

<b>Report from Charitable Funds Committee following its meeting of 12<sup>th</sup> October 2017</b>
<b>Decisions / approvals made</b> (within delegated authority)  <i>To create an Exec summary for next year's Charity Annual Report</i>
<b>Assurances provided to the Trust Board</b> (excluding Strategic Plan Actions / BAF)  <p>The Committee received the Charity's Annual Report and Accounts and supporting statements on behalf of the Trust Board in conjunction with the Audit opinion and Letter of Representation.</p> <p>The Letter of Representation confirmed that the Accounts prepared and audited met the standards required.</p> <p>The surplus of the Clatterbridge Cancer Charity is £1,232k in 2016/17. This was consistent with the surplus consolidated into the Group accounts of the Trust.</p> <p>The committee formally recommends to the Trust Board (as Corporate Trustee) adoption of the Annual Report and Accounts 2016-17.</p>
<b>Strategic Plan Actions</b> (Progress updates)  <p>There are no items for the Charitable Funds Committee to report.</p>
<b>Board Assurance Framework</b> (Progress Updates)  <p>There are no items for the Charitable Funds Committee to report.</p>
<b>Progress on objectives</b> <p>Appoint MIAA to assist in evaluating CCC's share of Royal Haemato-oncology Charity Fund</p>
<b>Areas of non delivery</b> <p>Non to report</p>
<b>New / mitigated risks</b> <p>Trustees approved move to 'Opt-In' as a General Data Protection Register</p>
<b>Key items for Board consideration</b>  <p>The committee formally recommends to the Trust Board adoption of the Annual Report &amp; Accounts 2016/17.</p>
<b>Recommendation</b>  <p>That the Trust Board notes the report and (as Corporate Trustee) adoption and publication of the Annual Report &amp; Accounts 2016-17.</p>

## CHARITABLE FUNDS COMMITTEE

Agenda Item	C053/17	Date: 12.10.17
Subject /title	Post – Audit Accounts April 2016 to March 2017	
Author	John Andrews, Deputy Director of Finance	
Responsible Director	Yvonne Bottomley, Deputy Chief Executive/ Finance Director	
Executive summary and key issues for discussion		
<p>The adoption and publication of the Charitable Funds accounts is an important part of demonstrating public accountability for the resources used and services provided by the organisation.</p> <p>The Corporate Trustee has an important role in reviewing the Charity’s Annual Report and Accounts and draft supporting statements on behalf of the Trust Board. This will be done in the context of feedback from the External Auditors (Audit Findings Report - ISA260).</p> <p>The purpose of this paper is to specify the documents requiring Corporate Trustee review and highlight any particular issues of note.</p> <p><b>Documents subject to review</b></p> <p>The Post Audit Accounts and Annual Report are presented for consideration by the Corporate Trustee. The accounts include:</p> <ol style="list-style-type: none"><li>1. Draft Supporting statements - Independent Auditors’ report to the Board</li><li>2. Draft Annual Accounts for the Charity.</li><li>3. Draft Annual Report for the Charity</li><li>4. Audit Plan 2016/17</li></ol> <p>Finally the Chair confirms in a Letter of Representation that the Accounts prepared and audited meet the standards required.</p> <p><b>Charity Annual Accounts</b></p> <p>The surplus of the Clatterbridge Cancer Charity is £1,232k in 2016/17. This was consolidated into the Group accounts of the Trust.</p> <p><b>Other miscellaneous issues</b></p> <p>It should be noted that in reviewing the accounts the auditors raised queries in respect of a small number of items. These were discussed and it was agreed to amend the issues raised.</p> <p>The final accounts were duly completed in line with the required timetable.</p> <p>The accounts for the year ending 31<sup>st</sup> March 2017 have been prepared under the Charity SORP (Statement of Recommended Practice).</p>		
Strategic context and background papers (if relevant)		

### Recommended Resolution

The Corporate Trustee is requested to consider the post-audit draft Accounts and Annual Report, the Letter of Representation, ISA260 Audit Findings Report, seeking clarification as required.

Once satisfied the Trustee is requested to report a recommendation to the Trust Board to formally adopt the Annual Report and Accounts and approve the supporting documentation.

### Risk and assurance

N/A

### Link to CQC Regulations

N/A

### Resource Implications

N/A

### Key communication points (internal and external)

N/A

### Freedom of Information Status

FOI exemptions must be applied to specific information within documents, rather than documents as a whole. Only if the redaction renders the rest of the document non-sensical should the document itself be redacted.

#### Application Exemptions:

- Prejudice to effective conduct of public affairs
- Personal Information
- Info provided in confidence
- Commercial interests
- Info intended for future publication

Please tick the appropriate box below:

<input checked="" type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

**A. This document is for full publication**

**B. This document includes FOI exempt information**

**C. This whole document is exempt under FOI**

IMPORTANT:

If you have chosen B above, highlight the information that is to be redacted within the document, for subsequent removal.

Confirm to the Trust Secretary, which applicable exemption(s) apply to the whole document or highlighted sections.

### Equality & Diversity impact assessment

Are there concerns that the policy/service could have an adverse impact because of:	Yes	No
Age		X
Disability		X
Sex (gender)		X
Race		X
Sexual Orientation		X
Gender reassignment		X
Religion / Belief		X
Pregnancy and maternity		X
Civil Partnership & Marriage		X

If YES to one or more of the above please add further detail and identify if full impact assessment is required.

### Next steps

NA

## Appendices

N/A

### Corporate Objectives supported by this report

Improving Quality	<b>X</b>	Maintaining financial sustainability	<b>X</b>
Transforming how cancer care is provided across the Network	<b>X</b>	Continuous improvement and innovation	<b>X</b>
Research	<b>X</b>	Generating Intelligence	<b>X</b>

### Link to the NHS Constitution

<b>Patients</b>		<b>Staff</b>	
Access to health care	<b>X</b>	<i>Working environment</i> Flexible opportunities, healthy and safe working conditions, staff support	<b>X</b>
Quality of care and environment	<b>X</b>	<i>Being heard:</i> <ul style="list-style-type: none"> <li>Involved and represented</li> <li>Able to raise grievances</li> <li>Able to make suggestions</li> <li>Able to raise concerns and complaints</li> </ul>	
Nationally approved treatments, drugs and programmes	<b>X</b>		
Respect, consent and confidentiality			
Informed choice		Fair pay and contracts, clear roles and responsibilities	
Involvement in your healthcare and in the NHS	<b>X</b>	Personal and professional development	<b>X</b>
Complaint and redress		Treated fairly and equally	<b>X</b>

**THE CLATTERBRIDGE CANCER CHARITY**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**Charity Registration Number: 1051727**

# Reference and Administrative Information

**Charity Name** The Clatterbridge Cancer Charity

**Charity Registration Number** 1051727

**Principal Office** The Clatterbridge Cancer Centre NHS Foundation Trust  
Clatterbridge Road  
Bebington  
Wirral  
CH63 4JY

**Trustee** The Clatterbridge Cancer Centre NHS Foundation Trust

## **Directors of Corporate Trustee at 31 March 2017:**

W Williams	Chair
A Cannell	Chief Executive
Y Bottomley	Deputy Chief Executive/Finance Director
H Porter	Director of Nursing and Quality
P Kirkbride	Medical Director
B Schofield	Director of Transformation & Innovation
P Edgington	Non-Executive Director
G Black	Non-Executive Director
J Burns	Non-Executive Director
J Kingsland	Non-Executive Director
A Hastings	Non-Executive Director

## **Responsible Senior Staff Members:**

The Corporate Trustee delegates the responsibility for overseeing the charity to a Charitable Funds Committee which comprises

A Hastings (Chair)  
Y Bottomley  
P Kirkbride  
J Burns  
P Edgington  
A Cannell (in attendance)

Day-to-day management of the charity is devolved to Yvonne Bottomley (Deputy Chief Executive/Finance Director) and John Andrews (Deputy Director of Finance).

