

World Child Cancer UK

Annual Report and Financial Statements

Year to 31 December 2019

Charity Registration number: 1084729

Contents

Reports

Reference and administrative information	1
Chairman and CEO's statement	3
Trustees' report	4
Independent auditor's report on the financial statements	20

Financial statements

Statement of financial activities	23
Balance sheet	24
Statement of cash flows	25
Principal accounting policies	26
Notes to the financial statements	31

Reference and administrative information

Corporate trustee	World Child Cancer Trustees (Company no. 08518700), whose Directors are the trustee representatives of World Child Cancer UK
Trustee representatives	James King (Chairman), <i>DipPFS</i> Karen Brade Anuj Chande Yves Dermaux (appointed 7 April 2020) Helen Griffiths Rachel Hollis, <i>FRCN</i> Roderick Macmillan, <i>MA</i> Professor Kathy Pritchard-Jones, <i>BMBCh, PhD, FRCPCH, FMedSci</i> Professor Lorna Awo Renner, <i>MChB, MPH (Liv), FRCPCH (UK)</i>
Company Secretary	Rebecca Ross, <i>BA (Hons), FCA</i>
Key Management Personnel	Jon Rosser – Chief Executive Rebecca Ross – Director of Finance Cath Cole – Interim Director of Fundraising & Communications Zoe Macalpine – Director of Fundraising & Communications Piera Freccero – Director of Programmes
Registered address	9 The Maltings 169 Tower Bridge Road London SE1 3JB
Charity registration number	1084729 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Bankers

The Cooperative Bank
80 Cornhill
London
EC3V 3NJ

Metro Bank
One Southampton Row
London
WC1B 5HA

Solicitors

Bates Wells & Braithwaite LLP
2-6 Cannon Street
London
EC4M 6YH

The Chairman and CEO present their statement for the period.

2019 was another very successful year for World Child Cancer, and we want to thank all our fantastic partners and volunteers around the world who do so much to improve the lives of children with cancer. It is a great privilege for us at World Child Cancer to be able to work with so many amazing people on our shared mission.

Over the past decade, with your help, World Child Cancer has been able to reach and have impact on the lives of nearly 34,000 children, and in 2019 alone we reached 8,808 children. We are very proud of that achievement, even while being acutely aware of the many, many more that need our help – and who we must set out to reach in the next decade. The WHO initiative for children with cancer is a step change that will help us bring more focus and eventually more resources to this neglected area, but that will happen slowly and we have to keep the hopes of so many children and families alive in the meantime. There are not enough of us but slowly our numbers grow and our impact increases.

And we keep learning together how to increase that impact and to make it even greater. In the early years we focused our efforts and resources on improving the quality of treatment on the wards – to support many great doctors and nurses in the heroic efforts they make every day. That remains a crucial area, but slowly the scope of our work has expanded. We are now running initiatives to provide formal training for more Paediatric Oncologists and specialist nurses, to find new and better ways to support the families of children with cancer who struggle so hard to cope and to get their children treatment. We have explored ways of helping mothers to earn an income, started schools so children don't lose their chance of education, and supported the construction of a parent's home.

With the help of all our partners our programmes have got stronger and better, more cost effective, impacting more children. Meanwhile our fundraisers, our Board, Ambassadors, and supporters have worked tirelessly to raise the money the money we need – and our continued growth is testament to their success!

In 2019 we started working in Vietnam for the first time, and in 2020 we will start a new programme in Nepal. In the centre of excellence for paediatric oncology at Korle Bu teaching hospital and with the excellent support of UBS Optimus Foundation, we will train doctors and nurses from a number of West African countries.

The start of 2020 has brought with it many challenges, most notably the global coronavirus pandemic, but as you will read later in this report, we have put in place mitigations to try and minimise the disruption this will cause to our work and fundraising.

All of our achievements are the result of the hard work and sacrifices that our great staff, partners and supporters make – the prize that keeps us all going is that many children live, who otherwise would not. Thank you!



Chairman



CEO

The Trustee presents its annual report together with the audited financial statements of World Child Cancer UK (registered charity (No. 1084729) in England and Wales) for the year to 31 December 2019. The Trustee confirms that the annual report and financial statements of the Charity comply with the Charities Act 2011, the requirements of the Charity's governing document 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). The principal operating office of World Child Cancer UK during the year was 2.3 Lafone House, Leather Market, 11-13 Weston Street, London, SE1 3ER.

Following the end of the financial year, the operating office has moved to the address listed on page 1.

Evening the odds for children with cancer

World Child Cancer believes that no child should die unnecessarily of cancer. Survival in developed countries is now over 80% and rising. In the developing countries where we work survival is as low as 10%. That difference is unnecessary and unjust. We believe it is a human right of all children to receive necessary health treatment and we are determined to make that a reality for children with cancer. No child should be left to die of a painful illness when they could be cured with relatively simple and affordable treatments.

Improving access to care

Many childhood cancers are curable if detected and treated early enough. They are also relatively simple and inexpensive to treat. The availability of generic medicines and medical procedures, which have been known to doctors for decades, means that we already have the expertise to treat these children.

There are other challenges which also need to be addressed, to give children a better chance of survival. These start at the local community level where there is little awareness amongst frontline health workers or understanding of cancer in children, and a mistaken belief that it is not curable. Often childhood cancer is not diagnosed, misdiagnosed, or is diagnosed too late for effective treatment to take place. In fact, a large percentage of children with cancer never get to a specialist centre to receive care, treatment or pain relief. By raising awareness in the community, and delivering basic training for community health workers, we can change this.

Across the developing world there is a shortage of trained doctors and nurses to provide the right levels of care. We believe that investment in training is essential to improving survival rates. One of the most successful ways to achieve this is to 'twin' hospitals in developed countries with local teams in the developing countries. These twinning partnerships involve volunteer doctors and nurses giving their time and expertise to support colleagues around the world. This provides a powerful partnership and two-way exchange of knowledge and expertise. Advancements in technology have given rise to innovative ways for these teams to work together. It is now common for them to hold virtual mentoring sessions, case discussions and remote diagnosis which speed up treatment for children.

Supporting families

There is often little or no funding for childhood cancer care from local sources, so families are faced with huge medical bills. This is a significant barrier to a child starting treatment. Many children are unable to complete their treatment either, as it is often long and expensive, placing a burden on the wider family. With specialist centres usually situated in the capital, many families have to travel long distances and live away from their homes whilst their child is being treated. They lose their livelihoods or suffer a significant drop in income, something which affects the whole family, and are pushed further into poverty. We believe that families need more support so that their children can be treated and cared for properly. Our work includes a range of support services for families including investments in family accommodation at the hospital, subsidising medical and travel costs and providing training and support to help parents earn a living whilst away from home.

