

Company number: 7487432
Charity number: 1139869
Charity number Scotland: SCO44260



Sarcoma UK
Annual Report and Accounts
For the Year Ended 31 March 2018

CONTENTS

	Page
Chair of Trustees' Statement	3
Reference and Administrative Details	4
Report of the Trustees:	5 - 23
Objectives and activities	
Achievements and performance	
Future plans	
Governance, structure and management	
Financial Review	
Statement of responsibilities of the trustees	
Acknowledgments	24 - 26
Independent Auditor's Report to the Members of Sarcoma UK	27 - 30
Financial Statements:	31 - 42
Statement of financial activities	
Balance sheet	
Statement of cash flows	
Notes to the financial statements	

Chair of Trustees' Statement

This has been a year of change and great progress, underpinned by sustained growth. I am pleased to report that the charity's income continues to grow strongly, despite a challenging fundraising environment. Our income increased by 18% to £1,616,335, exceeding our forecast budget. I am hugely grateful to all our supporters who, through their commitment, enthusiasm and amazing efforts, continue to raise vital funds to support the charity's work.

Our strategy is to achieve sustainable income growth that is matched with an increased investment into our charitable objectives. I am particularly happy to report that we continue to invest a significant amount – £485,176 in this financial year – into research, and that our Support Line answered a record number (1,586) of enquiries from patients and their family and friends.

This year saw the approval of olaratumab, a new treatment for advanced Soft Tissue Sarcoma that will help manage and prolong quality of life for patients. This is the first new drug to be approved for sarcoma patients in seven years. Similarly, regorafenib was re-approved for GIST patients, having been withdrawn previously. Whilst we are delighted to see these treatments available, there remain many sarcoma patients who do not have adequate treatment options and we are determined that this will change.

The mid-way point of the charity's strategy, Transforming the Landscape for Sarcoma, was the catalyst to review our achievements to date. We have made good progress against many of our objectives but there is much work yet to be done, not least around awareness-raising and campaigning. We will redouble our efforts, focussing on developing an even stronger national voice, creating issue-based campaigns, continuing to invest in research and expanding our reach of information and support for the sarcoma community.

We were sad to see the departure of Lindsey Bennister, our Chief Executive for eight years. On behalf of the Board, I would like to pay tribute to Lindsey's outstanding contribution to the charity. We welcome Richard Davidson, our new Chief Executive, and look forward to what promises to be a hugely exciting year, with great confidence that we will break new ground and continue to change the landscape for everyone affected by sarcoma.

Glyn Wilmshurst
Chair of Trustees

Reference and Administrative Details

Company number	7487432 (Limited by guarantee in England and Wales)
Charity number	England and Wales (1139869) Scotland (SCO44260)
Registered office	49-51 East Road London N1 6AH
Trustees	Trustees, who are also directors under company law, who serviced during the year and up to the date of this report were as follows: Karen Delin (Chair - term of office ended October 2017) Glyn Wilmshurst (Chair – from October 2017) Sarah Conneally Andy Eckles Professor Rob Grimer Leigh Hibberdine (term of office ended October 2017) Ian Hughes Professor Ian Judson Louisa Nicoll Sharon Reid Anjula Thompson Johanne Vass Dr Jeff White Sam Whittam
Patron	Richard Whitehead MBE
Chief Executive	Lindsey Bennister (resigned 29 March 2018)
Acting Chief Executive	Sarah McDonald (from 30 March 2018)
Chief Executive	Richard Davidson (from 30 July 2018)
Company Secretary	Karen Wines
Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ Lloyds TSB, National Clubs & Charities, PO Box 1000, BX1 1LY
Solicitors	Brahams Dutt Badrick French LLP, 24 Monument Street, London, EC3R 8AJ
Auditor	Sayer Vincent LLP Chartered accountants and statutory auditors Invicta House 108-114 Golden Lane London EC1Y 0TL

Objectives and Activities

Sarcoma UK is the only cancer charity in the UK focusing on all types of sarcoma.

Our Mission

Our mission is to amplify sarcoma awareness, inspire involvement, and fund groundbreaking research to transform the lives of everyone affected by sarcoma.

Our Goals

1. More people will survive sarcoma
2. More will be known about the causes of sarcoma
3. Everyone affected by sarcoma will have access to the best treatment and care

What We Do

- Sarcoma UK works with patients, carers, supporters, health professionals and researchers to drive awareness of sarcoma, promote early diagnosis and improve patient experience.
- Sarcoma UK has pledged to invest over £3 million into sarcoma research by 2020 with the aim of finding effective treatment for the disease within the next 10 years.
- Sarcoma UK is the only UK charity providing personal support and expert information on sarcoma.
- Sarcoma UK aims to increase survival rates by at least 10% by 2020. Early diagnosis saves lives.
- Sarcoma UK provides education and training for GPs to help them recognise the symptoms of sarcoma.

The Sarcoma Landscape

1. Sarcomas are uncommon cancers that can affect any part of the body, on the inside or outside, including the muscle, bone, tendons, blood vessels and fatty tissues.
2. 15 people are diagnosed with sarcoma every day in the UK. That's about 5300 people a year.
3. There are around 100 different sub-types of sarcoma.
4. A key symptom of sarcoma is a lump that is increasing in size, often quickly.
5. Sarcoma diagnoses now make up about 1.3% of all cancer diagnoses in the UK.
6. The majority of people are diagnosed when their sarcoma is about the size of a large tin of baked beans (10cm).
7. Sarcoma survival rates have been very gradually increasing over the last two decades in the UK. The five-year survival rate for sarcoma is 55%.

Achievements and Performance

Priority 1: Initiate change to raise awareness and improve standards of treatment and care

What we said we would do:

1. Increase the visibility of sarcoma and how it impacts on individuals and families so the public are familiar with sarcoma and its signs and symptoms.
2. Influence sarcoma health services so that sarcoma patients receive timely and high quality treatment and care, from diagnosis through to end of life care.

1. Increase Awareness - what we did:

Sarcoma Awareness Week 2017

- During Sarcoma Awareness Week we focussed on showcasing the Support Line across five UK specialist centres across the week. We visited centres and their associated support groups in Northern Ireland, Swansea, Oswestry, London and Newcastle.
- With the aim of broadening our range of information channels, we launched the charity's first podcasts during awareness week. The series covered five topics:
 - Sarcoma UK's Support Line
 - The role of a CNS
 - What to do if you think you have sarcoma
 - What you need to know if you're newly diagnosed
 - After treatment and follow up

The website's podcast page was visited more than 400 times, with more than 150 plays on our website as well as being featured on other podcast services.

- Digital and social media had a huge impact in raising awareness of sarcoma. We saw a 24% increase in website traffic over the week. Across social media, our reach and impressions increased by over 100%.

Sarcoma UK awareness

- Overall, the website saw a sizeable increase in traffic, with 23% more users and 25% more visits. This indicates that the website is increasingly used as an information resource. The most frequently visited sections are those offering information about sarcoma, sub-types and treatment options. More people are using the website more frequently, and looking at a wider range of information whilst they are there.
- The charity's social media channels firmly established themselves as major sources of engagement for the charity. Twitter, Facebook and Instagram all saw healthy growth in followers, but crucially, engagement from supporters. Twitter had almost 1.4 million impressions over the course of the year.
- Facebook transitioned to become the main platform for long-form storytelling, with supporters choosing to share their individual experiences. The charity also reinvigorated its YouTube channel to broaden our reach with new and varied videos.