## **Principal Professional Advisors:**

### **Auditors**

Grant Thornton UK LLP  
Registered Auditors, Chartered Accountants  
4 Hardman Square  
Manchester  
M3 3EB

### **Investment Advisors**

Investec Wealth & Investment Limited  
The Plaza  
100 Old Hall Street  
Liverpool  
L3 9AB

### **Bankers**

National Westminster Bank plc  
93 Greendale Road  
Port Sunlight  
Wirral  
CH62 2YU

### **Solicitors**

Hill Dickinson Solicitors  
Pearl Assurance House  
Derby Square  
Liverpool  
L2 9XL

# **TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2017**

## **Structure, Governance and Management**

### **Introduction**

The charity has prepared its accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follows the Charities SORP (FRS 102). The Charity's Annual Report and Accounts for the year ended 31 March 2017 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011. The accounts have been prepared on a going concern basis as the Trustee considers that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future.

The Charity's report and accounts include all the individual funds, which are registered as Designated Funds, and Restricted Funds for which The Clatterbridge Cancer Centre NHS Foundation Trust is the sole beneficiary. They do not themselves, constitute charities for accounts purposes and do not need to be separately registered.

Charitable funds received by the charity are accepted and held and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990 and these funds are held on trust by the corporate body.

### **Governance**

The Charitable Funds administered by The Clatterbridge Cancer Centre NHS Foundation Trust Board are a registered, unincorporated charity named "The Clatterbridge Cancer Charity", registration number 1051727, in accordance with the Charities Act (2011). The Main Charity was entered on the Central Register of Charities on 3 January 1996.

The Clatterbridge Cancer Centre NHS Foundation Trust is the corporate trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

The Mersey Internal Audit Agency carry out periodic reviews of the effectiveness of the system of internal control operating within Charitable Funds on behalf of the Corporate Trustee.

### **Appointment of Corporate Trustee, Induction and Training**

The Clatterbridge Cancer Centre NHS Foundation Trust is the corporate trustee of the Charitable Funds. The Board of Directors of the NHS Foundation Trust therefore carries out the role of corporate trustee, and they are appointed in accordance with the standing orders of the Trust. The Trust Board consists of a Chairman who is a Non-Executive Director and a further 5 Non-Executive Directors. The Board also consists of 5 Executive Directors, consisting of a Chief Executive, a Deputy Chief Executive/Finance Director, a Medical Director, a Director of Nursing and Quality and a Director of Operations and Performance.

The Clatterbridge Cancer Centre NHS Foundation Trust has an induction policy for all staff. It is mandatory for all new employees to receive formal induction training. Corporate training provides Trust wide information and training on a more individual level is provided to allow the individual to understand his/her role within the organisation. This policy has also been adopted by The Clatterbridge Cancer Charity.



# Organisational Structure

The Clatterbridge Cancer Centre NHS Foundation Trust Board approves the Corporate Governance Manual, which contains the documents for the regulation and proceeding of business. These include:

- Standing Orders – these lay down the way the Trust is constituted and its legal powers
- Standing Financial Instructions – these detail the financial responsibilities and policies and procedures which are adopted both by the Trust and its employees
- Scheme of Reservation and Delegation – this details the committees and individual officers to whom the Board delegates its authority; importantly it also sets financial limits against levels of authority

These documents set the framework within which all the Directors and employees of the Trust must operate. These documents apply equally to the Trust's charitable funds as to the NHS Foundation Trust.

Trustee responsibilities rest with the NHS Foundation Trust, the administration and management of the Trust's charitable funds are delegated to the Charitable Funds Committee which consists of the Directors of the Corporate Trustee and is fully accountable to the Board. The Deputy Chief Executive/Finance Director is the Executive Director who is responsible for ensuring that full accounting records are maintained.

The corporate trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of the charity and by designating funds the trustee respects the wishes of our donors to benefit patient care and cancer research.

Within the Charity are a number of designated funds, which are managed by senior managers and medical staff within the Trust. The extent of an individual's authority to commit expenditure is set out in the Trust's Scheme of Reservation and Delegation, which has been adopted by the charity, and must comply with the following principles:

- Expenditure must be in line with the objects of the charity
- Funds are only spent on the purpose for which they are donated
- Expenditure must be assessed in terms of necessity and value for money
- Funds should be used for public benefit
- There must be no personal gain from the approval of expenditure by a fund manager
- Funds must not be used to benefit the friends or relatives of staff

The accounting records of the day to day administration of the funds are dealt with by the Finance Department located at the Principal Office. The financial records are kept on a separate financial system to that of the Trust.

## Employees

The Charity does not directly employ any members of staff. The Charity does, however, incur staffing costs. The NHS Foundation Trust holds these staffing contracts and recharges are made to the Charity for the costs incurred relating solely to the Charitable Funds activity. The Directors do not receive remuneration or expenses from the Charity.

# Objectives

## Objectives

The objectives of the charity focus on supporting The Clatterbridge Cancer Centre NHS Foundation Trust in providing healthcare to the public, and as per the declaration of trust the objectives are:

“The trustees shall hold the trust fund upon trust to apply income, and at their discretion, so far as may be permissible, the capital for any charitable purpose or purposes relating to the National Health Service, wholly or mainly for the service provided by The Clatterbridge Cancer Centre NHS Foundation Trust or its successors”.

The Clatterbridge Cancer Centre NHS Foundation Trust is a specialist, non-surgical, cancer treatment centre. Its mission is to improve health and wellbeing through compassionate, safe and effective cancer care.

The charity is administered by the NHS Foundation Trust to assist in the achievement of these two objectives, being used for charitable purposes associated with the care of cancer patients and cancer research. There are designations within the fund for these specific purposes.

## Partnership Working

The Clatterbridge Cancer Centre NHS Foundation Trust is the only beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. By working in partnership with the Trust, the charitable funds are used to best effect for the benefit of the public served by the Trust. The Corporate Trustee has regard to the main objectives, strategies and plans of the Trust when deciding upon the most beneficial way to use charitable funds.

## Public Benefit

The focus of our activities is to benefit the public who utilise the services of The Clatterbridge Cancer Centre NHS Foundation Trust. The trustees confirm that they have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing the Trust’s aims and objectives and in planning future activities.

During the year, the funds continued to support a wide range of charitable and health related activities focusing on patient and staff welfare, amenities and cancer research.

There is a General fund, which is constituted of donations/legacies received by the charity where donors have expressed no particular preference as to its expenditure. There are also a further 19 designated funds where a particular ward or activity, for example Brain Tumour Research, was nominated by the donor. These designated funds enable wards to provide improvements and enhancements to patients’ facilities, consultants to provide much needed medical equipment used in research and also enable them and other staff to attend courses which will update them on new ideas and latest techniques.

The largest share of incoming donations have been earmarked for the Charity’s ongoing Capital Appeal to support the building of a new cancer hospital in Liverpool and investment in the current facilities at Wirral.

# Activities

At the core of every charity is the requirement to provide benefit to the public. This is the foundation of their charitable status, and each charity must demonstrate how this requirement is met through their aims and activities.

The Charity operates for the public benefit, all activities undertaken by the charity are intended to help deliver on its objectives on improving cancer treatment, care and support and promoting and supporting research.

## **Improving Cancer Treatment, Care and Support**

The generosity of our supporters has become increasingly important in allowing us to offer the most up to date treatment, support vital research, treat our patients with leading edge equipment and provide life-changing support services that may otherwise be unavailable. Whilst the charity has continued to support the NHS Foundation Trust to provide an excellent service to a population of 2.3m people, the majority of the funds raised in this financial year have been earmarked for the Trust's Transforming Cancer Care project – a £162m investment to further improve the care and treatment offered to patients in Merseyside and Cheshire.