We can make a difference

Improving childhood cancer survival rates in developing countries is achievable and affordable. We are investing in sustainable programmes which make a real difference to the lives of thousands of children each year, but we want to do more. We believe all children, wherever they live, should have an equal access to the best possible treatment and care so they do not die of a potentially curable illness. In the long run, we aim to persuade governments to make adequate provision in their national health budgets to provide for all children with cancer. The principal activities of World Child Cancer UK are to:

- Facilitate training for local healthcare staff;
- Cover the costs of twinning partner activities;
- Improve healthcare facilities;
- Pay for additional staffing;
- Improve access to medicines and other much needed resources;
- Support awareness raising and advocacy campaigns to raise the profile of the inequality in current care; and
- Provide practical support for families to help them cope when their child is diagnosed with cancer.

Approach to fundraising

World Child Cancer UK organises fundraising events in the UK and co-ordinates the activities of our supporters around the world. We do not use professional fundraisers or involve commercial participators and have received no complaints about our fundraising activities this year. The charity is signed up to the Fundraising Regulator's Code of Fundraising Practice and a number of our staff are members of the Institute of Fundraising. All fundraising activities are undertaken to ensure that they are not unreasonably intrusive, persistent or pressurising and all marketing material contains clear instructions on how a person can be removed from our mailing lists.

Programme highlights of 2019

2019 has been a year of expansion of World Child Cancer's work. In addition to our work based in our country programmes, we have developed a new regional work approach in sub Saharan Africa with the development of a sub Saharan nursing network in collaboration with SIOF Africa and the establishment of relationships with the Ministries of Health in the West African countries (Sierra Leone and Liberia) who are sending paediatricians to attend the paediatric oncology fellowship programme based at the Ghana College of Physicians and Surgeons sponsored by World Child Cancer and UBS Optimus Foundation. We have also strengthened our collaboration with the World Health Organisation Global Initiative for Childhood Cancer pilot countries in Myanmar and Ghana. Our psycho social support approach has been mainstreamed in most of our country programmes and we have developed a unique tool that will allow us and our partners to collect and analyse feedback and wellbeing data from families and children with cancer treated in our programmes. Throughout the year the team has dedicated much energy to the development of future quality programmes and this has resulted in the approval of a high number of proposals that will allow further expansion in 2020.

Malawi

This year has been a successful and challenging year in Malawi. In addition to the regular twinning visits from Professor Molyneux and our partners in Newcastle, the nursing staff in Blantyre Queen Elizabeth Hospital have received crucial specialised training in paediatric oncology nursing skills. Two nurses have been sent to the Red Cross Hospital in South Africa thanks to our agreement with them and have returned to Blantyre bringing very positive feedback of their experience. The relationship with the other teaching hospital in Lilongwe that treats children with cancer is now well established and four nurses have chemotherapy training there in September, in the context of the collaboration that Project Hope (Baylor Children Hospital in Texas) has in Malawi.

In Malawi the drugs situation is difficult as the hospital pharmacy is running short of essential drugs leaving us with no choice but to procure more from outside. Thanks to the collaboration with other funders the programme is now capable to provide two way transport to all the patients on treatment, and one way to the ones that are coming just for follow up. The team is working hard to trace patients that have missed appointments by using the diary that was put in place. The patients are followed up by phone when possible or in person. Challenges still remain in the boarder districts where other patients were registering as if they are from Malawi yet they come from Mozambique and are very difficult to trace. We have supported minor improvements to the ward and sponsored a visit from Build Aid to plan for a ward extension.

Mexico

In 2019 the local leadership of the programme has been assigned to Dr Lilia Garcia. Regular twinning visits from Dr Flatt continue to take place. A Project Cure container delivery took place in June, with essential equipment, supplies and furniture being distributed to Hospital Regional Rio Blanco and Hospital General Xalapa in Veracruz. The team in Mexico has followed up with case studies capturing the impact of the donated items.

Key drugs (Amphotericin B provided to Hospital Niñez Oaxaqueña) have been regularly donated to the hospitals, monthly case discussion meetings held with doctors from project

Programme highlights of 2019 (continued)

Mexico (continued)

sites and other hospitals. The team is making efforts to start local fundraising and has had the mandate to make the first necessary steps for registration in country. The team is also working on developing an online nursing course; currently the focus is on identifying the steps needed for validating a curriculum.

Ghana

Ghana is the country programme that has seen more expansion. In addition to our traditional twinning partnership with Edinburgh Sick Kids Hospital and a DFID funded project to improve diagnoses rates in 2019, we have seen the start of a multimillion programme aimed at creating a centre of excellence for paediatric oncology in West Africa financed by UBS Optimus Foundation; a project focused at improving pathology and haematology skills and services in Accra in collaboration with the American Clinical Pathology.

As a result of the UBS Optimus Foundation project, two paediatricians started a paediatric oncology fellowship and nurses, pharmacists and paediatricians attended specialised training abroad. The paediatric oncology fellowship programme at Korle Bu Teaching Hospital (KBTH) engaged several new visiting faculty members, including Professor Kathy Pritchard Jones and Professor Gabriele Calaminus. They both visited Accra in November, giving lectures and participating in the World Health Organisation (WHO) workshop and will be visiting Ghana yearly. We have established a relationship with the Ghana College of Nursing and developing a curriculum to launch a paediatric oncology nurses training in 2020. This would be the first training of this kind in West Africa. With support of UBS, a Child Life Specialist has been hired and received specialised training in Kenya and she is ready to start her new role at Korle Bu Teaching Hospital. This is the first time that the paediatric oncology service in Accra has a member of the team that will work full time providing psycho-social support for children and their families. 12 health professionals from KBTH and Komfo Anokye Teaching Hospital (KATH) were able to attend the SIOPI International conference in Lyon, France. Critical care equipment, consumables and equipment to allow the organisation of teleconferences have been purchased and handed over to KBTH.

We organised two high level events in Accra, one was the UBS stakeholders' meeting, the second one in collaboration with the WHO, in the framework of the WHO Global Initiative for Childhood Cancer. The Minister of Health has publicly committed to help, including childhood cancer under the National Insurance Scheme.

The national programme funded by DFID aimed at training health care staff in the recognition of Early Warning Signs across all the 16 regions in Ghana has continued. After the development of the training material done in collaboration with the Ghana Health Service, various training has been organised and delivered in several regions.

We successfully completed the Tropical Health Education Trust (THET) funded paediatric keyhole surgery project in Ghana. Surgeons from Edinburgh trained 14 surgeons and 9 nurses in KBTH and KATH on multiple occasions and 2 surgeons were trained as trainers and attended a highly specialised training in France. Over 40 procedures have been successfully performed in KBTH since the start of the project.

Programme highlights of 2019 (continued)

Cameroon

The programme in Cameroon continues to support the work of the Cameroon Baptist Convention Hospitals in the west of the country and the efforts of the Cameroon Paediatric Oncology Group. For security reasons, in 2019 we and our partners have not been able to visit our partners' hospitals in the west of the country, however health care staff from our partner hospitals have been joining our volunteers in Douala for education workshops. A twinning visit from Leeds Children's Hospital took place at the end of January and another one in November. Among the many activities planned, the team met with the Cameroon Paediatric Oncology Society leadership to start our new leukaemia-focused project in Yaoundé, at the Chantal Bya Hospital and met with the National Cancer Control Plan office at the Ministry of Health. The Cameroon Baptist Convention administration has responded to the crises by opening a paediatric oncology unit in their hospital in Douala and re-allocating some key human resources from hospitals in the east to Douala.