2. Influence Health Services - what we did:

- The National Institute for Health and Care Excellence (NICE) held a full technology appraisal for olaratumab, a new treatment for Advanced Soft Tissue Sarcoma. Olaratumab will help manage and prolong quality of life for patients with advanced disease. The technology appraisal was to assess if olaratumab met the required criteria to be approved for funded treatment by the NHS in England. We played a significant role in the technology appraisal, providing a written submission and oral evidence to the committee from the patient and carer perspective. NICE have approved olaratumab for use in NHS England and Wales until 2020 while more data is gathered. This is the first new drug to be approved for sarcoma patients in seven years.
- We also made both a written submission and provided verbal evidence alongside clinicians to the Scottish Medicines Consortium (SMC) for the appraisal of olaratumab. The SMC approved olaratumab for use in Scotland, in line with England and Wales.
- We worked in collaboration with GIST Support UK on the NICE Technology Appraisal for regorafenib. Regorafenib had previously been removed from the approved list for use in England. We provided a written submission and attended the hearing. NICE announced the approval of regorafenib for use in England, in line with Wales and Scotland.
- We supported four National Sarcoma Forum regional meetings and the first National Education Day.
- We continued sponsorship of the BMJ Learning module – *Lumps, Bumps and Sarcomas*. The number of completed modules this year was 9,896, an increase from 9,582 the previous year.
- We provided input into the Sarcoma Service Specification which has been submitted to NHS England. This will provide an improved service for sarcoma patients with defined pathways. We provided a letter in support of the submission to Cally Palmer, the National Cancer Director.

3. Other – what we did:

- Results and findings from our 2015 National Sarcoma Survey were presented at the National Cancer Research Initiative (NCRI) Cancer Data Outcomes Conference to an audience of policy makers, large cancer organisations, NHS, clinicians and researchers.
- We contributed to the NCRI James Lind Alliance Priority Setting Partnership for Living with and Beyond Cancer to identify key research questions that matter most to cancer patients and their Healthcare Professionals.
- We started to look at sarcoma incidence and issues relating to the scarcity of sarcoma data routinely published. Sarcoma UK has liaised with other organisations in Cancer 52 and we are Co-Leading the Cancer 52 Data Working Group to look at what data is needed and how we work with Public Health England to access this. We started to work with the National Cancer Registry and Analysis Service (NCRAS), Welsh Cancer Intelligence and Surveillance Unit, Information Services Division of the NHS National Services Scotland, Northern Ireland Cancer Registry to ensure we have a truly national picture.

Priority 2: Seek answers through research

What we said we would do

1. Increase investment into sarcoma research
2. Monitor and communicate the impact of Sarcoma UK funded research

1. Increase investment - what we did:

- In 2017/18, Sarcoma UK invested £485,176 into high quality scientific research into sarcoma, bringing the total of investment into sarcoma research to £1,974,183
The 2017/18 investment funded 11 research grants.
We received over £1.6 million worth of high quality fundable applications for our allocated investment of £500,000.
- Our annual Roger Wilson Research Award invited applications for research into Early Diagnosis.

Grants awarded in 2017/2018

Roger Wilson Research Award

Exploring socio-demographic inequalities in the diagnosis of sarcoma, with a particular focus on deprivation

Dr Richard McNally, University of Newcastle

£24,305

This project will examine the diagnostic journey for all sarcoma patients looking at the effect of social inequality and the correlation between routes to diagnosis and indices of deprivation. It will look at the impact this has on diagnostic, treatment, rehabilitation and follow-up experiences. This research will form an evidence base to shape healthcare interventions to encourage and support earlier diagnosis of sarcomas.

Clinical Research Awards

Trans-TITAN: Translational analysis of samples from the TITAN (Tumoural Injection of T-VEC and Isolated Limb Perfusion) study

Mr Andy Hayes, Institute of Cancer Research, London

£63,606

Isolated limb perfusion (ILP) is a surgical technique to treat patients with limb sarcomas unsuitable for standard surgery, it gives high-dose anti-cancer therapies where the side effects don't affect the body. This project will investigate if adding a cancer killing virus to the ILP mean the treatment lasts longer against metastasis.

CIRCUS: A pilot study of CIRCULating tumour cells in patients with soft tissue sarcoma

Dr Robin Young, University of Sheffield

£24,750

How sarcomas spread is poorly understood, it's thought that tumour cells escape into the bloodstream before going to another site. Tumour cells in the bloodstream can be identified as circulating tumour cells. This project will study if circulating tumour cells can be isolated, quantified and characterised from blood samples. Once we have identified them, they could be used as a biomarker to identify early spread of sarcoma.

Improving soft-tissue sarcoma diagnosis with non-invasive procedures

Professor David Gonzalez de Castro, University of Belfast

£23,749

Many Soft Tissue Sarcomas have a specific fusion gene which is linked to cause of cancer. This project aims to develop a blood test for fusions genes and would give sarcoma patients a better diagnosis, improved treatment and may increase clinical trial eligibility.

Circulating tumour cells as predictors of disease progression and overall survival in dogs with naturally-occurring osteosarcoma

Professor Matthew Allen, University of Cambridge

£109,953

Dogs develop the same pattern of osteosarcoma as people. This project will use blood tests to identify circulating tumour cells (CTC's) in dogs and monitor any changes to disease progression. Identification of the CTC's means we can study these cells to understand how osteosarcoma spreads, leading to safer and more effective treatments for osteosarcoma in both people and dogs.

Sayako Grace Robinson PhD Studentship

Utilisation of genomic mutational signatures in sarcoma for clinical benefit

Dr Nischalan Pillay, University College London

£120,000

Cancer is a disease caused by mistakes in our DNA, known as mutations. Using mathematical and computational models, we can detect signatures left by mutations which could identify which patients will respond to specific treatments. Sarcomas have very complex mutations and will require new computational methods to identify the signatures. This project will identify sarcoma mutations and look at how to apply them to patients.

Basic Science Awards

Molecular characterisation of primary uterine leiomyosarcoma and preclinical investigation of response to non-genotoxic activators of p53 via the MDM2/p53/PPM1D signalling network

Professor John Lunec, University of Newcastle

£24,632

This project will search for mutations and changes in gene expression that drive the growth and spread of the uterine leiomyosarcomas (uLMS) tumour cells at a patient level. A new type of drug, MDM2 inhibitors, can target the genes in uLMS without damaging DNA. This project will test combination treatments with MDM2 inhibitors and other novel non-genotoxic drugs for their effectiveness in uLMS.

Towards the production of high potency peptide therapeutics for the treatment of Kaposi's sarcoma

Dr Tracey Barrett, Birkbeck College, University of London

£23,934

There are no effective treatments for advanced Kaposi's sarcoma (KS) which has an extremely poor outcome for patients. Kaposi's virus produces proteins which are thought to start tumour growth and spread. This project aims to develop and refine targets which block the proteins and tumour formation. The agents are low toxicity and are specific in their action and would make a good drug for patients.

Investigating the role and mechanisms of small non-coding RNAs in chondrosarcoma: A small RNA sequencing approach.

Dr Mandy Peffers, University of Liverpool

£20,750

The molecular mechanisms that lead to chondrosarcoma are very poorly understood, with a few mutations in specific genes identified. This project will sequence chondrosarcoma to look at alterations in the expression of small non-coding RNAs; it will assess the role and function of

selected non-coding RNAs in chondrosarcoma and look at how a change of expression affects development and progression of tumours.

Linking cellular heterogeneity to therapeutic response in rhabdomyosarcomas

Dr Zoe Walters, University of Southampton

£24,820

This project will determine how specific rhabdomyosarcoma tumour cells resist treatment and develop new therapies. Using new cutting edge techniques, this research will characterise gene expression and DNA sequence changes in the most sensitive and resistant cells. We will identify a list of key genetic differences associated with chemotherapy response by comparing the responsive and resistant cells. This project has the potential to improve overall outcome and quality of life for rhabdomyosarcoma patients.