We have assigned £3.7m to date to the Charity's target contribution of £15m which will be required by the end of March 2021. The Capital Appeal will remain the focus of charitable activity until this time.

## **Patients Welfare and Amenities**

During 2016/17 a total of £23,284 was invested in improvements and enhancements to patients' welfare and amenities.

## **Staff Welfare**

Staff Welfare expenditure of £5,166 includes social fund expenditure.

## **To Promote and Support Cancer Research**

The Clatterbridge Cancer Centre NHS Foundation Trust has a robust research and development strategy. Our clinical specialists continue to push the boundaries of cancer treatment forward through world-class, leading research. Our doctors are renowned, both nationally and internationally, for developing effective cancer treatments that improve the standard of living for patients following their treatment. The charity continued its support for cancer research through 2016/17 with expenditure totalling £125,213.

# Looking to the Future

The Clatterbridge Cancer Charity is the only charity directly raising funds for Clatterbridge cancer patients across the region. The dedicated fundraising team works closely with generous supporters to help fund vital cancer research, leading edge treatment and therapies along with life-changing support services that may otherwise be unavailable with NHS funding alone.

Total income for the financial year ended with another record figure for the charity at £2,201,675. Although this is £246,325 below the original full year target, it is a record high for the Charity and represents a 7% increase on full year income for 2015/16.

In the coming year, The Clatterbridge Cancer Charity intends to support a number of key developments within The Clatterbridge Cancer Centre NHS Foundation Trust via a £15m capital appeal. The Charity is working closely with a voluntary Appeal Board who were formally brought together in July 2016. The Charity is expected to receive £500k in August 2017 via a major donation.

The Charity will continue to support the ongoing work of the Trust and support innovation in research with an annual grant that focuses on novel research projects. This allows our cancer specialists to break new boundaries with treatments and therapies and expands the vital research programme even further.

The Charity can only support these projects by building on existing strong fundraising initiatives and refining and developing its ongoing fundraising strategy across all income streams, whilst providing the best possible donor care. The privacy of our supporters is important to us and we never sell or share our donors' data for other purposes.

We remain indebted to the thousands of dedicated fundraising volunteers, supporters and donors, without whom the projects funded by the charity would not be possible. In addition to a volunteer Appeal Board, the charity has developed strong relationships with its network of 67 volunteers who work tirelessly across the patch raising funds, supporting in-house events and helping out in the office. These volunteers are carefully recruited and share the same vision, values and ethics and the charity team.

Supporters are critical to our success and with their support in 2016/17 we have achieved:

- 7% increase in overall income for the year
- £1,088,918 of the £2,201,675 raised during this year went directly towards the New Hospital Capital Appeal bringing the total Appeal income generated to date to £3,723,083; representing 25% of the Appeal total
- The introduction of a new Corporate Challenge initiative, which raised £25,000 in its first year.
- 101% growth in grants from Trusts and Foundations with several new grant makers engaged for the Capital Appeal
- A successful £20,000 Big Give campaign
- 15% increase in Individual Giving income compared to the previous year.
- The successful public launch of the New Hospital Capital Appeal with a 'Let's go Green' awareness week

The Charity remains committed to being fully transparent and accountable.

Our Charity welcomes any guidance from government, the Fundraising Regulator, The Charity Commission, Information Commissioner and Institute of Fundraising to ensure we maintain these high standards and our practices remain in line with the Fundraising Regulator's new Code of Fundraising Practice. We are fully compliant with the Data Protection Act and ensure that donors' personal information held by us is kept secure, private and is only held by us as long as is necessary.

# Financial Policies

## Risk Management

The Corporate Trustee has given consideration to the major risks to which the charity is exposed, and these risks are reviewed at least annually by the Trustee at the Charitable Funds Committee Meetings. At these meetings, action points are established to mitigate such risks and the Charity believes that it has established systems and procedures to manage those risks.

The main financial risks facing the Charity are:

- Insufficient resources to cover its financial commitments
- Insufficient expenditure so that excessive reserves are generated

**Insufficient Resources:** Non-Achievement of the fundraising targets as identified in the fundraising strategy is a key mitigation to this risk, and as noted above, the Charity's future medium term expenditure plans will be risk assessed and flexed based on the resources generated through fundraising. A significant proportion of future expenditure is anticipated to be non-recurrent (i.e. one-off) in nature, which also helps mitigate against the resource risk. In addition where commitments are for more than one year they will be subject to regular review and funded on a project basis.

**Excessive Reserves:** To mitigate against this risk the Charity has a reserves policy in place (included below). The flexible expenditure plans will allow for additional activities to be identified, in partnership with the Foundation Trust, and undertaken which can further the Charity's objectives whilst ensuring reserves are maintained at acceptable levels.

## Investments

The Clatterbridge Cancer Centre NHS Foundation Trust Board appoints Investec Wealth and Investment Limited as Investment advisors. The trustee has also appointed an Investment Committee comprising three non-executive directors and one executive director. The duties of the Investment Committee are to safeguard the investment portfolio, to ensure that full and proper advice is received from the investment advisor, and to monitor that the investment policy suggested by the advisor complies with the Trustee Investment Act. The Trust (and charity's) investment policy is set out below:

The Clatterbridge Cancer Centre NHS Foundation Trust will invest surplus cash held as part of its Charitable Funds or Exchequer Funds in accordance with the Trustee Investment Acts and NHS & Community Care Act 1990.

The nature of the investment shall be appropriate to the projected availability of the funds to be invested. To ensure that cash is always available to meet immediate needs, the Trust shall use cash flow projections and budget planning. Funds shall be invested, as deemed appropriate by the Investment Committee, in low or medium risk investments with the following exclusions:

- Any company engaged in the manufacture of tobacco or tobacco products.

The Charity's investments have continued to be managed in line with our Investment policy. Investment income received for the year 2016/17 totalled £35,159, compared to £33,874 received during 2015/16.

## **Reserves Policy**

The Corporate Trustee has agreed a reserves policy to ensure the financial viability of the fund and its ability to meet its on-going commitments. The target would be to hold reserves to the value of approximately one year's worth of recurrently committed expenditure. Management actions will be required should the value of the fund exceed two years worth of recurrent expenditure, or fall below one year's worth of recurrent expenditure. The policy, therefore, protects the spending plans of the Charity against both falls in voluntary and fundraising income and investment values. Currently the reserves held are £5m in excess of the policy which states £1m (one year's recurrent expenditure) as the Charity has committed to contributing a large sum of money to the Building for the Future project, a new build hospital in Liverpool that is due to be completed in 2021.

The performance of all administrative designations is monitored on a monthly basis to ensure that current commitments can be met. The Reserves policy will be reviewed as part of the major appeal.

## **Financial Position**

The Charity works pro-actively with a range of audiences to generate income through donations, legacies, grant making organisations and fundraising events. Much support comes from those who have experience of or benefited from the work of Clatterbridge first hand, with the charity's donor base and income growing year on year across a wider geographical and a range of income streams and sectors. This is due to ongoing promotion of the Charity's work and growing reputation within the area.

Total incoming resources for 2016/17 were £2,201,675.

Income from donations and legacies was £808,505 which represents 37% of total incoming resources, compared to 39% in the previous year.

Fundraising income for the year totalled £1,007,309 compared to £1,064,490 in 2015/16.

The other main source of income is investment income. Income received from dividends and interest totalled £35,159 compared to £33,874 in 2015/16.

Resources expended for the year totalled £1,118,872 of which, as noted under Activities above, £23,284 was invested in improvements and enhancements to patient's facilities, £5,166 staff welfare and £125,213 in research. Expenditure has increased by £186,360 from the total of £932,512 in 2015/16.