Professor Peter Hesselning whose visits to Cameroon we have supported for many years, has received an incredibly deserved award for his life achievements in paediatric oncology at the SIOG meeting in Lyon. After 16 years of continuous support to Cameroon, Professor Peter Hesselning and Dr Paul Wharin carried out their last visit to the Cameroon Baptist Convention hospitals in November. It is hard to express the gratitude that we all have for these incredible, visionary volunteers. Cameroon was able to bring a very good delegation to SIOG Lyon, including clinicians from Cameroon Baptist Convention and Chantal Bya Hospital in Yaoundé. The CPOG annual conference took place in December focusing on access to essential drugs and palliative care: The weekly Thursday breakfast patient discussions at Mbingo and monthly multi-disciplinary team meetings with Mutengene, Mboppi and Leeds continue regularly.

Bangladesh

The palliative care project has continued providing training for doctors, nurses and patients' carers. Around ten educational events are organised every month in different hospitals in Dhaka involving hundreds of healthcare professionals, parents and the general public. This program is continuously supported through the visits of Dr Doherty from Canada.

World Child Cancer organised two monitoring visits in the country, one aimed at collecting audio/visual material for the UK Aid Match appeal that took place in the spring of 2019 but also to continue the engagement with the seven partner hospitals in country. We have moreover carried out due diligence on a new programme partner – the ASHIC Foundation - who will support us in the delivery of the new DFID programme.

Philippines

In order to respond to budgetary constraints and as we did not have any restricted funds already granted for this programme, we had to reduce the budget for the Philippines programme in-country costs by 33%. The country team therefore developed a reduced budget. We have continued supporting the satellite network of the Davao hospital, by providing resources so that key staff can refer and provide follow up treatment for children with cancer on the island. The staff of the satellite centres are also continually mentored and trained by Dr Dolendo.

Programme highlights of 2019 (continued)

Philippines (continued)

Our partner has been involved in the national consultations that have led to the approval of a National Cancer Control Plan that has a strong paediatric focus. This will hopefully strengthen the sustainability of our shared-care work in the country as we expect the government to steadily increase the resources available for paediatric oncology.

In addition to our day to day support to the satellite network in Mindanao, the team has supported the development of, and participated in, the first WHO workshop in the Philippines. Dr Mae Dolendo represented our partnership and the work of World Child Cancer in the Philippines was appropriately showcased.

Myanmar

A twinning visit by Dr Robert Carr, Dr Denise Williams and Shanice Brown from Guy's and St Thomas' and Cambridge University Hospitals successfully took place both in Mandalay and Yangon, prior to the national workshop in May. World Child Cancer and partners participated in the national WHO workshop as part of the Global Initiative on Childhood Cancer. World Child Cancer was acknowledged as a key stakeholder in the country by key members of the Burmese Ministry of Health. A second twinning visit took place in October to provide specialist support to Yangon Children's Hospital and Mandalay Children's Hospital. Activities were divided between clinical treatment support, led by Denise Williams, and laboratory diagnosis support, led by Robert Carr and Miguel Evaristo from Guy's and St Thomas' Histopathology Laboratory, who provided hands-on training in both the Yangon Children's Hospital and Mandalay Children's Hospital laboratories. The volunteers brought together paediatric oncologists from Yangon, Mandalay and the Military Hospital in Yangon for a one-day workshop in Mandalay during which they discussed and harmonised treatment protocols for four cancers, as well as guidelines on supportive care. The team also conducted a half-day visit to Meiktila Hospital, in Mandalay Region, to assess its current capacity to provide shared care support for paediatric oncology patients admitted at Mandalay Children's Hospital.

World Child Cancer organised an early warning signs training of trainers' workshop at Mandalay Children's Hospital in September, targeting paediatricians and nurses from satellite centres in Mandalay and Sagaing regions. The trainers will go on to cascade that training down to GPs to improve the early detection and referral of cancer among children. Throughout November, World Child Cancer has been bringing together the teams at Yangon Children's Hospital, Mandalay Children's Hospital and the Myanmar Paediatrics Society to revise the early warning signs curriculum, with feedback from the trained trainers, in order to ensure it is a useful tool for delivering the training.

The nutrition programme set up at Yangon Children's Hospital earlier this year, together with Boston Children's Hospital and CCI, shows that the initiative is having a measurable positive impact on the nutritional status of those patients provided with support.

Transportation allowance for those who are most-in-need, extra-shift support for nurses and financial support on purchasing anti-cancer drugs and towards the Heroes school teachers were successfully delivered throughout 2019. Thanks to the agreement that World Child Cancer has with the Myanmar Clinical Psychology Consortium, for the first-

Programme highlights of 2019 (continued)

Myanmar (continued)

time psychological counselling has been available for free for children with cancer and their carers, and staff at Yangon Children's Hospital.

Mandalay Children Hospital administration has assigned and refurbished a new area in the hospital ground floor to open a much-needed outpatient clinic. While the hospital will provide junior doctors to assist, World Child Cancer has secured some private funding to allow them to hire a pharmacist to staff the clinic and to purchase basic equipment. We have successfully managed to fix the power supply in the Mandalay Children's Hospital paediatric oncology unit. For the first time in years, air-conditioners, fridges and medical equipment can safely run in the ward.

Vietnam

The first visit of our Psycho Social Support Advisor to Vietnam took place in March. She delivered training on how to best manage the emotional impact of childhood cancer and to improve resilience strategies for the health care staff (nurses) in five hospitals in Hue and Ho Chi Min and Hanoi and a parents' group in Hue. She, in collaboration with a professor of psychology from the University of Texas Hospital and a lead paediatric oncology nurse from the University of California Hospital have also been working at the National psychosocial workshop that took place in August 2019 alongside the Vietnam Paediatric Oncology conference. This has been the first time a psychosocial support workshop has been part of the National Paediatric Oncology Conference in Hue. The visit and workshop were carried out with the participation of a volunteer from CLIC Sargent, a Senior Social Worker Practitioner. World Child Cancer invited social workers, psychologists and nurses to attend from four hospitals in Vietnam. The workshop was a great success, with all participants expressing a great interest in improving the psychosocial support available in their hospitals and agreeing to become members of a World Child Cancer psychosocial support working group that has met regularly since.

Nepal

Nepal is our youngest programme and in September we undertook our first programme visit. We carried out a due diligence exercise on several organisation to finally select two new partners with whom to work and strengthened our relationship with the hospital administration and the clinical staff at Kanti Children's Hospital. We now look forward to the start of the DFID project in 2020.

Value of voluntary medical aid

Our projects continued to facilitate and leverage valuable voluntary medical aid from twinning partner hospitals in developed countries and healthcare teams in developing countries. Twinning partners are experienced paediatric oncology healthcare professionals (doctors, nurses, pharmacists and other experts) who donate their time and expertise for free through mentoring and training. The availability of voluntary medical aid continues to ensure that World Child Cancer can achieve sustainable and significant improvements to the treatment of children with cancer in developing countries with relatively low levels of funding and also ensures that our partners receive value for money for their donations.