Characterisation of the role of sarcoma-associated fibroblasts in soft tissue sarcoma development

Dr Will English, University of Sheffield

£24,677

Fibroblasts are known to be very important in the growth and spread of many cancers. This project will investigate how to detect fibroblasts in sarcoma and compare them to other fibroblasts. The researchers will stimulate fibroblasts to cause cell death and monitor how this affects tumour growth. The project will help develop new therapies for the treatment of soft tissue sarcoma.

We continued to fund previous research commitments – see sarcoma.org.uk for details.

2. Monitor and communicate the impact of Sarcoma UK funded research - what we did:

- We undertook an output sweep of all research funded by Sarcoma UK to date to get a full picture of our funded research. From the 2009 round onward, our funded research has produced the following outputs until year end 2016/17:
 - 58** oral presentations at UK and international scientific meetings and conferences
 - 24** poster presentations at UK and international scientific meetings and conferences
 - 29** publications in peer reviewed journals
 - 1** clinical trial
 - 1** Material Transfer Agreement
- We have migrated our research portfolio to use Researchfish, the research sector gold standard monitoring service for reporting research outputs and impacts. This will allow better reporting of our research and enable us to keep up with our funded researchers where we may see the fruition of our research projects for many years to come and make it easier to track.
- We increased the supporter focussed dissemination of our funded research, making a series of five videos around research we are funding. Our funded research projects and outputs have received higher levels of promotion this year through social media and E-news channels to our supporter audience.

3. Other - what we did:

- All our funded research which recruits patients is eligible for inclusion on the National Cancer Research, Clinical Studies Portfolio; this will make our research visible at a

national level and feed into Cancer Research Networks. Reviewing the historical available information on the portfolio, 612 patients have been recruited to research funded by Sarcoma UK.

- In addition to the historical review of our research portfolio; in 2017-18 our funded research had the following outputs:

17 oral presentations at UK and international scientific meetings and conferences

16 poster presentations at UK and international scientific meetings and conferences

4 publications in peer reviewed journals

1 PhD awarded

Priority 3: Support the sarcoma community and provide information

What we said we would do:

To extend the reach of our information and support services to all people affected by sarcoma.

1. Extend the reach of our information - what we did:

- This year saw the launch of our Clinical Trials Hub, a new information source which provides patient-focused information about clinical trials. The aim of this initiative is to inform, support and empower patients to make decisions about participating in a trial, provide information to family and friends. A list of current open UK based trials relevant to sarcoma patients appears on our website, which both patients and clinicians can use as a reliable source of information.
- We distributed 8,453 patient information booklets and factsheets to specialist centres, treatment centres and information centres. Individual supporters now overwhelmingly use our online resources; fewer than 100 printed booklets were requested by this group. Healthcare Professionals are the main audience for our printed material to give out to patients.
- We have seen an increase in individuals using our online resources; the Information pages of our website received over 657,000 views in 2017/18, with 12,752 information booklets and factsheets downloaded from our website this year. We are focussed on diversifying our information into a more digital format in line with rising traffic to our website.
- Our information production remains responsive to the changing sarcoma environment. We produced a new factsheet on olaratumab following the approval for its use by National Institute for Health and Care Excellence. When the new UK guidelines for the management of sarcomas was published, we updated the majority of our existing titles in line with Information Standard protocols.
- In October we received re-certification from the Information Standard. We have actively contributed to NHS England's review of Information Standard accreditation.

2. Extend the reach of our Support Line - what we did:

- The Support Line was open for 20 hours a week throughout the year, responding to questions from patients, family members, friends, and health professionals by phone and email.
- From 1 April 2017 to 31 March 2018, the Support Line had 1,586 queries from 455 people. The average call length is 30 minutes.

- To augment our Support Line, we set up the Sarcoma UK Medical Advisory Group (MAG) as an internal resource for the Support Line. The medical advisory group covers all specialist centres and disciplines and advises the Support Line team around clinical queries or local pathway information. MAG have helped us support 28 individuals in 2017/18.
- As our Support Line enters its third year, we have formed a closer working relationship with the sarcoma clinical teams. We ran a pilot project with the Oxford and Glasgow clinical teams around promotion of the Support Line to patients when they are invited to a sarcoma clinic pre-diagnosis. These pilots were successful and will be rolled out to the rest of the UK in 2018/19.
- We trialled an out-of-hours service opening the Support Line in November 2017 to see if there was a need to provide support to those who may not be able to contact the team during the day. On evaluation, there was insufficient uptake for evening hours offered.

3. Extend the reach with sarcoma support groups - what we did:

- We continue to support and financially assist 13 regional sarcoma support groups throughout the UK. We provided face-to-face support to 200 patients at 11 patient support events and 1 health and wellness day.
- We supported the group leaders in the development and set up of two new patient support groups in Plymouth and Bristol.
- We acknowledge the commitment given by all support group leaders to provide regional support and online support for sarcoma patients and families. To enhance our support for these groups, we engaged with support group leaders to identify ways we might work together more effectively.

Priority 4: Build a strong charity

Our achievements are only possible because of the energy and generosity of our fundraisers and donors. Our diverse philanthropic community includes patients, their family and friends, health professionals, charitable trusts and businesses. Their enthusiasm, loyalty and belief in Sarcoma UK are vital to ensure people affected by sarcoma have the support they need, and sarcoma researchers continue to move closer to finding effective treatments. In 2017/18, our income was £1,616,335. We express our deepest gratitude to everyone who has made a donation or helped to raise funds this year.

Highlights of the year included:

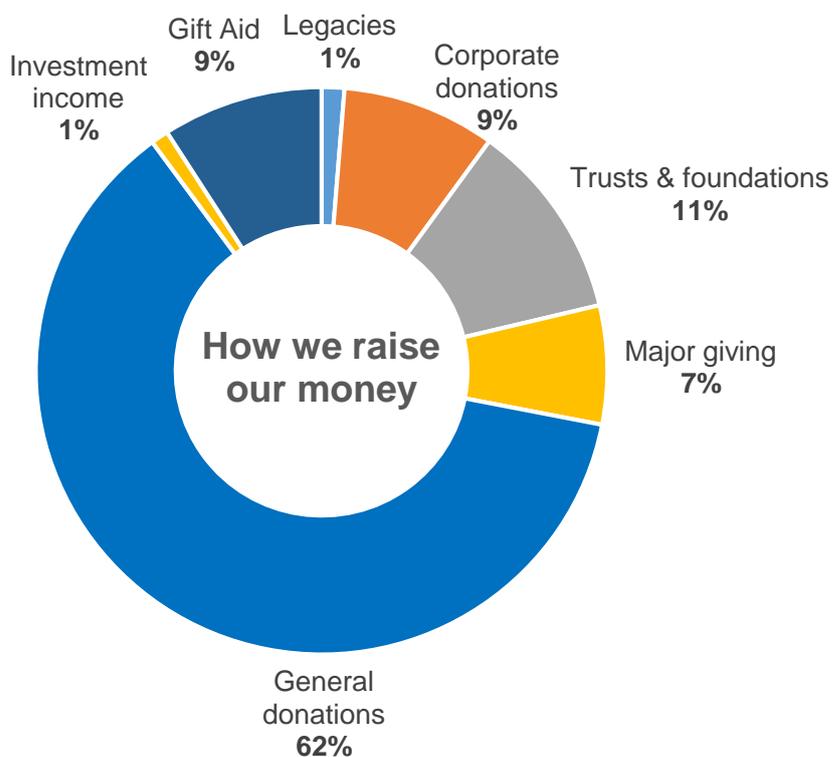
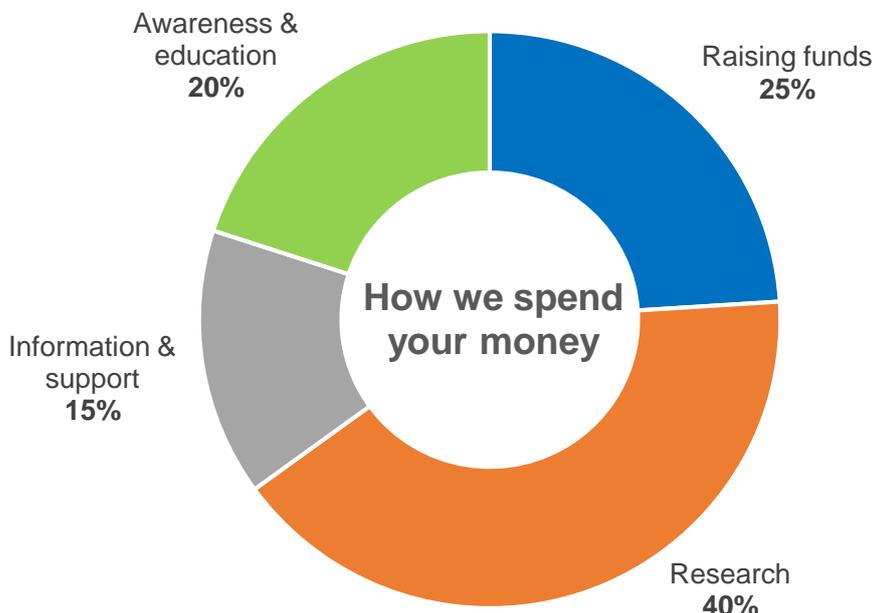
- 47 people – our largest ever team – completed the London Marathon for Sarcoma UK
- A fuchsia named 'Sarcoma UK' being released at the RHS Chelsea Flower Show. Hybridised by sarcoma patient Ian Strawson and his partner Bonita Hesketh, the plant raised £2,467 over the course of the year
- Our first mass participation fundraising event, the Big Picnic, which coincided with Sarcoma Awareness Week. Special packs, including an exclusive poster and badges designed by Magda Archer, were sent to picnic organisers all over the UK.
- Team Sarcoma participating in the Great North Run for the first time as part of our plan to widen the geographical spread of our challenge events. Former athlete Brendan Foster provided a special message of support for our runners.