Finally gains on the value of investments have contributed towards the total value of the funds increasing by £1,231,939 from £4,220,504 to £5,452,443 by the end of 2016/17.

## Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Chair ..... Date .....  
Mrs W Williams  
The Clatterbridge Cancer Centre NHS Foundation Trust

Deputy Chief Executive/Finance Director ..... Date .....  
Mrs Y M Bottomley  
The Clatterbridge Cancer Centre NHS Foundation Trust

**The Clatterbridge Cancer Charity Statement of Financial Activities  
for the year ending 31 March 2017**

		Unrestricted Funds 31/03/2017 Note	Restricted Funds 31/03/2017 £'000	Total 31/03/2017 £'000	Unrestricted Funds 31/03/2016 £'000	Restricted Funds 31/03/2016 £'000	Total 31/03/2016 £'000
<b>Income and Endowments from:</b>							
Donation and Legacies	4	809	0	809	788	10	798
Charitable Activities		58	284	342	154	-	154
Other Trading Activities	3	1,006	1	1,007	1,064	1	1,065
Investments	9.3	35	-	35	34	-	34
Other - Bank Interest		9	-	9	7	-	7
<b>Total Incoming Resources</b>		1,917	285	2,202	2,047	11	2,058
<b>Expenditure on:</b>							
Cost of generating funds:							
Fundraising costs	7	595	-	595	665	-	665
Investment management costs	7	8	-	8	8	-	8
Charitable Activities	5	515	1	516	241	18	259
<b>Total Resources Expended</b>		1,118	1	1,119	914	18	932
Net gains/(losses) on investments		149	-	149	-48	-	-48
<b>Net incoming /(outgoing) resources</b>		948	284	1,232	1,085	-7	1,078
Transfer between funds		-	-	-	154	-154	-
<b>Net movement in funds</b>	6	948	284	1,232	1,239	-161	1,078
<b>Reconciliation of Funds</b>							
Total funds bought forward		4,198	22	4,220	2,959	183	3,142
<b>Total funds carried forward</b>		5,146	306	5,452	4,198	22	4,220



**The Clatterbridge Cancer Charity Balance Sheet  
for the year ending 31 March 2017**

		Unrestricted Funds	Restricted Funds	<b>Total Funds 31/03/2017 £'000</b>	Unrestricted Funds	Restricted Funds	<b>Total Funds 31/03/2016 £'000</b>
Note		£'000	£'000	£'000	£'000	£'000	£'000
<b>Fixed Assets:</b>							
Investments	9	1,192	-	<b>1,192</b>	1,049	-	<b>1,049</b>
<b>Total Fixed Assets</b>		<b>1,192</b>	<b>-</b>	<b>1,192</b>	<b>1,049</b>	<b>-</b>	<b>1,049</b>
<b>Current Assets:</b>							
Debtors	10	25	-	<b>25</b>	33	-	<b>33</b>
Cash at bank and in hand	14	4,398	306	<b>4,704</b>	3,304	22	<b>3,326</b>
<b>Total Current Assets</b>		<b>4,423</b>	<b>306</b>	<b>4,729</b>	<b>3,337</b>	<b>22</b>	<b>3,359</b>
<b>Liabilities:</b>							
Creditors falling due within one year	11	469	-	<b>469</b>	188	-	<b>188</b>
<b>Total Current Liabilities</b>		<b>469</b>	<b>-</b>	<b>469</b>	<b>188</b>	<b>-</b>	<b>188</b>
<i>Net Current Assets/(Liabilities)</i>		<i>3,954</i>	<i>306</i>	<i>4,260</i>	<i>3,149</i>	<i>22</i>	<i>3,171</i>
<b>Total assets less current liabilities</b>		<b>5,146</b>	<b>306</b>	<b>5,452</b>	<b>4,198</b>	<b>22</b>	<b>4,220</b>
<b>The Funds of the Charity:</b>	15 & 16	5,146	306	<b>5,452</b>	4,198	22	<b>4,220</b>
<b>Total Charity Funds</b>		<b>5,146</b>	<b>306</b>	<b>5,452</b>	<b>4,198</b>	<b>22</b>	<b>4,220</b>

The notes at pages 15 to 24 form part of these accounts

Signed:

Chair.....  
Mrs W Williams  
The Clatterbridge Cancer Centre NHS Foundation Trust

Date:.....

# Cash Flow Statement 2016/17

	<b>Note 14</b>	<b>Total Funds 2016/17</b>	<b>Total Funds 2015/16</b>
<b>Net operating income/(expenditure) for 2016/17 (adjusted for investments)</b>		1,055	1,100
<b>Adjustments for:</b>			
(Increase)/decrease in debtors		8	44
Increase/(decrease) in creditors		282	70
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities		1,345	1,214
<b>Cash flows from investing activities:</b>			
Dividend and interest from investments	9.3	33	31
<b>Net cash provided by (used in) investing activities</b>		<b>33</b>	<b>31</b>
Change in cash and cash equivalents in the reporting period		<b>1,378</b>	<b>1,245</b>
Cash and cash equivalents at the beginning of the reporting period		3,326	2,081
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>4,704</b>	<b>3,326</b>

# Notes to the accounts

## 1. Accounting Policies

### 1.1 Basis of Preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments, which are included at market value. The Financial Statements have been prepared in accordance with applicable United Kingdom Accounting Standards and Policies, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) issued by the Charity Commissioners.

### 1.2 Incoming Resources

All incoming resources are included in full in the SOFA as soon as the following three factors can be met:

All incoming resources are recognised once the charity has entitlement to the resources.

All incoming resources are recognised when there is probable certainty that the incoming resource will be received.

All incoming resources are recognised when the monetary value of the incoming resource can be measured with sufficient reliability.

Legacies are recognised when there is probable certainty in whole or in part, the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

### 1.3 Resources expended

The funds held on trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

#### *Expenditure on raising funds*

The costs of generating funds are the costs associated with generating income for the funds held on trust, which include the recharged staffing costs and direct costs associated with generating income and also includes the fees paid to investment managers in connection with the management of the Charity's listed investments.

#### *Charitable activities*

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs.

Governance costs comprise all costs incurred in the governance of the charity. Expenditure on the governance of the charity includes support costs and the costs related to statutory audit, these costs are accounted for on an accruals basis and are recharges of appropriate proportions of the audit and financial administration costs from The Clatterbridge Cancer Centre NHS Foundation Trust.

Overhead and support costs have been apportioned across the individual funds on an average balance of funds basis.

## **1.4 Structure of Funds**

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified on the accounts as a restricted fund, where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Those funds which are neither endowment nor restricted, are unrestricted funds, which are classed as administrative designations.

## **1.5 Investment Fixed Assets**

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses on investment assets arising on revaluations and disposals throughout the year.

## **1.6 Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year-end and opening market value (or purchase date if later).

## **1.7 Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

## **1.8 Pensions Contributions**

The cost of employer pensions contributions to the NHS Superannuation and other schemes is charged to the Statement of Financial Activities. The pension contributions relate to staff employed by The Clatterbridge Cancer Centre NHS Foundation Trust who are engaged in the furtherance of charitable objectives who are members of the NHS Pension Fund.

## **1.9 Tax Disclosure**

The Clatterbridge Cancer Centre NHS Foundation Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## **1.10 Key Sources of Estimation and uncertainty**

### **Valuation of fixed asset investments**

As at 31st March 2017, Investec Wealth Management provided a valuation of the Charity's investment portfolio that has been reported in these accounts. This valuation is based on the latest mid closing price quoted on the stock market or by the fund manager.