Future developments

After a successful 2019 we have great ambitions for 2020 as we continue the implementation of our 5-year strategy to achieve our target of reaching 10,000 children by 2023.

In 2020, we will be expanding our work in Ghana as we develop a centre of excellence for paediatric oncology in west Africa in conjunction with UBS Optimus Foundation. We will also be continuing with our DFID-funded programme in Ghana and starting DFID-funded programmes in Bangladesh and Nepal. We will be developing our psychosocial work in Vietnam and continuing our successful projects in Cameroon, Malawi and Myanmar.

In order to ensure that this vital work can continue, we have developed a fundraising strategy which aims to diversify income across a variety of sources. Prior to the start of 2020, we had developed an exciting programme of fundraising events and activities across the year, however, with the uncertainty surrounding the COVID-19 pandemic, some of this activity has had to be rescheduled or cancelled. We are now working closely with our supporters and trying to engage new supporters to develop a pipeline of income and activities for later in 2020. In addition, programmes are being adapted to meet the increasing needs of beneficiaries resulting from the coronavirus pandemic. It goes without saying that we will continue in our quest of ensuring that every child with cancer, regardless of where they live, has equal access to the best treatment and care.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and organisational structure

World Child Cancer UK is constituted and governed by a trust deed dated 1 December 2000. The Trustee is responsible for the overall governance of the Charity.

Trustees

World Child Cancer UK has one corporate trustee, World Child Cancer Trustees, whose Directors act as Trustee Representatives. Those who served in the year are:

Trustee representatives	Appointed/resigned
James King	
Karen Brade	
Anuj Chande	
Helen Griffiths	
Rachel Hollis	
Roderick Macmillan	
Professor Kathy Pritchard-Jones	
Professor Lorna Awo Renner	
Dr Shaun Wilson	Resigned 21 March 2019

Honorary Patrons

- ◆ Professor Tim Eden
- ◆ Gill Thaxter
- ◆ Anu Vedi
- ◆ Caitriona Balfe
- ◆ Gordon Morrison

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Committees

As well as the Corporate Trustee, World Child Cancer UK has a number of sub-committees to aid in the running of the charity. The details of these committees are listed below:

HR and Governance sub-committee

This sub-committee is responsible for overseeing all employment matters and recommends the appointment of the new Trustees. In respect of staff, it monitors staff performance through appraisals, reviews salaries and ensures employment legislation is adhered to.

Members (in addition to staff):

- ◆ Helen Griffiths
- ◆ Rachel Hollis

Business Development Board (replaced Fundraising Committee)

The purpose of this sub-committee is to monitor and evaluate fundraising strategy and performance. Further to identify fundraising and networking opportunities.

Members (in addition to staff):

- ◆ Rory MacMillan (Chair)
- ◆ Anuj Chande
- ◆ Karen Brade
- ◆ James King
- ◆ Yves Dermaux

Project sub-committee

This sub-committee reviews new project applications and monitors existing projects. For potential new projects, applications are received and the objectives, outcomes and budgets are reviewed and a recommendation is made to the Board of Trustees who makes the ultimate decision as to whether the project commences. Existing projects submit qualitative and financial reports which are reviewed to ensure the objectives of the project are being realised.

Members (in addition to staff):

- | | |
|----------------------------|----------------------|
| ◆ Gertjan Kaspers | ◆ Trijn Israels |
| ◆ Abby White | ◆ John Van Doorninck |
| ◆ Alison Finch | ◆ Lorna Renner |
| ◆ Annabel Foot | ◆ Rachel Hollis |
| ◆ Carlos Rodriguez-Galindo | ◆ Scott Howard |
| ◆ Catherine Lam | ◆ Shaun Wilson |
| ◆ Gabriele Calaminus | ◆ Stephen Hunger |

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies adopted for the induction and training of Trustees or their representatives

The charity relies upon the guidance issued by the Charity Commission in relation to the induction and training of Trustees or their representatives.

Key management personnel and pay policy for senior staff

The trustees delegate the day-to-day management of the charity to the key management personnel. These comprise of the Chief Executive Officer, Finance Director, Director of Fundraising and Communications and Director of Programmes. It is the responsibility of the HR and Governance sub-committee to review the pay and benefits for staff once per year and set pay based on industry benchmarks, performance and budget availability.

World Child Cancer is committed to ensuring the best value for money and wishes to ensure transparency in terms of senior management pay. All staff salaries, including those of senior management and the Chief Executive, are reviewed and approved by the Trustee sub-committee who oversee HR matters. It is important that the charity pays proportionate salaries that attract and retain skilled staff who can effectively run the organisation and ensure that it is successful in its mission of reaching as many children with cancer and their families as possible.

In setting appropriate salaries, industry benchmarking is used against organisations of similar size and activity.

In addition to paid staff, World Child Cancer is fortunate to have the support of many volunteers, without whom the charity could not function. In particular, World Child Cancer is indebted to the doctors, nurses and other medical professionals who volunteer their time to travel overseas to our programme countries to work alongside in-country medical professionals.

Risk management

Risk to the charity is actively managed and the register of risks is reviewed on a quarterly basis by the Trustee and relevant sub-committees. In addition, the senior management team monitor and act upon the risks identified in the risk register. The Trustee has assessed the major risks to which the charity is exposed and is satisfied that there are appropriate systems and procedures in place to mitigate the exposure to the major risks.

In summary however, the major risks are considered to be:

- ◆ The greatest risk facing the charity is the emergence and spread of the global coronavirus/COVID-19 pandemic. This is expected to have a detrimental impact upon income and fundraising and at the same time, will see an increased demand on services and programmes. Cost-cutting measures have been put in place such as a recruitment freeze, salary and pension reductions and a reduction in some programme costs. An emergency fundraising appeal has been launched and we are working closely with restricted funders to discuss flexibility on grant arrangements.