- A fiendishly difficult quiz night organised by Zoe Conway in memory of her husband, Chris Martin. The event, to launch the new Chris Martin Fellowship, was hosted by Ed Balls and the quizmasters included Armando Iannucci, Stella Creasy MP and Nick Robinson.
- Richard Dunwoody, the former champion jockey, trekking 2,000 miles across Japan with a 20kg rucksack to fundraise for Sarcoma UK. The total on his JustGiving page stood at just over £46,000 by the end of the year.

We continued to work towards the diversification of our income streams, continuing our programme of applications to Trusts and Foundations and investing in a new post to support relationships with high value donors. The impact of our Charity of the Year partnership with 10 Downing Street in 2016 continued to be felt, with a number of guests who had attended the reception becoming more involved with the charity as donors themselves or by facilitating grants from trusts.

At Sarcoma UK we aim for best practice in all our fundraising activities. Our fundraising approach is to build long-term, meaningful relationships with donors and fundraisers based on transparency, respect and the clear demonstration of the value of their involvement. We are aware that some supporters may be vulnerable or go through periods of vulnerability, and have documented measures in place to help identify and protect vulnerable people who are in contact with the charity.

We have been registered with the Fundraising Regulator since its inception and comply with the Code of Fundraising Practice. We do not use third-party agencies to fundraise on our behalf. We received one complaint in 2017/18, which was about the content of our direct mail appeal. We had an increase in commercial arrangements with individuals through the year and prepared a Commercial Participation Agreement for introduction in 2018/19, to ensure best practice with future partners.



The above activities include 19% support costs and 3% governance costs, which have been re-allocated to each activity (see notes to financial statements).

Future Plans

During 2017/18, we reviewed the Strategic Priorities progress to date against the Strategy. We had made good progress against many of our objectives and agreed a refreshed strategy to 2021 to focus on areas where more progress still needs to be made and we have framed this under three strategic pillars:

1. Research

Become £1 million per year investor in sarcoma research
Invest in sarcoma researchers of the future
Identify transformational 'blue skies' research

2. Information and Support

Sarcoma expert information provider of choice
First port of call for support
Partnership working with appropriate organisations

3. Awareness/Campaigning

Develop a strong national voice
Influence and change national policy to benefit people affected by sarcoma through issue-based campaigns
Increase public awareness of sarcoma through higher profile and targeted campaigns

2018/19

We will:

- Increase our level of investment into high quality sarcoma research and run three research grant calls: basic science, clinical research and a new call in genomic research.
- Develop a strong national voice
- Increase public awareness of sarcoma through higher profile and targeted campaigns
- Establish Sarcoma UK as information provider of choice
- Provide sarcoma patients and their families with increased opportunities to access support
- Implement our new Fundraising Strategy

Governance, Structure and Management

Legal Entity

Sarcoma UK is a charity registered in England and Wales with the Charity Commission on 17 January 2011, and registered as a charity in Scotland on 12 September 2013. Its governing documents are its memorandum and articles of association. Sarcoma UK is also a company limited by guarantee incorporated with Companies House on 10 January 2011.

Sarcoma UK is sole corporate Trustee of former charity The Sarcoma Trust.

Charitable Objectives

The objectives of the charity are to promote and protect the physical and mental health of patients with bone and soft tissue sarcomas in the United Kingdom through the provision of information, support, education and practical advice to them, their families and their carers; the relief of sickness and the preservation of health in particular by promoting and supporting research with

the publication of the useful results thereof and the development of more effective treatment and care for patients with bone and soft tissue sarcomas; to advance the education of the general public in all areas relating to sarcoma.

Board of Trustees 2017/18

Glyn Wilmshurst –Chair

Glyn co-founded the communications agency Touchline, which produces the publications, websites and branding of several governments as well as various international arts, trade, travel and sports organisations. Glyn was diagnosed with a myxoid liposarcoma in December 2010.

Karen Delin

Karen has over 20 years' experience in palliative care nursing. Diagnosed with a gynaecological sarcoma in 2006, Karen established and continues to organise the London Sarcoma Support Group as well as being a founder trustee of Sarcoma UK.

Sarah Conneally

Sarah is former Head of Events & Visits at 10 Downing Street, having worked for both the current and previous Prime Minister. Sarah was a colleague of Chris Martin at 10 Downing Street and she led their working group during our charity of the year partnership in 2016. Sarah is now a Director at the newly formed Commonwealth Summit Unit, part of the Cabinet Office.

Andy Eckles – Trustee with special interest in finance

Andy has 30 years' experience in finance, as both an auditor and currently as Group Financial Controller at Huntswood, a company that provides specialist resourcing and consultancy services. Andy's son, Tom, passed away from Ewing's sarcoma in September 2015.

Professor Rob Grimer

Rob is a (retired) Professor of Orthopaedic Oncology at the Royal Orthopaedic Hospital, Birmingham. During his long career in sarcoma, he helped pioneer the use of extendable prostheses and new surgical techniques such as irradiation and re-implantation of bone to treat sarcoma. He is a founding member of the British Sarcoma Group.

Leigh Hibberdine

Leigh works in events management and became involved with Sarcoma UK when her daughter was diagnosed in 2009 with paediatric wild-type GIST (gastro-intestinal stromal tumour).

Ian Hughes

Ian is the owner of SILO Consulting Ltd, based in York. Ian was diagnosed with leiomyosarcoma in 2010.

Professor Ian Judson

Ian has been treating patients with sarcoma for 25 years as Head of the Sarcoma Unit at the Royal Marsden until his retirement in 2016. He has conducted many clinical trials in this area, and was a founder member of the British Sarcoma Group, and President until 2015.