### **Accruals for expenditure not invoiced at the reporting date**

At the end of the financial year, the Charity may have received goods and services which have not been invoiced at the reporting date. In these circumstances, an estimated value of the cost is included in the Charity's reported financial results. In some cases the estimated value is based on the quoted value provided by the supplier when the goods were ordered; in other cases, the charge may be estimated based on methods such as the number of hours of services provided or the last price paid for the same goods or service.

### **Apportionment of income and costs of generating funds across charitable activities**

The income earned by and costs of generating charitable funds including Trusteeship, financial services and research administration are apportioned across the charitable activities based on the average value of each fund during the year. Where a fund has not spent at least 1/3rd of its balance during the year, it is not entitled to receive any net income and this sum is taken to reserves.

### **1.11 Legal status of the Charity**

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified on the accounts as a restricted fund, where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Those funds which are neither endowment nor restricted, are unrestricted funds, which are classed as administrative designations.

### **1.12 Going concern**

The trustees consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The trustees are of the view that the Charity is a going concern.

### **1.13 Reference and administrative details**

Charity number: 1051727

Registered office: Clatterbridge Road, Bebington CH63 4JY

## 2. Related Party Transactions

The Clatterbridge Cancer Centre NHS Foundation Trust is the sole beneficiary of the charity.

The Clatterbridge Cancer Charity has provided funding to the NHS Foundation Trust for approved expenditure as follows:

	<b>2016/17</b>	2015/16
	<b>£'000</b>	£'000
CCC Fundraising Costs (including salaries)	<b>618</b>	<b>678</b>
Contribution to Patients Welfare	<b>18</b>	<b>2</b>
Contribution to Staff Welfare	<b>1</b>	<b>1</b>
Contribution to Research and Development	<b>120</b>	<b>101</b>
Contribution to other Salaries	<b>0</b>	<b>0</b>
Contribution to Capital	<b>0</b>	<b>0</b>
Governance Costs	<b>10</b>	<b>10</b>
Miscellaneous	<b>280</b>	<b>0</b>
<b>Total</b>	<b>1047</b>	<b>792</b>

During the year none of the Trustees or members of the key management staff or parties related to them have undertaken any material transactions with The Clatterbridge Cancer Centre NHS Foundation Trust.

## 3. Other Trading Activities

In October 2007 a Fundraising Team was established to generate charitable income.

	<b>2016/17</b>	2015/16
	<b>£'000</b>	£'000
Fundraising Income received	<b>1,007</b>	1,065

## 4. Voluntary Income

	Unrestricted	Restricted	<b>2016/17</b>	2015/16
	Funds	Funds	<b>£'000</b>	£'000
	£'000	£'000		
Donations	298	0	<b>298</b>	286
Legacies	511	0	<b>511</b>	512
<b>Total</b>	<b>809</b>	<b>0</b>	<b>809</b>	<b>798</b>

### 4.1 Material Legacies

There were no material legacies that had been notified but not included in the statement of financial activities.

## 5. Charitable Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2016/17 £'000	2015/16 £'000
Patients Welfare	23	1	24	3
Staff Welfare	5	0	5	5
Research	125	0	125	137
Other*	346	0	346	98
External Audit	5	0	5	6
Strategic Management and Governance	10	0	10	10
<b>Total</b>	<b>515</b>	<b>1</b>	<b>516</b>	<b>259</b>

\* Other includes various projects totalling £280k and small items of expenditure not covered in the categories above for example travel costs, expenses and support costs.

## 6. Changes in Resources Available for Charity Use

	Unrestricted Funds £'000	Restricted Funds £'000	2016/17 £'000	2015/16 £'000
Net Movement in funds	948	284	1,232	1078
<b>Total</b>	<b>948</b>	<b>284</b>	<b>1,232</b>	<b>1,078</b>

## 7. Raising Funds

	2016/17 £'000	2015/16 £'000
Fundraising Costs	595	665
Investment Management Costs	8	8
<b>Total</b>	<b>603</b>	<b>673</b>

## 8. Analysis of Staff Costs

	2016/17 £'000	2015/16 £'000
Salaries and Wages	325	393
Social Security Costs	41	31
Other Pension Costs	49	35
Total	<b>415</b>	<b>459</b>

In 2016/17 9.7 WTEs were employed by the Trust to work for the Fundraising Department, and the staff costs are recharged to

## 9. Fixed Asset Investments

The Charity operates a single Investment Portfolio. This is managed by Investec, who have provided the valuations.

### 9.1 Fixed Asset Investments

Movement in Fixed Asset Investments

	2016/17 £'000	2015/16 £'000
Market Value brought forward	1049	1103
Less Disposals at carrying value	(148)	(17)
Add Acquisitions at cost	142	11
Add Net Gain/Loss on Revaluation	149	(48)
Market Value carried forward	<b>1,192</b>	<b>1,049</b>
Historic Cost at 31 March	<b>781</b>	<b>764</b>

### 9.2 Market Value at 31 March

	2016/17 £'000	2015/16 £'000
Investments listed on Stock Exchange	1143	1012
Cash held as part of the Investment Portfolio	49	37
	<b>1,192</b>	<b>1,049</b>

There is one individual investment representing over 5% of the portfolio. This is an investment in UK Government bonds of £163k. (15/16 £169k)

### 9.3 Gross Income from Investments

	2016/17 £'000	2015/16 £'000
Dividends and Interest for Investments listed on UK Stock Exchange and cash held	33	32
Movement in book costs	2	2
	<b>35</b>	<b>34</b>



## 10. Debtors

	31/03/2017	31/03/2016
	£'000	£'000
Estate Income/Gift Aid	1	2
Dividends/Interest	7	7
Other	17	24
Total	<b>25</b>	<b>33</b>

Other Debtors relate to funds raised in 2016/17 of £17k

## 11. Analysis of Current Liabilities

	31/03/2017	31/03/2016
	£'000	£'000
Accruals	286	19
Creditors	183	169
	<b>469</b>	<b>188</b>

Includes related party transactions of: Accruals £280k, Creditors £175k.

## 12. Auditors Remuneration

The auditors' remuneration totalled £5,220 for audit services (2015/16: £5,220). There were no non-audit services included in this.

## 13. Trustee's Expenses

There were no expenses paid to Trustees during the financial year 2016/17 (nil in 2015/16).

Members of the Corporate Trustee are not reimbursed by the charity.

## 14. Cash flow statement

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

## 15. Analysis of Charitable Funds

Type of Fund	Balance B/fwd	Transfer of Funds *	Incoming Resources	Resources Expended	Gains/(Losses) on Investment Assets	Balance C/fwd
	£	£	£	£	£	£
Restricted Fund	22,177	0	284,825	600	0	306,402
Unrestricted Funds	4,198,327	0	1,916,850	1,118,272	149,136	5,146,041
	4,220,504	0	2,201,675	1,118,872	149,136	5,452,443

Restricted Funds	Purpose	Fund Balances	
		31st March 2017	31st March 2016
		£	£
705	Macmillan Nurses based at CCC	8,075	8,075
	Gifts for Children	1,343	943
	Thermoplastics	5,250	2,000
	Work in Southport Area	1,000	1,000
	Pancreatic Cancer Research	75	0
	TCC - Chemo at Home	26,000	0
	Mattresses	6,500	0
	TCC - Chemo Chair	10,000	0
	TCC - Relatives Room	87,000	0
	Bluebell Study	6000	0
	TCC - Therapy Room	40000	0
	TCC - Transplant Suite	100000	0
	Inpatient Bedroom	5000	0
709	Staff	100	100
722	Papillon Research	10,059	10,059
	<b>Total Restricted Funds</b>	<b>306,402</b>	<b>22,177</b>

### Restricted Funds

The restricted funds have arisen as they are donations which the donor has specified the income MUST be used for a particular purpose.