Risk management (continued)

- ◆ As a result of the coronavirus pandemic, it is expected that medics who volunteer their time in providing twinning services may no longer be able to do so, or may not be able to volunteer as much time. This is because many of these medics work within the NHS which will be facing staffing challenges of its own and therefore may not allow its staff to have time off to volunteer for World Child Cancer. In addition, some twinning activities will need to be postponed or adapted owing to the global travel bans in place. We are looking at alternatives such as remote training and use of technology to allow remote diagnosis and support to continue.
- ◆ The risk of inadequate safeguarding leading to the abuse of, or injury to a child or vulnerable adult. The organisation has a robust Safeguarding Policy for children and vulnerable adults which all staff and volunteers are required to adhere to. The safeguarding of a child or vulnerable adult, such as a parent of a child with cancer, will continue to be of utmost priority. Regular refresher training ensures all staff and volunteers are fully briefed in the latest thinking around safeguarding. The charity's Code of Conduct now forms part of an employee's employment contract and this further sets out the expected behaviours of all representatives of World Child Cancer. World Child Cancer has well-publicised procedures to follow in the event of any safeguarding concern.
- ◆ Ensuring an appropriate balance of restricted and unrestricted cash reserves. Whilst restricted donations contribute hugely towards the success of World Child Cancer's programmes, unrestricted income is also required to ensure the charity can continue to operate effectively. As such it is imperative that unrestricted funding is secured to the greatest extent possible.
- ◆ Changes in the political and social landscape of the countries where the charity operates which could result in unrest or instability. This results in a risk to staff and volunteers travelling to those countries on behalf of the organisation and there is therefore a subsequent threat to the charity's beneficiaries. Regular security advice is taken prior to travel, FCO advice is followed, other organisations are consulted and precautions are taken with regards to safety.
- ◆ The risk of illness or medical attention being required for staff or volunteers whilst travelling on World Child Cancer business. As all staff and volunteers are the responsibility of World Child Cancer whilst travelling overseas, mitigations have been put in place such as ensuring comprehensive travel and health insurance is in place and providing medical advice to travellers prior to travel to ensure appropriate medications and vaccinations are sought. In addition, a 24 hour medical advice line is available to travellers. This risk is especially pertinent in light of the global coronavirus pandemic.

FINANCIAL REVIEW

Financial results and position

Income in the year was £3,015k (2018 – £1,821k) which is an increase of 66% compared with the previous year and an enormous achievement. This substantial increase in income was due to several factors, not least the successful partnership with UBS Optimus Foundation which started in 2019 to develop a centre of paediatric oncology excellence in West Africa. In addition, the organisation was successful in securing increased restricted donations from Trusts to fund life-saving work in Myanmar and Ghana and the charity has been lucky to receive the support of several major donors who have made substantial donations. Aside from this, World Child Cancer is lucky to count on the support of hundreds of individuals who climb mountains, bake cakes, run marathons and hold raffles to raise vital funds. Without the support of each and every donor, World Child Cancer could not reach the children and their families who need our support, so thank you.

Expenditure was £2,788k (2018 – £2,108k) resulting in a surplus for the year of £228k (2018 – deficit of £287k). Expenditure on the support of treatment programmes has increased by 37% and this has predominantly been driven by the UBS Optimus Foundation programme in Ghana and west Africa. The surplus has arisen owing to careful management of expenditure, success with fundraising and due to some restricted programme spend being carried forward to 2020.

We have again achieved excellent value for money for our supporters and for every £1 spent, 87p (2018 – 85p) is spent directly on charitable activities with the remaining 13p (2018 – 15p) being invested to raise even more funds.

Reserves and reserves policy

The Trustee Representative continues to ensure the reserves policy is appropriate and reflects the environment in which World Child Cancer UK operates, the risks it faces, its strategic and operational objectives and the type of income it receives. Furthermore, World Child Cancer UK wishes to ensure that essential services to beneficiaries can be maintained, particularly given the vulnerability of the children and the families who are helped by the organisation.

In the countries in which we work, we have committed funding to ensure the programmes can operate and where these programmes are not covered by restricted funding, the Trustee Representative has taken the decision to designate additional funding to allow the programmes to operate for a period of 6 months. These additional funds are disclosed as 'designated reserves'.

As a result, World Child Cancer UK has adopted a policy of having 3 types of reserves - restricted, designated and unrestricted:

- ◆ Restricted reserves are funds which have a restriction placed on them by the donor.

FINANCIAL REVIEW (continued)

Reserves and reserves policy

- ◆ Designated reserves are funds designated for use by the Trustee and the policy adopted is that the total of designated and restricted reserves is sufficient to ensure 6 months' worth of direct programme costs are covered: as each programme's budget is agreed annually and the majority of the programmes do not have alternative sources of funding.
- ◆ Unrestricted reserves are those funds that should be available to the charity to be used in the event of a downturn in income, unexpected costs or if any of the key risks facing the charity materialise.

Having considered all factors, it is considered appropriate that 3 months' worth of operational costs are held as unrestricted reserves.

As at 31 December 2019, total funds held by World Child Cancer UK amount to £811,373 (2018 – £583,846). Restricted reserves committed to direct programme costs in 2020 are £247,167 (2018 – £220,113). Designated reserves are £236,973 (2018 – £28,166) for ongoing work in Myanmar, Bangladesh, Vietnam, Cameroon and the Philippines, which will be spent within the next 6 months. Together with restricted reserves, this totals £484,140 (2018 – £248,279) which is six months of budgeted programme costs for 2020 (after taking into account any deferred income). The designated reserves balance as at the year end has markedly increased and this is owing to the 54% increase in budgeted direct programme spend in 2020.

The balance of reserves amount to £327,233 (2018 – £335,567) and are held within the unrestricted fund. Of this, £7,439 (2018 – £8,697) is held as tangible fixed assets which are not part of the free reserves of the Charity as these are not available for immediate realisation. Therefore, the free reserves of World Child Cancer UK at 31 December 2019 are £319,794 (2018 – £326,870), which equates to approximately 3.9 months' worth of operating costs (slightly more than the reserves policy of 3 months). This is slightly higher than planned owing to the fact the reserves policy was amended in the previous year to reduce the number of months' worth of operating costs from 6 months to 3 months and it takes some time to deplete reserves to be in accordance with the revised policy.

The increase in designated funds required to be held has resulted in a transfer from unrestricted funds to designated funds and this is shown within the statement of funds in Note 11. The Trustee and trustee representatives are aware of the fact that the Charity holds higher reserves than stated in the reserves policy and the matter continues to be addressed.

The reserves policy is reviewed on an annual basis to ensure it is appropriate and offers satisfactory safeguards to the charity's beneficiaries, its staff and other relevant parties.

FINANCIAL REVIEW (continued)

Impact of the global coronavirus/COVID-19 pandemic

Since the start of 2020, the world has been steadily and increasingly affected by the coronavirus pandemic. The UK has been severely affected and since mid-March 2020, many businesses have had to close, gatherings and social activity has been banned and people can only leave their houses for essential shopping. This has of course affected World Child Cancer UK and as such, since 16 March 2020, the UK office has been closed with all staff working from home. The impact on fundraising has been sudden with a large number of planned events and activities postponed or cancelled. Despite this, the pressure on our programmes and services has increased with new challenges being faced by families of children with cancer. For example, how can families travel to hospital for treatment when there is no public transport and private transport is prohibitively expensive? How do we ensure that doctors and nurses in our programme countries can access adequate personal protection equipment to shield them from undue risk of contracting or spreading the coronavirus? How do we ensure that families continue to bring their children for cancer treatment despite the increased risks of infection and contracting the virus? How can we ensure that children continue to receive palliative care even though the palliative care nurses can no longer travel to their homes?

These are the new challenges that we face and at the same time as seeing a drop in income for the year.