Louisa Nicoll

Louisa is a nurse with extensive experience in the delivery of oncological and specialist palliative care services. She is currently Ward Manager at a Sue Ryder hospice in Henley-on-Thames. Louisa's husband was diagnosed with high grade osteosarcoma in March 2016.

Sharon Reid

Sharon is a former Executive Director and Chief Operating Officer at Edelman, the world's largest PR agency, and has worked in communications for the last 18 years.

Anjula Thompson

Anjula qualified as a Solicitor in 1993. She worked in private practice for 10 years and thereafter as a legal officer in the voluntary sector before taking up her current role, in 2005 as a Deputy District Judge, adjudicating in Civil and family cases. Anjula is the wife of Sarcoma UK trustee Dave Thompson who sadly passed away in 2016.

Johanne Vass

Jo is a Sarcoma Advanced Nurse Practitioner, the lead for sarcoma nursing services and a key member of the South Wales Sarcoma Multi-Disciplinary Team. She was the first sarcoma specialist nurse to be appointed in South Wales in 2012.

Dr Jeff White

Jeff is a consultant medical oncologist working in sarcoma at the Beatson West of Scotland Cancer Centre, and former National Lead Clinician for the Scottish Sarcoma Network.

Sam Whittam

Sam is a barrister working principally in the area of child protection and was called to the bar in 1995. In 2009, Sam lost her friend to sarcoma.

Sub-Committees

From April 2017 to October 2017 the committee structure was formed as follows:

Nominations Sub-Committee

Members:

- Karen Delin
- Ian Hughes
- Dr Jeff White

Human Resources (HR) Sub-Committee

Members:

- Leigh Hibberdine
- Sam Whittam
- Glyn Wilmshurst

At the October 2017 Board of Trustees meeting, the Board agreed to formally sign up to the Charity Governance Code; to manage and take responsibility for Trustee governance. It was agreed to form two new committees, the Nominations and Human Resources (NHR) Committee and the Governance, Risk and Finance (GRF) Committee.

Nominations and Human Resources Committee (NHR)

Responsible for HR and staffing issues, including staff remuneration. Responsible for the renewal of tenure, recruitment and appointment of trustees is also delegated to the **Nominations and Human Resources Committee** who make recommendations to the Board of Trustees.

Members 2017/18:

- Sam Whittam (Chair)
- Louisa Nicoll
- Jeff White
- Sharon Reid

Governance, Risk and Finance Committee (GRF)

Responsible for Overseeing governance, organisational Risk and working with the Senior Management Team on finance. The **Governance, Risk and Finance Committee** make recommendations to the Board of Trustees.

Members 2017/18:

- Andy Eckles (Chair)
- Ian Judson
- Anjula Thompson
- Johanne Vass

Trustee Appointment and Induction

Sarcoma UK places a high value on having an informed and skilled Board of Trustees which guides the charity to achieve its ambitious goals.

Trustees serve a three-year term; after which they are eligible for re-election for a further three years.

New trustees are recruited in various ways, according to the skills sought by the Board. Vacancies are advertised in national charity media; through professional networks; and via the charity's website and networks. Potential trustees are invited to submit a formal application and attend an interview with the Nomination and Human Resource Committee.

All trustees receive the Trustee Handbook, setting out the role and responsibilities of Sarcoma UK trustees, including the charity's policies and procedures relating to governance. A Register of Trustees' Interests is in place and updated annually.

All new trustees receive the governing document, strategy and business plan, published accounts and minutes of previous Board of Trustee meetings, Trustee Handbook, as well as Charity Commission guidance on effective governance. A formal induction programme is in place, where trustees spend time with the Chief Executive and the Senior Management Team. Trustees are subscribed to Governance publication and are encouraged to attend training and other events for charity trustees.

Organisational Structure

The Board of Trustees sets the strategic direction of Sarcoma UK and approves the main policies of the charity. It appoints and directs the Chief Executive, monitors performance and identifies and manages the major risks facing the charity. The Board meets four times a year.

The Board delegates responsibility for the running of the charity to the Chief Executive with clearly communicated and recorded executive limits. The Chief Executive is responsible and accountable for achieving Sarcoma UK's strategic objectives and delivering the annual business plan. A Senior Management Team is in place to support the Chief Executive, providing leadership across key areas of the charity's work, and ensuring delivery of the charity's day-to-day work.

Sarcoma UK's Senior Management Team in 2017/18 consisted of:

- Chief Executive
- Communications Director
- Director of Finance & Resources
- Director of Fundraising
- Director of Research, Support & Information

Sarcoma UK has a policy for reviewing staff salaries, set out in the Staff Handbook. Staff salaries are reviewed annually by the Board of Trustees Nominations and Human Resources Committee, on behalf of the Board of Trustees, and benchmarked against voluntary sector pay surveys and inflation. The remuneration of senior management is covered under this policy.

The total number of staff employed at 31 March 2018 was 16 (including 5 part-time). The trustees are grateful to the staff team for the outstanding work they do on behalf of people affected by sarcoma.

Volunteers

The trustees recognise the valuable contribution made by volunteers to Sarcoma UK and wish to record their gratitude for this commitment. These include members of Sarcoma UK's Research Advisory Committee; sarcoma support group leaders; Sarcoma UK's Information Review Panel; Sarcoma UK's Medical Advisory Group, individuals and families who have provided their stories for use as case studies; everyone who has undertaken fundraising and awareness-raising in their communities; and everyone who has set up information stands set-up, cheering stations at events; and everyone who has supported Sarcoma UK at events and activities throughout the year. We particularly wish to acknowledge the efforts of Ellie Showler, Glenys Stittle, Jasmine Thompson, Charlotte Wilmshurst, Sue Martin and Jan Cornell. In accordance with accepted practice, no amounts are included in the financial statements to reflect the value of work undertaken by volunteers.

Risk Assessment

To manage risk effectively, Sarcoma UK uses a risk assessment model. The model sets out the processes for identifying major strategic risks, assessing their likely impact and, where appropriate, the measures that need to be implemented to mitigate the risks. These risks are regularly reviewed by the Senior Management Team and the Trustee Governance Risk and Finance Committee.

In our risk assessment model, risks are categorised under the following headings: Governance, Financial, Operational, Environmental and External Factors, Compliance Risk, and Charitable Objectives.

The most significant current risk to the charity has been identified as the impact of the external environment on fundraising, in particular:

1. Change to fundraising regulations
2. New data protection regulations
3. Public confidence in charities
4. Uncertainty around Britain's withdrawal from the EU and the possible economic impact

To manage this risk, the following actions will be incorporated into the risk model:

1. Investment into new fundraising streams to spread the risk and establish greater diversity in fundraising sources and provide a more balanced income portfolio.
2. Appoint a team member as General Data Protection Regulation Lead and using a specialist organisation to provide support, training, advice on best practice.
3. Continue to be transparent in our practices demonstrating our activities and impact. An objective in the 2018/19 to be fully compliant with data protection regulations.
4. Robust monitoring of monthly management accounts to identify changes in income patterns as early as possible.

The risk model has been reviewed by the trustees and they are satisfied that appropriate systems are in place to mitigate major risks.

Grant Making Policy

Our research grants programme for sarcoma involves annual calls for proposals. These calls are open competition and publicised on our website and to the UK sarcoma research community, in particular research active sarcoma clinicians and UK Higher Education Institutes.

Applications submitted undergo a rigorous external peer review process to identify the best quality sarcoma research projects in centres of excellence across the UK. Our Research Advisory Committee considers all peer reviews and makes recommendations for funding to the Board of Trustees, who approve the final grants to be awarded.