16. Unrestricted Funds - Administrative Designations

Fund Number	Purpose	Fund Balances	
		31st March 2017	31st March 2016
		£	£
705	To support the services provided by CCC NHS FT	1,630,279	2,015,900
701	To support the services provided by CCC NHS FT	19,214	20,796
702	To provide equipment within the Diagnostic Imaging Department	10,746	10,915
709	To support in-patient services,particularly those provided within Mersey Ward	10,370	18,567
710	To support in-patient services,particularly those provided within Conway Ward	11,355	11,332
712	To support in-patient services,particularly those provided within Sulby and Delamere Wards	3,575	3,543
717	To support Pharmacy services and research within CCC NHS FT	6,676	7,688
720	To support Cancer Research, particularly Gynaecological cancer, within CCC NHS FT	9,419	8,509
722	To support the services provided by CCC NHS FT	27,352	14,173
724	To support Cancer Research, particularly Breast Cancer, within CCC NHS FT	37,740	38,333
725	To support Radiographers Training within CCC NHS FT	9,979	10,136
739	To support Cancer Research within CCC NHS FT	47,743	48,494
740	To support Cancer Research,particularly Brain Cancer, within CCC NHS FT	20,388	20,689
743	To support Radiotherapy Services and Research within CCC NHS FT	40,362	34,221
747	To support the services provided by CCC NHS FT	32,013	31,836
748	To support Radiotherapy Services and Research,particularly Proton Therapy, within CCC NHS FT	10,624	9,284
752	To support the services provided by CCC NHS FT	26,397	26,656
754	To support the services provided by CCC NHS FT	6,998	7,108
755	To support the services provided by CCC NHS FT (Transforming Cancer Care)	2,634,166	1,500,000
756	To support the services provided by CCC NHS FT	12,932	13,135
	Unrealised Gains/(Loss) on investments	537,714	347,012
		5,146,041	4,198,327

Unrestricted Funds-Administrative Designations

These designations have an administrative purpose only, the Trustee delegates authority to named Clinicians and Managers to approve expenditure from these Funds. The designations do not legally restrict the Trustees discretion to apply the funds for the purposes of the Charity.

# The Audit Plan for The Clatterbridge Cancer Charity

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**Year ended March 2017**

October 2017

**Joanne Love**

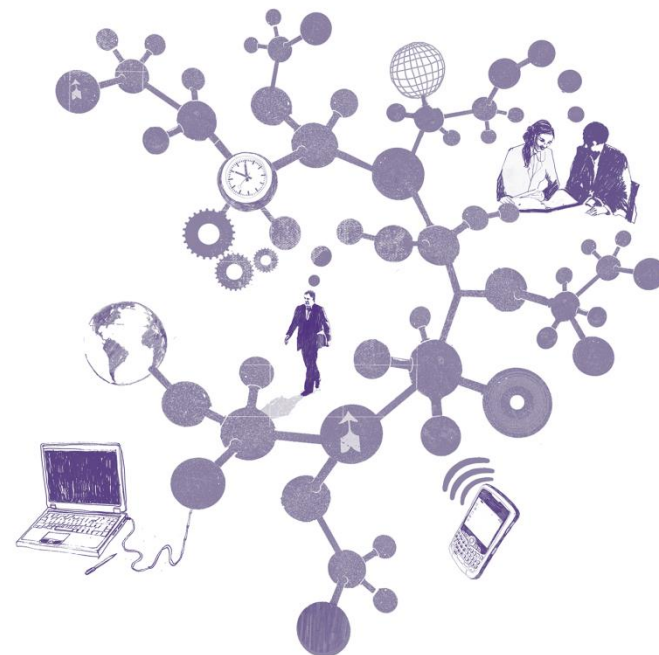
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## **Section**

Developments relevant to your charity and the audit

Our audit approach

Materiality

Significant risks identified

Other risks identified

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Fees and independence

Communication of audit matters with those charged with governance

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Charity or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

# Developments relevant to your charity and the audit

In planning our audit we consider the impact of key developments in the sector and take account of national audit requirements.

## Developments and other requirements

### 1. Governance arrangements

The governance of charities has been under public scrutiny for some time now. As a result of this, there have been significant changes in what is expected of charities, their practices, and the legal and regulatory framework in which they operate.

The Code of Good Governance Steering Group has developed a draft new Code in order to assist with strengthening the sector's governance.

### 2. Charity reserves policies

- It is important for charities to have a policy explaining their approach to reserves and this need has also been highlighted by the new Charities SORP, which requires additional disclosures and narrative reporting in the reserves policies, particularly for larger charities.
- As a result of this increased focus the Charity Commission has updated its guidance on charity reserves entitled '*Charity reserves: building resilience*' within guidance CC19.
- There is no single level or even a range of reserves that is right for all charities. Any target set by trustees for the level of reserves to be held, or decision that there is no need for reserves, should reflect the particular circumstances of the individual charity and be explained in their policy.

### 3. Regulatory developments and audit report

The Charity Commission has published revised guidance on matters of material significance that are reportable to UK charity regulators.

Auditors and independent examiners of charities in England and Wales, Scotland and Northern Ireland have always had a common statutory duty to report matters of material significance to charity regulators. The revised guidance adds two new areas for reporting and applies from 1 May 2017:

- If an auditor has concerns regarding a charity's accounts and issues a modified audit opinion report or qualified independent examiner's report
- Where an auditor has concerns that conflicts of interests or related party transactions have not been properly managed or declared.

### 4. Fundraising pressures

- In the current economic climate it is becoming increasingly difficult for charities to identify new income sources and to meet their income targets.
- Risk to future charity fundraising potential from other charities fundraising locally.

## Our response

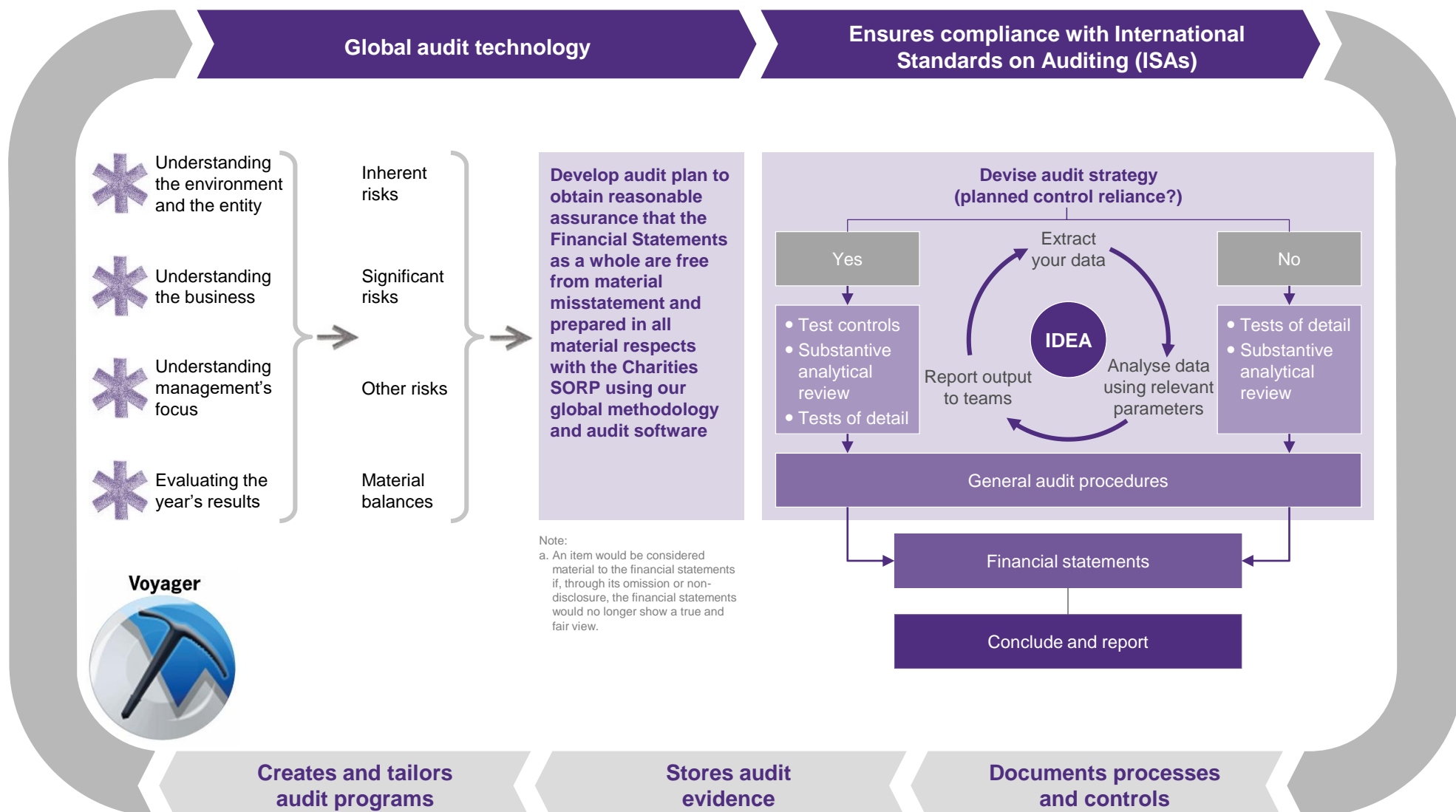
- We will discuss with you any significant changes in the Code which may impact upon the charity.