To negate the impact of lost income, we have started an emergency appeal and have undertaken cost-saving measures. The charity will also seek new funding opportunities and government reliefs as they arise throughout the coronavirus crisis. We are also working closely with our restricted funders to agree flexibility wherever possible. Despite the inherent uncertainty that the coronavirus pandemic has caused, the Trustee is confident that the measures put in place will allow World Child Cancer UK to weather this storm and ensure that children with cancer in the developing world continue to receive the care they so desperately need.

Going concern

The Trustee believes that the Charity has adequate resources to continue in operational existence for the foreseeable future as future funds receivable are anticipated to be sufficient to fund committed projects. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

However, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. The Trustee has considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

FINANCIAL REVIEW (continued)

Non-adjusting post balance sheet event

During the period from 31 December 2019 to the date that the financial statements were approved, the coronavirus (Covid-19) outbreak has spread worldwide and caused extensive disruptions to businesses as well as economic activities globally, including the UK. The effects of the 2020 outbreak of Covid-19 on the charity's operations are likely to be limited although, following the advice issued by the UK Government in March 2020 regarding employees working from home and other social distancing measures, procedures are in place to facilitate this and a detailed plan exists to enable effective operation to continue whilst employees are not physically present in the charity's offices.

Public benefit

When considering the charity's activities, the Trustee has complied with the duty to have due regard to the Charities Commission's general guidance on public benefit and is satisfied that the organisation fully complies with the Public Benefit requirements

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustee is responsible for preparing the trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee 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 income and expenditure of the charity for that period. In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. 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 Trustee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

This report was approved by the Trustee on 21/04/2020 and signed on its behalf by:



Chairman

Independent auditor's report to the corporate trustee of World Child Cancer UK

Opinion

We have audited the accounts of World Child Cancer UK (the 'charity') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the 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 the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

Material uncertainty related to going concern

We draw attention to the accounting policy on pages 26 and 27 of the accounts regarding going concern, which sets out the material uncertainties related to going concern that arise as a result of the Coronavirus pandemic.

Our opinion is not modified in respect of this matter.

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 accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Chairman's Statement, the trustees' report and accounts other than the financial statements and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities 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 accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

21 April 2020

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2019

	Notes	Restricted funds £	Un-restricted funds £	2019 Total funds £	Restricted funds £	Un-restricted funds £	2018 Total funds £
Income from:							
Donations and legacies	1	2,026,504	985,048	3,011,552	1,304,639	513,740	1,818,379
Investments		—	3,810	3,810	—	2,281	2,281
Total income		<u>2,026,504</u>	<u>988,858</u>	<u>3,015,362</u>	<u>1,304,639</u>	<u>516,021</u>	<u>1,820,660</u>
Expenditure on:							
Raising funds	2	—	362,412	362,412	—	309,303	309,303
Charitable activities: Support of treatment programmes	3	2,057,851	367,572	2,425,423	1,357,141	441,614	1,798,755
Total expenditure		<u>2,057,851</u>	<u>729,984</u>	<u>2,787,835</u>	<u>1,357,141</u>	<u>750,917</u>	<u>2,108,058</u>
Net (expenditure) income before transfers		(31,347)	258,874	227,527	(52,502)	(234,896)	(287,398)
Transfer between funds	11	58,401	(58,401)	—	95,992	(95,992)	—
Net income (expenditure) and net movement in funds	6	27,054	200,473	227,527	43,490	(330,888)	(287,398)
Reconciliation of funds							
Fund balances brought forward		220,113	363,733	583,846	176,623	694,621	871,244
Fund balances carried forward		<u>247,167</u>	<u>564,206</u>	<u>811,373</u>	<u>220,113</u>	<u>363,733</u>	<u>583,846</u>

The notes on pages 31 to 38 form part of these financial statements.

Balance sheet 31 December 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible fixed assets	8		7,439		8,697
Current assets					
Debtors	9	204,825		127,288	
Cash at bank and in hand		1,060,005		1,057,912	
		1,264,830		1,185,200	
Creditors: amounts falling due within one year	10	(460,896)		(610,051)	
Net current assets			803,934		575,149
Net assets			811,373		583,846
Restricted funds	11		247,167		220,113
Unrestricted funds					
. General	11		327,233		335,567
. Designated	11		236,973		28,166
Total funds			811,373		583,846

The financial statements were approved and authorised for issue by the Trustee on **21 April 2020** and signed on its behalf, by:



The notes on pages 31 to 35 form part of these financial statements.

Statement of cash flows Year to 31 December 2019

		2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	A	901	226,488
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,618)	(6,576)
Investment income		3,810	2,281
Net cash provided by (used in) investing activities		1,192	(4,295)
Change in cash and cash equivalents in the year		2,093	222,193
Cash and cash equivalents at 1 January 2019		1,057,912	835,719
Cash and cash equivalents at 31 December 2019	B	1,060,005	1,057,912

A Reconciliation of net movement in funds to net cash flow provided by operating activities

		2019 £	2018 £
Net income (expenditure) for the year (as per Statement of Financial Activities)		227,527	(287,398)
Adjustment for:			
Depreciation charges		3,876	8,296
Investment income		(3,810)	(2,281)
(Increase) in debtors		(77,537)	(14,526)
(Decrease) increase in creditors		(149,155)	522,397
Net cash provided by operating activities		901	226,488

B Analysis of cash and cash equivalents

		2019 £	2018 £
Cash in hand		1,060,005	1,057,912
Total		1,060,005	1,057,912

Principal accounting policies Year to 31 December 2019

Basis of preparation

The financial statements have been prepared in accordance 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

World Child Cancer UK constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. This includes assessing the impact of Covid-19 on the charity's income, expenditure and financial position (see assessment of going concern below).

Accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the receipt of Voluntary Medical Aid, which is a donated service. The calculation of the estimated financial cost of this aid is based on the time spent by the professionals donating their time and what the salary cost of those professionals would have been if they were employed by the charity.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustee has made this assessment in respect to a period of one year from the date of approval of these financial statements.

Subject to the comment below regarding the coronavirus pandemic, the Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustee believes that the charity has adequate resources to continue in operational existence for the foreseeable future as future funds receivable are anticipated to be sufficient to fund committed projects. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The most significant areas of judgement that affect items in the accounts are detailed above.

Assessment of going concern (continued)

Note regarding the coronavirus pandemic: The full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. The trustee has considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income comprises donations (including from fundraising appeals and events) and legacies, institutional grant income, donated services of doctor and consultant time and investment income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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

Grants from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

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

Principal accounting policies Year to 31 December 2019

Income recognition (continued)

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

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

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. These include governance costs which are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements. Support costs are allocated across expenditure on raising funds and charitable activities as a proportion of total expenditure incurred.

Expenditure on raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Principal accounting policies Year to 31 December 2019

Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	20% straight line
Fixtures & fittings	20% straight line
Office equipment	20% straight line

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Financial instruments

The Charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Principal accounting policies Year to 31 December 2019

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Previously, the company contributed to the personal pension plans of its employees at rates agreed within their contracts of employment.