Sarcoma UK is a member of the Association of Medical Research Charities (AMRC) and is fully compliant with their practices. Our Principle of Peer Review Policy is published and all applicants are made aware of it. We publish our Conflicts of Interest policy, whereby all members of the Research Advisory Committee are required to provide an annual declaration of potential conflicts of interest. The policy also sets out the conditions for automatic exclusion from participation in funding decisions for members who have conflicts of interest, and this policy is implemented rigorously at meetings.

Our research strategy states that no area of research is given greater priority over any other within a call. We always award on the basis of the scientific quality of the proposed studies. Clinical research projects must be patient focused. We will support both people and projects, and will provide funding for pump-priming research to support the development of ideas. We wish to increase the sum total of sarcoma research in the UK and remain flexible in our approach towards funding and research partnerships.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Working with Others

Sarcoma UK recognises that progress towards our goals is maximised when working collaboratively with others who share an interest in improving the lives of people affected by sarcoma. As the only UK charity focusing on all types of sarcoma, we aim to work collaboratively with the whole sarcoma community to achieve our vision for the future. In 2017/18, Sarcoma UK had collaborations with the Association of Medical Research Charities (AMRC); BMJ Learning; Boom Foundation (Northern Ireland); British Sarcoma Group; Cancer 52; National Cancer Registry and Analysis Service (NCRAS), Welsh Cancer Intelligence and Surveillance Unit, Information Services Division of the NHS National Services Scotland, N. Ireland Cancer Registry, GIST Support UK; National Cancer Research Institute (NCRI) sarcoma clinical studies group; NCRI James Lind Alliance Priority Setting Partnership – Living With and Beyond Cancer steering group; National Institute of Health and Care Excellence (NICE); National Sarcoma Forum (of specialist nurses); NHS England; Sarcoma Patients EuroNet; the Scottish Sarcoma Network; and the network of sarcoma specialist centres – bone and soft tissue – in England, Wales and Northern Ireland.

Financial Review

Income

Sarcoma UK has made excellent progress against its objectives for the year, successfully raising £1,616,335, an increase of 18% from the previous year (2017: £1,369,014), which exceeded our income forecast for the year. This is primarily due to an increase in legacy income by £12,606, general donations (23%), gift aid (28%), trusts and foundations (12%) and corporate donations (15%).

The trustees wish to thank all donors for their invaluable support during the year, which is helping Sarcoma UK transform the lives of everyone affected by sarcoma.

Expenditure

Total expenditure increased slightly to £1,402,004 (2017: £1,396,746), demonstrating careful financial management and budgetary controls across the charity. Although expenditure on our charitable activities remained high at 75% of total expenditure, there was an overall decrease in these activities by 6% to £1,054,265 (2017: £1,118,488). This is predominately due to a decrease in expenditure on research; we did not hold a Sarcoma Research Symposium, the termination of a previously awarded research grant by the institution and the return of underspent grants from several institutions.

We strive to keep the costs of raising money to a minimum. There has been an increase of 25% in the cost of raising funds, which has directly resulted in an increase in our level of income and is building a secure funding base for the future. This year for every £1 spent on fundraising £4.64 was raised.

An income surplus of £214,331 (2017: deficit £27,732) was made this year and increases total charity funds to £1,166,992 (2017: £952,661), of which £3,402 are restricted. The reserves policy is discussed below.

Reserves Policy

The Board of Trustees aim to maintain reserves at a level which equates to approximately six months of overhead costs.

The total funds of the charity at 31 March 2018 were £1,166,992 of which £3,402 are restricted. This leaves a balance of £1,163,590 as unrestricted funds. The trustees have agreed to designate £500,000 of these unrestricted funds to research grants in 2018/19, leaving a balance of £663,590. The level of reserves is equivalent to over six months of overhead costs. This is approximately £450,000 for the forthcoming year, which will ensure uninterrupted services and delivery of our charitable activities. The reserves policy will be reviewed in 2018/19, to ensure it is adequate for the charity's future operational needs.

Statement of responsibilities of the trustees

The trustees (who are also directors of Sarcoma UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Sarcoma UK
Report of the Trustees
For the year ended 31 March 2018

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2018 was 12 (2017:10). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 2 October 2018 and signed on their behalf by

Glyn Wilmshurst
Chair of Trustees

Acknowledgements

Patron Richard Whitehead MBE
Founder Roger Wilson CBE

Research Advisory Committee

Professor Penella Woll (Chair)

BMedSci, MBBS, PhD, FRCP
Professor of Medical Oncology, University of Sheffield

Dr Sara Booth

MD FRCP FRCPE
Honorary Consultant, Associate Lecturer, University of Cambridge
Honorary Senior Lecturer at the Department of Palliative Care and Policy, King's College London

Dr Bernadette Brennan

BSc, MBChB, MRCP (UK), FRCPCH, MD
Consultant Paediatric Oncologist, Royal Manchester Children's Hospital

Mr Paul Cool

MD MMedSc (Res) FRCS (Ed) FRCS (Orth)
Consultant Orthopaedic & Oncological Surgeon, The Robert Jones and Agnes Hunt Orthopaedic Hospital, Oswestry

Mr Anant Desai

BA MA MBBS MD FRCS
Consultant General Surgeon, Queen Elizabeth Hospital, Birmingham

Dr Sinclair Dundas

PhD, MBChB, FRCPath
Consultant Pathologist, Aberdeen Royal Infirmary

Professor Adrienne Flanagan

MB, BCh, BAO, PhD, LRCPI, LRCSI, FRCPath, FMedSci
Professor of Musculoskeletal Pathology, University College London
Consultant Pathologist/Clinical Lead, Royal National Orthopaedic Hospital

Professor Ted Hupp

PhD
Principal Investigator and Professor of Cancer Research, University of Edinburgh

Mr Sam Patton

FRCS (Tr & Orth), FRCSEd, MB ChB
Consultant Orthopaedic Specialist Surgeon, Royal Infirmary of Edinburgh

Professor Janet Shipley

PhD
Head of the Division of Molecular Pathology, Institute of Cancer Research

Dr Karen Sisley

BSc, PhD
Senior Lecturer, University of Sheffield

Dr James Spicer

MRCP, PhD, FCRP
Consultant in Medical Oncology, Guy's and St Thomas' Hospitals
Co-lead of the King's Experimental Cancer Medicine Centre, King's College London

Dr Sandra Strauss

BA, MBBS, MRCP (UK) PhD
Consultant Medical Oncologist, University College Hospitals London

Dr Neil Vargesson

BSc, PhD, FHEA
Senior Lecturer, University of Aberdeen

Professor Galina Velikova

BMBS, RCP, PhD
Chair of Psychosocial and Medical Oncology, University of Leeds

Dr Paula Wilson

BSc, MBChB, MRCP (UK), FRCR
Consultant in Clinical Oncology, University Hospitals Bristol

Dr Jayne Wood

MBBS FRCP BSc PgDip
Consultant in Palliative Medicine and Clinical Lead, Royal Marsden and Royal Brompton Hospitals
London

A huge thank-you to all our major donors

- The Analyst
- Ascot Underwriting
- The Barcapel Foundation
- The Boom Foundation
- The Rt Hon David Cameron
- The Charley Ashton Foundation
- Dennis Curry's Charitable Trust T49
- Edith Murphy Foundation
- GeeWizz
- Gerald Epstein
- Jessica's Sarcoma Awareness
- The Robert McAlpine Foundation
- Gwen Owen Robinson

Corporate donors

- Artex Risk Solutions (Gibraltar)
- Birmingham Hippodrome

Sarcoma UK
Acknowledgements
For the year ended 31 March 2018

- EDF Trading
- Gerard Lodge
- Marex Spectron
- Nationwide Building Society
- R G Clay Ltd
- Schneider Electric
- Scottish Power Energy Networks
- Twinseal Ltd

Gifts in kind

- Magda Archer, Nick Lingford Design and Richard de Pesando for design, artwork and materials for the Big Picnic

Group Funds

The Adam Jones Fund
The Amy Westlake Fund
Charley's Fund
The Chris Martin Fund
The Dave Thompson Fund
The Derek Watkins Fund 007
Fortis in Arduis
Hope's Fund
The James Hessey Fund
The Leigh Gaskin Fund
Luis' Legacy
The Peter Thompson Fund
The Richard Sumner Fund
The Sandie's Stars Fund
The Sayako Grace Robinson Fund
The Stephanie Darling Fund
The Terry Allison Tribute Fund
The Tom Eckles Fund
The Tom McMahon Fund
The ULegend Fund

Legacies

We recognise the deeply personal decisions involved when making a will, and express our unending gratitude to the following supporters from whose wills we received a gift in 2017/18.