- We will discuss with you the appropriateness of your reserves policy and the sufficiency of the associated disclosure in your financial statements.

- We will share with the charity likely areas of impact arising from the implementation of the guidance

- The Charitable Fund Committee monitors the progress of fundraising projects and we will review the minutes of the committee to understand the income streams throughout the year and the achievement of targets.

# Our audit approach



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# Materiality

In performing our audit, we apply the concept of materiality, following the requirements of International Standard on Auditing (UK & Ireland) (ISA) 320: Materiality in planning and performing an audit.

The standard states that 'misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements'.

We have determined materiality for the statements as a whole as 2% of total assets. For purposes of planning the audit we have determined overall materiality to be £88,000. We will consider whether this level is appropriate during the course of the audit and will advise you if we revise this.

Under ISA 450, auditors also set an amount below which misstatements would be clearly trivial and would not need to be accumulated or reported to those charged with governance because we would not expect that the accumulation of such amounts would have a material effect on the financial statements. "Trivial" matters are clearly inconsequential, whether taken individually or in aggregate and whether judged by any criteria of size, nature or circumstances. We have defined the amount below which misstatements would be clearly trivial to be £4,000.



# Significant risks identified

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty" (ISA 315). In this section we outline the significant risks of material misstatement which we have identified. There are two presumed significant risks which are applicable to all audits under auditing standards (International Standards on Auditing - ISAs) which are listed below:

Significant risk	Description	Substantive audit procedures
The revenue cycle includes fraudulent transactions	Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.	<b>Work planned:</b> <ul style="list-style-type: none"><li>• Review and testing of revenue recognition policies</li><li>• Performance of substantive testing of revenue</li></ul>
Management over-ride of controls	Under ISA 240 it is presumed that the risk of management over-ride of controls is present in all entities.	<b>Work planned:</b> <ul style="list-style-type: none"><li>• Review of accounting estimates, judgments and decisions made by management</li><li>• Testing of unusual journal entries</li><li>• Review of unusual significant transactions</li></ul>

We have also identified the following significant risk of material misstatement from our understanding of the entity. We set-out below the work we plan to address these risks.

Significant risk	Description	Substantive audit procedures
Voluntary, Fundraising and Other Income	Recorded debtors not valid. (Existence and Occurrence)	<b>Work planned</b> <ul style="list-style-type: none"><li>• Documentation of the processes and controls within the Voluntary, Fundraising and Other Income cycle</li><li>• Walkthrough of controls to confirm our understanding</li><li>• Testing of income transactions and year-end debtor balances</li></ul>

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty." (ISA 315)

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# Other risks identified

## **Other material balances and transactions**

Under International Standards on Auditing, "irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure". All material balances and transaction streams will therefore be audited. These will include:

- Debtors
- Cash
- Creditors
- Reserves
- Donations and legacies
- Other trading activities
- Investment income
- Other income
- Costs of raising funds
- Costs of charitable activities

## **Other audit responsibilities**

- We will read the Trustees Report and check that it is materially consistent with the statements on which we give an opinion.

# Key dates



Date	Activity
February 2017	Planning
April 2017	Interim site visit
September 2017	Year end fieldwork
October 2017	Audit findings clearance meeting with finance team
October 2017	Report audit findings to those charged with governance (Charitable Trustees Committee)
October 2017	Sign financial statements opinion

# Fees and independence

## Fees

	£
Charitable fund audit	4,350
<b>Total audit fees</b>	<b>4,350</b>

## Fees for other services

Service	Fees £
None	Nil

## Our fee assumptions include:

- Our fees are exclusive of VAT
- Supporting schedules to all figures in the accounts are supplied by the agreed dates and in accordance with the agreed upon information request list
- The scope of the audit, and the Charity and its activities have not changed significantly
- The Charity will make available management and accounting staff to help us locate information and to provide explanations

## Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

Full details of all fees charged for audit and non-audit services will be included in our Audit Findings report at the conclusion of the audit.

We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.

# Communication of audit matters with those charged with governance

International Standards on Auditing (UK & Ireland) (ISA) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

This document, The Audit Plan, outlines our audit strategy and plan to deliver the audit, while The Audit Findings Report will be issued prior to approval of the financial statements and will present key issues and other matters arising from the audit, together with an explanation as to how these have been resolved.

We will communicate any adverse or unexpected findings affecting the audit on a timely basis, either informally or via a report to those charged with governance.

## Respective responsibilities

Under the Charities Act 2011, we have a statutory responsibility to report to you as trustees whether in our opinion the financial statements comply with the requirements of regulations made under that Act and whether they give a true and fair view of the state of the Charity's affairs at the end of the financial year and of the incoming resources and application of the resources of the Charity in that year.

We also have professional responsibilities to report if the financial statements do not comply in any material respect with United Kingdom law and accounting standards, unless in our opinion the non-compliance is justified in the circumstances.

Our professional responsibilities also require us to include in our report a description of the trustees' responsibilities for the financial statements where the financial statements do not otherwise include such a description.

It is the responsibility of the Charity to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Charity is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Non compliance with laws and regulations		✓
Expected modifications to the auditor's report, or emphasis of matter		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓



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# The Audit Findings for The Clatterbridge Cancer Charity

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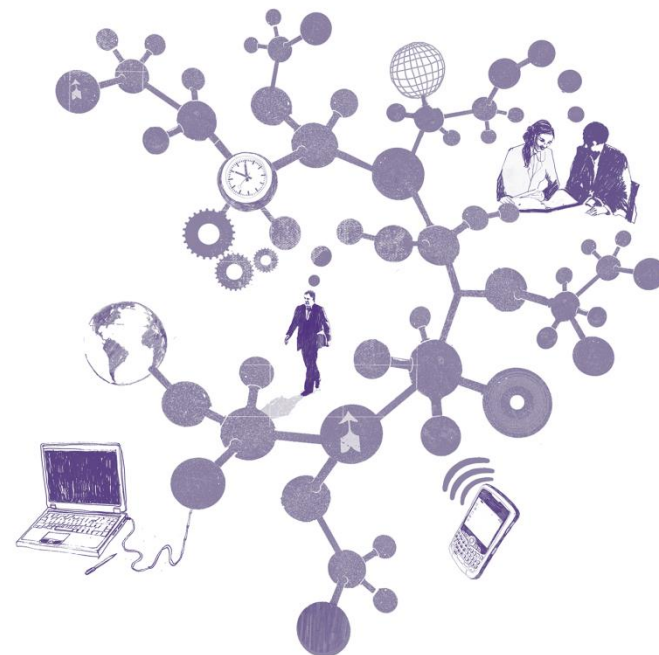
**Year ended 31 March 2017**

5 October 2017

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The Clatterbridge Cancer Charity  
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CH63 4JY

5 October 2017

Dear Members of the Charitable Funds Committee

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### **Audit Findings for The Clatterbridge Cancer Charity for the year ending 31 March 2017**

This Audit Findings report presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK & Ireland) 260. Its contents have been discussed with management.