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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

1 Income from donations and legacies

	Restricted funds £	Unrestricted funds £	Total funds 2019 £
Donations			
. Events	35,063	301,075	336,138
. Individual giving and major donors	106,146	413,963	520,109
. Corporates, trusts and foundations	766,162	270,010	1,036,172
. Statutory funding	132,446	—	132,446
. Donated services	986,687	—	986,687
Total	2,026,504	985,048	3,011,552

	Restricted funds £	Unrestricted funds £	Total funds 2018 £
Donations			
. Events	13,319	204,053	217,372
. Individual giving and major donors	66,108	122,731	188,839
. Corporates, trusts and foundations	207,654	186,956	394,610
. Statutory funding	221,299	—	221,299
. Donated services	789,427	—	789,427
. Other	6,832	—	6,832
Total	1,304,639	513,740	1,818,379

Included within income for the year ended 31 December 2019 is £131,242 (2018 – £40,918) received from the Department for International Development in respect of our UK Aid Match grant for Ghana – grant reference 205210-208. This amount was fully spent on the designated project.

2 Expenditure on raising funds

	Restricted funds £	Unrestricted funds £	Total funds 2019 £
Fundraising costs	—	127,068	127,068
Staff costs	—	224,436	224,436
Support costs (note 4)	—	10,908	10,908
Total	—	362,412	362,412

	Restricted funds £	Unrestricted funds £	Total funds 2018 £
Fundraising costs	—	82,471	82,471
Staff costs	—	216,785	216,785
Support costs (note 4)	—	10,047	10,047
Total	—	309,303	309,303

3 Analysis of expenditure on charitable activities

	Restricted funds £	Unrestricted funds £	Total funds 2019 £
Project costs	879,473	21,620	901,093
Other direct costs	60,420	70,817	131,237
Voluntary medical aid	986,687	—	986,687
Staff costs	131,271	212,554	343,825
Support costs (note 4)	—	62,581	62,581
Total	2,057,851	367,572	2,425,423

	Restricted funds £	Unrestricted funds £	Total funds 2018 £
Project costs	492,180	—	492,180
Other direct costs	3,489	87,829	91,318
Voluntary medical aid	789,427	—	789,427
Staff costs	72,045	292,061	364,106
Support costs (note 4)	—	61,724	61,724
Total	1,357,141	441,614	1,798,755

4 Support costs

	Total funds 2019 £	Total funds 2018 £
Legal and professional	5,411	3,557
Audit and accounting fees	13,330	11,434
Other costs	4,225	8,714
Support staff costs	46,647	39,770
Depreciation	3,876	8,296
	73,489	71,771

All support costs in the current and prior year have been charged to unrestricted funds.

5 Analysis of expenditure type

	Staff costs £	Depreciation £	Other costs £	Total funds 2019 £
Current year				
Expenditure on raising funds	224,436	—	137,976	362,412
Direct costs – support of treatment programmes	390,472	3,876	2,031,075	2,425,423
	614,908	3,876	2,169,051	2,787,835

5 Analysis of expenditure type (continued)

<i>Prior year</i>	<i>Staff costs</i> £	<i>Depreciation</i> £	<i>Other costs</i> £	<i>Total funds 2018</i> £
<i>Expenditure on raising funds</i>	216,785	—	92,518	309,303
<i>Direct costs – support of treatment programmes</i>	403,876	8,296	1,386,583	1,798,755
	620,661	8,296	1,479,101	2,108,058

6 Net expenditure

This is stated after charging:

	Total funds 2019 £	Total funds 2018 £
Depreciation of tangible fixed assets:		
. Owned by the charity	3,876	8,296
Operating lease rentals	50,483	39,907
Auditors' remuneration		
. Audit fees	8,520	8,280
. Other fees	1,140	3,154
Foreign exchange expense	24,617	5,276

7 Staff costs

Staff costs were as follows:

	Total funds 2019 £	Total funds 2018 £
Wages and salaries	523,950	522,932
Social security costs	47,793	49,323
Other pension costs	43,165	48,406
	614,908	620,661

The average number of persons employed by the Charity during the year was as follows:

	2019 No.	2018 No.
Programmes, administration, fundraising and finance	15	16
The number of higher paid employees was		
£60,001 - £70,000	1	—
£70,001 - £80,000	—	1

The key management personnel comprise the Chief Executive, Finance Director, Director of Fundraising & Communications and Director of Programmes. The total remuneration of key management personnel (including employer national insurance and pension contributions) in the year was £265,156 (2018 – £264,268). All staff are enrolled into the pension scheme and receive the same contributions regardless of grade.

7 Staff costs (continued)

World Child Cancer is committed to ensuring the best value for money and wishes to ensure transparency in terms of senior management pay. All staff salaries, including those of senior management and the Chief Executive, are reviewed and approved by the Trustee sub-committee who oversee HR matters. It is important that the charity pays proportionate salaries that attract and retain skilled staff who can effectively run the organisation and ensure that it is successful in its mission of reaching as many children with cancer and their families as possible.

In setting appropriate salaries, industry benchmarking is used against organisations of similar size and activity.

In addition to paid staff, World Child Cancer is fortunate to have the support of many volunteers, without whom the charity could not function. In particular, World Child Cancer is indebted to the doctors, nurses and other medical professionals who volunteer their time to travel overseas to our programme countries to work alongside in-country medical professionals.

8 Tangible fixed assets

Current year	Fixtures & fittings £	Office equipment £	Total £
Cost			
At 1 January 2019	9,954	8,810	18,764
Additions	2,618	—	2,618
Disposals	(8,897)	(399)	(9,296)
At 31 December 2019	3,675	8,411	12,086
Depreciation			
At 1 January 2019	6,247	3,820	10,067
Charge for the year	2,503	1,373	3,876
On disposals	(7,409)	(1,887)	(9,296)
At 31 December 2019	1,341	3,306	4,647
Net book value			
At 31 December 2019	2,334	5,105	7,439
At 31 December 2018	3,707	4,990	8,697

9 Debtors

	2019 £	2018 £
Trade debtors	23,367	28,766
Prepayments and accrued income	177,937	93,132
Other debtors	3,521	5,390
	204,825	127,288

10 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	2,855	7,035
Taxation and social security	13,145	11,967
Accruals and deferred income	442,129	588,194
Other creditors	2,767	2,855
	460,896	610,051

Deferred income	2019 £	2018 £
Deferred income at 1 January	568,530	851
Amounts released from previous years	(568,530)	(851)
Resources deferred in the year	422,177	568,530
Deferred income a 31 December	422,177	568,530

Deferred income includes funding received from UBS Optimus Foundation and Celgene Corporation in respect of programmes commencing in January 2020.