- Albert Lo
- Linda Morris

Individuals who have provided professional support

The following people have provided valuable professional support and advice to Sarcoma UK on a pro-bono basis.

- Rachel Billsberry-Grass (Consultant, CauseWorks)
- Geraldine Stewart
- Mark Gould (Director, The Systems Management Company)

Opinion

We have audited the financial statements of Sarcoma UK (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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 charitable company'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 trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose of expressing an opinion on the effectiveness of the entity'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 entity'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 entity 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 our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

15 October 2018

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

Sarcoma UK

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2018

	Note	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Income from:					
Donations and legacies	3	1,294,105	317,707	1,611,812	1,362,836
Investments		4,523	-	4,523	6,178
Total income		1,298,628	317,707	1,616,335	1,369,014
Expenditure on:					
Raising funds	4	346,547	1,192	347,739	278,258
Charitable activities					
Research	4	250,071	318,492	568,563	633,695
Information and support	4	205,696	1,050	206,746	174,534
Awareness and education	4	277,839	1,117	278,956	310,259
Total expenditure		1,080,153	321,851	1,402,004	1,396,746
Net income / (expenditure) and net movement in funds for the year	6	218,475	(4,144)	214,331	(27,732)
Reconciliation of funds:					
Total funds brought forward		945,115	7,546	952,661	980,393
Total funds carried forward		1,163,590	3,402	1,166,992	952,661

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Sarcoma UK

Balance sheet

Company no. 7487432

As at 31 March 2018

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	11		20,266		10,228
			<u>20,266</u>		<u>10,228</u>
Current assets:					
Debtors	12	390,937		198,282	
Short term deposits		210,356		207,916	
Cash and cash equivalents		1,652,227		1,418,375	
			<u>2,253,520</u>	<u>1,824,573</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	678,088		552,597	
			<u>1,575,432</u>	<u>1,271,976</u>	
Net current assets					
			<u>1,595,698</u>	<u>1,282,204</u>	
Total assets less current liabilities					
Creditors: amounts falling due after one year	14		428,706		329,543
			<u>1,166,992</u>	<u>952,661</u>	
Total net assets	15				
			<u>1,166,992</u>	<u>952,661</u>	
The funds of the charity:					
Restricted income funds	16		3,402		7,546
Unrestricted income funds:					
Designated funds		500,000		500,000	
General funds		663,590		445,115	
			<u>1,163,590</u>	<u>945,115</u>	
Total unrestricted funds					
			<u>1,166,992</u>	<u>952,661</u>	
Total charity funds			<u>1,166,992</u>	<u>952,661</u>	

Approved by the trustees on 2 October 2018 and signed on their behalf by

Glyn Wilmshurst
Chair of Trustees

Sarcoma UK

Statement of cash flows

For the year ended 31 March 2018

	Note	2018	2017
		£	£
Cash flows from operating activities:	17		
Net cash provided by operating activities		250,935	323,807
Cash flows from investing activities:			
Transferred (to) short term deposits		(2,440)	(3,114)
Interest received		4,523	6,178
Purchase of fixed assets		(19,166)	(1,307)
Net cash (used in) / provided by investing activities		(17,083)	1,757
Change in cash and cash equivalents in the year		233,852	325,564
Cash and cash equivalents at the beginning of the year		1,418,375	1,092,811
Cash and cash equivalents at the end of the year	18	1,652,227	1,418,375

1 Accounting policies

a) Statutory information

Sarcoma UK is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address (and principal place of business, if different from the registered office) is 49–51 East Road, London, N1 6AH.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

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

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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. 34

1 Accounting policies (continued)

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of raising sarcoma awareness, funding research and providing information and support, all undertaken to further the purposes of the charity and their associated support costs

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support costs are those costs which do not in themselves constitute a charitable or fundraising activity, but are the central office functions necessary to support these activities. They include administration, finance, HR and office overhead costs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|---------------------------|-----|
| ● Raising funds | 29% |
| ● Research | 19% |
| ● Information and support | 25% |
| ● Awareness and education | 27% |

k) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------|
| ● Fixtures and fittings | 5 years |
| ● Computer equipment | 5 years |

1 Accounting policies (continued)**m) Debtors**

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

n) Cash at bank and in hand

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

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2017 Total £
Income from:			
Donations and legacies	1,111,707	251,129	1,362,836
Investments	6,178	-	6,178
Total income	1,117,885	251,129	1,369,014
Expenditure on:			
Raising funds	276,821	1,437	278,258
Charitable activities	837,287	281,201	1,118,488
Total expenditure	1,114,108	282,638	1,396,746
Net income / (expenditure) and net movement in funds for the year	3,777	(31,509)	(27,732)
Reconciliation of funds:			
Total funds brought forward	941,338	39,055	980,393
Total funds carried forward	945,115	7,546	952,661

3 Income from donations and legacies

	Unrestricted £	Restricted £	2018 total Total £	2017 Total £
Donations and gifts	1,271,151	317,707	1,588,858	1,352,492
Legacies	20,920	-	20,920	8,314
Donated services	2,034	-	2,034	2,030
	1,294,105	317,707	1,611,812	1,362,836

Donated services include work by Magda Archer, Richard de Pesando and Nick Linford Design for the design and production of materials for our Big Picnic campaign as part of Sarcoma Awareness week.

4 Analysis of expenditure

	Cost of raising funds £	Charitable activities					2018 Total £	2017 Total £
		Research £	Information and support £	Awareness and education £	Governance costs £	Support costs £		
Staff costs (Note 7)	125,320	62,838	113,805	114,070	17,967	123,125	557,125	472,169
Other staff costs	5,539	3,866	7,497	16,326	3,074	2,388	38,690	18,113
Research grants payable (Note 5)	-	441,820	-	-	-	-	441,820	490,789
Travel, subsistence & conference fees	199	2,777	996	568	64	162	4,766	6,600
Fundraising fees	46,763	-	-	-	-	-	46,763	35,700
Fundraising materials	7,044	-	-	-	-	-	7,044	9,827
Events, participation & publicity costs	68,694	-	-	-	-	-	68,694	80,758
Fundraising appeals	4,663	-	-	-	-	-	4,663	-
Donor relationship management	3,022	-	-	-	-	-	3,022	2,019
PR & marketing	-	-	-	11,632	-	-	11,632	12,140
Support services	-	-	4,692	-	-	-	4,692	4,517
Awareness & education projects	-	-	-	55,482	-	-	55,482	123,671
Information services	-	-	4,257	-	-	-	4,257	4,014
Office costs	-	-	-	-	-	101,045	101,045	95,839
Office communication costs	-	-	-	-	-	15,966	15,966	14,091
Membership subscriptions	779	780	-	555	-	325	2,439	2,917
Trustees development, expenses & meeting costs	-	-	-	-	4,724	-	4,724	3,881
Legal & professional	-	-	-	-	11,263	5,817	17,080	10,021
Insurance	-	-	-	-	-	2,495	2,495	2,382
Bank charges	-	-	-	-	-	477	477	573
Depreciation	-	-	-	-	-	9,128	9,128	6,725
	262,023	512,081	131,247	198,633	37,092	260,928	1,402,004	1,396,746
Support costs	75,048	49,452	66,102	70,326	-	(260,928)	-	-
Governance costs	10,668	7,030	9,397	9,997	(37,092)	-	-	-
Total expenditure 2018	347,739	568,563	206,746	278,956	-	-	1,402,004	
Total expenditure 2017	278,258	633,695	174,534	310,259	-	-	-	1,396,746

Of the total expenditure £1,080,153 was unrestricted (2017: £1,114,108) and £321,851 was restricted (2017: £282,638).

