(819,707)	-	(819,707)
Total net assets	3,188,059	71,175	3,259,234

18. Trustee remuneration and donations

During the year, no Trustees received reimbursement of expenses or remuneration (2018 - £NIL).

During the year, the Charity received donations totalling £2,360 (2018 - £4,096).

19. Related party transactions

During the current year, there were no related party transactions apart from where disclosed in note 18 (2018 - £NIL).

20. Guarantees and secured charges

As of 31 December 2019 the Charity did not have any outstanding guarantees to third parties nor any debts secured against assets of the Charity (2018 - £NIL).

21. Capital commitments

There were no capital commitments not provided for in the financial statements (2018 - NIL).

22. Post balance sheet events

There were no post balance sheet events that require disclosure within the financial statements (2018 - NIL).

Legal and administrative information

Charity registration no.

1154856

Registered address

Leukaemia UK
52 Portland Place
London
W1B 1NH

Board of trustees

- Chris Corbin OBE (Chairman)
- Amanda Stewart (Vice Chair) (appointed 1 November 2019)
- Oliver Spark (Treasurer)
- Alastair Adam (appointed 1 November 2019)
- Luke Cripps (appointed 1 November 2019)
- Caroline Evans (appointed 1 November 2019)
- James Fairclough
- Racheline Garston (resigned 10 June 2020)
- Prof. Edward Gordon-Smith FRCPATH, FRCP, FRCP(E), Fedics (resigned 1 November 2019)
- Ray Kelly
- David Krap
- Prof. David Linch FRCP, FRCPATH, Fedics
- Jonathan Neal LLB(Hons) FFA, FMAAT, ACEA, FAIA, FFTA, AIPW (appointed 1 November 2019)
- John Macey
- Prof Antonio Pagliuca MB BS, MA, FRCP, FRCPATH (appointed 1 November 2019)
- Liz Pepper (appointed 1 November 2019)

Independent Scientific Panel (2019)

- Professor Nick Cross (Chair), University of Southampton
- Professor Francesco Dizzy (Vice Chair), King's Coll. London
- Prof. Dominique Bonnet, Francis Crick Institute London
- Prof. Jackie Boulton, University of Oxford
- Prof. Richard Clark, University of Liverpool
- Prof. Tariq Enver, University College London
- Prof. Maria Figueroa, Univ. of Miami Miller Sch. of Med., USA
- Prof. John Gribben, Queen Mary University of London
- Prof. Olaf Heidenreich, University of Newcastle
- Prof. Robert Hills, Cardiff University
- Prof. Anastasios Karadimitris, Imperial College London
- Prof. Nicolaus Kröger, Univ. Med. Ctr, Hamburg, Germany
- Prof. David Marin, MD Anderson, Houston, USA
- Prof. Mary Francis McMullin, Queen's University Belfast

- Prof. Ken Mills, Queen's University Belfast
- Prof. Emma Morris, University College Hospital London
- Prof. Uwe Platzbecker, Technical Univ. Dresden, Germany
- Prof. Katy Rezvani, MD Anderson, Houston, USA
- Prof. Simon Rule, University of Plymouth
- Prof. John Snowden, University of Sheffield & Teaching Hospital NHSFT
- Dr Bipin Savani, Vanderbilt University Medical Center, USA
- Dr Bronwen Shaw, Medical College of Wisconsin, USA
- Dr Steve Devine, Ohio State University, USA
- Dr Maria Gilleece, Leeds Teaching Hospital
- Dr Kim Orchard, University of Southampton & Hospital NHSFT
- Dr Satyajit Sahu, University Hospital Lewisham

Key management personnel

- Fiona Hazell – CEO (appointed 9 September 2020)
- Olive Boles – Co CEO (previously Chief Executive of Leukaemia UK – until 26 June 2020)
- Angela Smith-Morgan – Co CEO (previously Chief Executive of Leukaemia UK – until 3 September 2020)

Auditors

Moore Kingston Smith LLP
Devonshire House, 60 Goswell Road, London, EC1M 7AD

Accountant

Andy Nash Accounting & Consultancy Ltd
Units 24 & 25, Goodsheds Container Village
Hood Road, Barry, CF62 5QU

Bankers

Santander Corporate & Commercial
2 Triton Square, Regent's Place, London, NW1 3AN

CAF Bank Ltd
25 Kings Hill Avenue, Kings Hill, West Malling
Kent, ME19 4JQ

Barclays Bank plc
1 Churchill Place, London, E14 5HP

Investment managers

Investec Wealth and Investment Ltd
2 Gresham Street, London, EC2V 7QP