11 Statement of funds

Current year	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Restricted funds					
Malawi	79,122	12,669	(65,480)	—	26,311
Bangladesh	15,532	61,565	(54,130)	—	22,967
Philippines	—	11,837	(54,579)	42,742	—
Myanmar	3,040	76,989	(92,867)	12,838	—
Cameroon	62,956	49,880	(102,948)	1,039	10,927
Multi country: Wilms' Tumour	—	—	(18)	18	—
Ghana	58,585	221,661	(185,733)	1,852	96,365
Mexico	878	—	(878)	—	—
WCC USA	—	56,777	(56,689)	(88)	—
Vietnam	—	12,060	(7,386)	—	4,674
Nepal	—	27,760	(5,876)	—	21,884
Palestine	—	11,352	(11,333)	—	19
UBS project	—	497,267	(433,247)	—	64,020
Voluntary Medical Aid	—	986,687	(986,687)	—	—
	220,113	2,026,504	(2,057,851)	58,401	247,167
Unrestricted funds					
General funds	335,567	988,858	(701,818)	(295,374)	327,233
Designated funds	28,166	—	(28,166)	236,973	236,973
	363,733	988,858	(729,984)	(58,401)	564,206
Total funds	583,846	3,015,362	(2,787,835)	—	811,373

11 Statement of funds (continued)

<i>Prior year</i>	<i>At 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>At 31 December 2018 £</i>
Restricted funds					
<i>Malawi</i>	18,228	85,763	(24,869)	—	79,122
<i>Bangladesh</i>	60,961	22,363	(67,792)	—	15,532
<i>Philippines</i>	—	32,956	(76,233)	43,277	—
<i>Myanmar</i>	31,628	110,205	(149,629)	10,836	3,040
<i>Cameroon</i>	4,405	87,013	(68,227)	39,765	62,956
<i>Multi country: Wilms' Tumour</i>	—	31,189	(31,189)	—	—
<i>Ghana</i>	55,261	111,782	(108,458)	—	58,585
<i>Mexico</i>	6,140	10,227	(15,489)	—	878
<i>WCC USA</i>	—	—	(2,032)	2,032	—
<i>Vietnam</i>	—	23,714	(23,796)	82	—
<i>Voluntary Medical Aid</i>	—	789,427	(789,427)	—	—
	<u>176,623</u>	<u>1,304,639</u>	<u>(1,357,141)</u>	<u>95,992</u>	<u>220,113</u>
Unrestricted funds					
<i>General funds</i>	382,125	516,021	(750,917)	188,338	335,567
<i>Designated funds</i>	312,496	—	—	(284,330)	28,166
	<u>694,621</u>	<u>516,021</u>	<u>(750,917)</u>	<u>(95,992)</u>	<u>363,733</u>
Total funds	<u>871,244</u>	<u>1,820,660</u>	<u>2,108,058</u>	<u>—</u>	<u>583,846</u>

The restricted funds represent donations and grants received that are to be spent on specific projects in the countries listed.

The transfers from unrestricted funds to designated funds represent unrestricted funds allocated to the specific projects where the Trustee has decided to provide additional funding to those projects which were not fully funded by restricted donations.

The reserves policy requires 6 months' worth of funds to be held across restricted reserves and designated funds. As a result of a 54% budgeted increase in programme expenditure in 2020, the amount of designated funds required to be held has increased substantially and £236,973 are held at the end of 2019 (2018 – £28,166). These designated funds are to be spent in Cameroon, the Philippines, Bangladesh, Vietnam and Myanmar. In all of these countries, the funds will be used to focus on the country-specific programme aims such as increased training for healthcare professionals, access to chemotherapy and palliative care drugs, improved early-warning signs training or transport costs to allow families to reach hospitals for treatment.

The restricted Malawi funds of £26,311 (2018 – £79,122) are to be spent on staff training, patient support packs, treatment costs and awareness raising activities.

11 Statement of funds (continued)

£22,967 (2018 – £15,532) of restricted reserves for Bangladesh is to use on our palliative care programme in Bangladesh, supporting children where active treatment is not a possibility. In addition it will be spent on our new programme in 2020 which aims to improve paediatric oncology outcomes in Bangladesh.

£10,927 (2018 – £62,956) is restricted for use in Cameroon on specialist training, advocacy and awareness raising, parent support costs, palliative care outreach work and twinning visits from the UK and South Africa.

£96,365 (2018 – £58,585) of restricted funds are for use in Ghana, including on several projects from large donors. The funds will be spent on improving access to paediatric oncology services in some of the remotest areas of Ghana and on local and international training, advocacy and awareness raising activities, equipment, drug costs and parent support.

£4,674 (2018 – nil) of restricted funds are to be spent in Vietnam on improved psychosocial care for children and their families.

In Nepal, £21,884 (2018 – nil) of restricted funds are to be spent on improving access to hospitals, developing early-warning signs training, providing key drugs and healthcare professional training.

There is £19 (2018 – nil) remaining to be spent in Palestine on assisting children with cancer in war-torn areas.

£64,020 (2018 – nil) is to be spent in Ghana on the UBS Optimus Foundation programme which aims to develop a centre of paediatric oncology excellence in West Africa.

12 Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds 2019 £
Current year			
Tangible fixed assets	—	7,439	7,439
Current assets	642,092	622,738	1,264,830
Creditors due within one year	(394,925)	(65,971)	(460,896)
	<u>247,167</u>	<u>564,206</u>	811,373
	Restricted funds £	Unrestricted funds £	Total funds 2018 £
Prior year			
Tangible fixed assets	—	8,697	8,697
Current assets	786,411	398,789	1,185,200
Creditors due within one year	(566,298)	(43,753)	(610,051)
	<u>220,113</u>	<u>363,733</u>	<u>583,846</u>

13 Related party transactions

The corporate trustee, World Child Cancer Trustees, incurred no expenditure in the year on behalf of World Child Cancer UK (2018 – £34,880, which was fully reimbursed by World Child Cancer UK to World Child Cancer Trustees). As at 31 December 2019, no amounts were due from the corporate trustee (2018 – £nil).

No charity Trustee or Trustee representative received any remuneration or benefit in kind for professional or other services rendered to the Charity. Some Trustees are medical professionals and provide support to the Charity in the form of voluntary medical aid. Included within the balance of donated services and voluntary medical aid in notes 1 and 3 to the financial statements are amounts of £119,764 (2018 – £44,184) relating to the support provided by 3 trustees (2018 – 3 trustees).

Travel expenses incurred by Trustee representatives were reimbursed totalling £138 (2018 – £2,521). £3,727 (2018 – £2,455) of expenses were incurred as part of their support providing voluntary medical aid.

No gifts to Trustees were made (2018 – none).

Total donations made by Trustee representatives (including connected persons) amounted to £12,300 (2018 – £5,650). This includes the sale of tables at the charity's gala dinner in May 2019. If the table sales are excluded then the total value of donations was £5,400. In addition, donations made by The Embassy of Man Limited, of which Anuj Chande, trustee representative is a director of, amounted to £375 (2018 – £1,500).

James King, one of the Trustee representatives is a partner at Price Bailey, a chartered accountancy firm, who manage an interest bearing bank account on behalf of the Charity. The year end balance was £178,248 (2018 – £177,100).

14 Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £43,165 (2018 – £48,406).

15 Operating lease commitments

At 31 December 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases for the office space was:

	2019 £	2018 £
Within 1 year	52,916	50,497
Between 2 and 5 years	111,500	12,776
	164,416	63,273