5 Grant making	2018	2017
	£	£
Grants to institutions:		
Newcastle University	48,937	52,292
University College London	120,000	194,625
Institute of Cancer Research	63,606	144,865
University of Edinburgh	–	25,000
University of Manchester	–	25,000
Royal Orthopaedic Hospital	–	24,800
Royal National Orthopaedic Hospital	–	25,000
University of Sheffield	49,427	
University of Liverpool	20,750	
University of Southampton	24,820	
University of Cambridge	109,953	
Birbeck College, University of London	23,934	
Queens University Belfast	23,749	
	<u>485,176</u>	<u>491,582</u>
Newcastle University (underspend)	–	(301)
Aston University (underspend)	–	(492)
Institute of Cancer Research (underspend)	(3,041)	
University of Edinburgh (underspend)	(1,830)	
University of Aberdeen (underspend)	(13,685)	
Royal Orthopaedic Hospital (terminated by institution)	(24,800)	
	<u>–</u>	<u>–</u>
At the end of the year	<u>441,820</u>	<u>490,789</u>

Full details of grant making activities are disclosed on page 8–10 of the report of the trustees.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2018	2017
	£	£
Depreciation	9,128	6,725
Interest payable	4,523	6,178
Operating lease rentals:		
Property	67,938	66,690
Auditors' remuneration (excluding VAT):		
Audit	6,300	6,100
	<u>83,889</u>	<u>85,893</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2018	2017
	£	£
Salaries and wages	492,664	425,524
Social security costs	47,499	42,458
Employer's contribution to defined contribution pension schemes	13,129	6,308
Accrued holiday pay	3,833	(2,121)
	<u>557,125</u>	<u>472,169</u>

The following number of employees received employee benefits (excluding employer pension costs and national insurance contributions) during the year between:

	No.	No.
£60,000 – £69,999	1	1

The total employee benefits including pension contributions and national insurance of the key management personnel were £277,527 (2017: £264,457) incurred by 6 (2017: 5) employees.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £4,341 (2017: £3,223) incurred by 14 (2017: 12) members relating to attendance at meetings of the trustees. The costs shown in note 4 for trustees' development, expenses & meeting costs also include costs relating to trustee meeting lunches, which are not direct trustee expenses relating to attendance at meetings of the trustees.

8 Staff numbers

	2018 No.	2017 No.
Raising funds	4	3
Research	2	2
Information and support	3	3
Awareness and education	3	2
Support	3	2
Governance	–	–
	<u>15</u>	<u>12</u>

9 Related party transactions

Sarcoma UK's Trustee Anjula Thompson and her close family personally donated and raised £14,539 towards the Dave Thompson Group Fund restricted to funding sarcoma research.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At the start of the year	13,947	21,299	35,246
Additions in year	15,573	3,593	19,166
At the end of the year	<u>29,520</u>	<u>24,892</u>	<u>54,412</u>
Depreciation			
At the start of the year	8,858	16,160	25,018
Charge for the year	4,811	4,317	9,128
At the end of the year	<u>13,669</u>	<u>20,477</u>	<u>34,146</u>
Net book value			
At the end of the year	<u>15,851</u>	<u>4,415</u>	<u>20,266</u>
At the start of the year	<u>5,089</u>	<u>5,139</u>	<u>10,228</u>

All of the above assets are used for charitable purposes.³⁹

12 Debtors

	2018 £	2017 £
Other debtors	24,807	18,294
Prepayments	143,398	102,149
Accrued income	222,732	77,839
	<u>390,937</u>	<u>198,282</u>

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	22,844	27,811
Taxation and social security	13,893	12,636
Other creditors	2,078	300
Accruals	21,430	18,653
Grants payable	617,843	493,197
	<u>678,088</u>	<u>552,597</u>

14 Creditors: amounts falling due after one year

	2018 £	2017 £
Grants payable	428,706	329,543
	<u>428,706</u>	<u>329,543</u>

15a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	16,874	–	3,392	20,266
Net current assets	646,716	928,706	10	1,575,432
Long term liabilities	–	(428,706)	–	(428,706)
Net assets at 31 March 2018	<u>663,590</u>	<u>500,000</u>	<u>3,402</u>	<u>1,166,992</u>

15b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	2,692	–	7,536	10,228
Net current assets	442,423	829,543	10	1,271,976
Long term liabilities	–	(329,543)	–	(329,543)
Net assets at 31 March 2017	<u>445,115</u>	<u>500,000</u>	<u>7,546</u>	<u>952,661</u>

Sarcoma UK

Notes to the financial statements

For the year ended 31 March 2018

16a Movements in funds (current year)

	At 1 April 2017 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2018 £
Restricted funds:					
Sarcoma Trust	10	-	-	-	10
Infrastructure development	7,536	-	(4,144)	-	3,392
Research	-	317,707	(317,707)	-	-
Total restricted funds	7,546	317,707	(321,851)	-	3,402
Unrestricted funds:					
Research designated funds	500,000	-	(124,113)	124,113	500,000
General funds	445,115	1,298,628	(956,040)	(124,113)	663,590
Total unrestricted funds	945,115	1,298,628	(1,080,153)	-	1,163,590
Total funds	952,661	1,616,335	(1,402,004)	-	1,166,992

16b Movements in funds (prior year)

	At 31 March 2016 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2017 £
Restricted funds:					
Sarcoma Trust	10	-	-	-	10
Infrastructure development	12,843	-	(5,307)	-	7,536
Research	26,202	250,379	(276,581)	-	-
Information and support	-	750	(750)	-	-
Total restricted funds	39,055	251,129	(282,638)	-	7,546
Unrestricted funds:					
Research designated funds	400,000	-	(214,208)	314,208	500,000
General funds	541,338	1,117,885	(899,900)	(314,208)	445,115
Total unrestricted funds	941,338	1,117,885	(1,114,108)	-	945,115
Total funds	980,393	1,369,014	(1,396,746)	-	952,661

Purposes of restricted funds:

Sarcoma Trust

These funds represent the amounts retained within the Sarcoma Trust after becoming a linked charity with Sarcoma UK.

Infrastructure Development

Expenditure against the fund relates to depreciation charges for the year, on assets purchased to develop the infrastructure of Sarcoma UK.

Research

These funds are to be used specifically towards research grants, as requested by the donor.

Information and Support

These funds are to be used specifically towards the provision of support and information for the sarcoma community, as requested by the donor.

Purposes of designated funds:

Research

These funds represent those designated by the trustees towards research grants in 2018/19.

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	214,331	(27,732)
Depreciation charges	9,128	6,725
Interest	(4,523)	(6,178)
(Increase)/decrease in debtors	(192,655)	52,641
Increase/(decrease) in creditors	224,654	298,351
Net cash provided by / (used in) operating activities	250,935	323,807

18 Analysis of cash and cash equivalents

	At 1 April 2017 £	Cash flows £	Other changes £	At 31 March 2018 £
Cash at bank and in hand	1,316,521	232,976	–	1,549,497
Notice deposits (less than three months)	101,854	876	–	102,730
Total cash and cash equivalents	1,418,375	233,852	–	1,652,227

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
Less than one year	22,071	16,985	473	473
	22,071	16,985	473	473

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.