As auditors we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland) ('ISA (UK&I)'), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team during our audit.

Yours faithfully

Joanne Love  
Engagement Lead

#### **Chartered Accountants**

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# Section 1: Executive summary

**01. Executive summary**

**02. Audit findings**

**03. Fees, non audit services and independence**

**04. Communication of audit matters**

# Executive summary

## Purpose of this report

This report highlights the key issues affecting the results of the Clatterbridge Cancer Charity (the Charity) and the preparation of the Charity's financial statements for the year ended 31 March 2017. It is also used to report our audit findings to management and those charged with governance in accordance with the requirements of International Standard on Auditing (UK & Ireland) 260.

In accordance with Section 154 of the Charities Act 2011 we are required to report whether, in our opinion, the Charity's financial statements give a true and fair view of the state of the Charity's affairs as at 31 March 2017 and of its incoming resources and application of resources for the year then ended.

## Introduction

In the conduct of our audit we have not had to alter or change our audit approach, which we communicated to you in our Audit Plan.

We received draft financial statements and accompanying working papers at the commencement of our work, in accordance with the timetable we agreed with you.

## Key audit and financial reporting issues

### Financial statements opinion

We have identified no adjustments affecting the Charity's net movement in funds (details are recorded in section two of this report). The draft financial statements for the year ended 31 March 2017 recorded a net increase in funds of £1,231k; this has not changed in the audited financial statements..

We have also agreed a number of adjustments and changes in disclosures with management to improve the presentation of the financial statements.

The key messages arising from our audit of the Charity's financial statements are:

- the accounts prepared were of a good quality
- the amendments made have been in relation to disclosures in the accounts

Further details are set out in section two of this report.

Our anticipated audit opinion will be unqualified (see Appendix B).

## Controls

### Roles and responsibilities

The Charity's management is responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Charity.

### Findings


Our work has not identified any control weaknesses which we wish to highlight for your attention

Further details are provided within section two of this report.

## Status of the audit

Our work is substantially complete and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the outstanding matters detailed below.

We would like to take this opportunity to thank the finance team for their assistance and efforts throughout the audit process.

	<b>Outstanding matters</b> <ul style="list-style-type: none"><li>• finalisation of points raised by the manager review</li><li>• review of the final version of the financial statements</li><li>• obtaining and reviewing the management letter of representation and</li><li>• updating our post balance sheet events review, including review of committee minutes, to the date of signing the opinion</li></ul>
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**Status**

- Likely to result in material adjustment or significant change to disclosures within the financial statements
- Potential to result in material adjustment or significant change to disclosures within the financial statements
- Not considered likely to result in material adjustment or change to disclosures within the financial statements

## The way forward

Matters arising from the financial statements audit have been discussed with your finance team.

## Acknowledgement

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team during our audit.

Grant Thornton UK LLP  
October 2017

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## Section 2: Audit findings

01. Executive summary

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# Materiality

In performing our audit, we apply the concept of materiality, following the requirements of ISA (UK&I) 320: Materiality in planning and performing an audit. The standard states that 'misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements'.

As we report in our audit plan, we determined overall materiality to be £88,000 (being 2% of total assets. We have considered whether this level remained appropriate during the course of the audit and have made no changes to our overall materiality.

We also set out an amount below which misstatements would be clearly trivial and would not need to be accumulated or reported to those charged with governance because we would not expect that the accumulation of such amounts would have a material effect on the financial statements. We have defined the amount below which misstatements would be clearly trivial to be £4,000. This remains the same as reported in our audit plan.

As we reported in our audit plan, we identified the following items where we decided that separate materiality levels were appropriate. These remain the same as reported in our audit plan.

Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements; Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered. (ISA (UK and Ireland) 320)

# Audit findings against significant risks




In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

	Risks identified in our audit plan	Work completed	Assurance gained and issues arising
1.	<b>Improper revenue recognition</b> Under ISA (UK&I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.	<ul style="list-style-type: none"> <li>Reviewed and tested revenue recognition policies</li> <li>Performed substantive testing of revenue</li> </ul>	Our audit work has not identified any issues in respect of revenue recognition.
2.	<b>Management override of controls</b> Under ISA (UK&I) 240 there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities.	<ul style="list-style-type: none"> <li>Reviewed accounting estimates, judgments and decisions made by management</li> <li>Tested unusual journal entries</li> <li>Reviewed unusual significant transactions</li> </ul>	<p>Our audit work has not identified any evidence of management override of controls. In particular the findings of our review of journal controls and testing of journal entries has not identified any significant issues.</p> <p>We have no issues to report from our work and findings on your key accounting estimates and judgements.</p>
3.	<b>Voluntary, Fundraising and Other Income</b> Recorded debtors not valid. (Existence and Occurrence)	<ul style="list-style-type: none"> <li>Documented the processes and controls within the Voluntary, Fundraising and Other Income cycle</li> <li>Walkthrough of controls to confirm our understanding</li> <li>Testing of income transactions and year-end debtor balances</li> </ul>	There are no issues arising from our testing of income.

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty." (ISA (UK and Ireland) 315). In making the review of unusual significant transactions "the auditor shall treat identified significant related party transactions outside the entity's normal course of business as giving rise to significant risks." (ISA (UK and Ireland) 550)

# Accounting policies, estimates & judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included within the Charity's financial statements.

Accounting area	Summary of policy	Comments	Assessment
<b>Revenue recognition</b>	Income is recognised when: <ul style="list-style-type: none"> <li>the charity has entitlement to the resources</li> <li>there is probable certainty that the incoming resource will be received; and</li> <li>the monetary value of the incoming resource can be measured with sufficient reliability.</li> </ul>	<ul style="list-style-type: none"> <li>We have reviewed the Charity's policies, tested a sample of income transactions, and there are no issues we wish to bring to your attention.</li> </ul>	
<b>Other accounting policies</b>	<ul style="list-style-type: none"> <li>The Charity has adopted the standard accounting policies for NHS charitable funds.</li> </ul>	<ul style="list-style-type: none"> <li>We have reviewed the Charity's policies and do not have any comments to make.</li> </ul>	
<b>Going Concern</b>	<ul style="list-style-type: none"> <li>Management have a reasonable expectation that the services provided by the Charity will continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>We have reviewed management's assessment and are satisfied that the going concern basis is appropriate for the 2016/17 financial statements.</li> </ul>	

## Assessment

 Marginal accounting policy which could potentially attract attention from regulators

 Accounting policy appropriate but scope for improved disclosure

 Accounting policy appropriate and disclosures sufficient



# Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards to communicate to those charged with governance.

	Issue	Commentary
1.	<b>Matters in relation to fraud</b>	<ul style="list-style-type: none"> <li>We have previously discussed the risk of fraud with you. We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.</li> </ul>
2.	<b>Matters in relation to related parties</b>	<ul style="list-style-type: none"> <li>From the work we carried out, we have not identified any related party transactions which have not been disclosed.</li> </ul>
3.	<b>Matters in relation to laws and regulations</b>	<ul style="list-style-type: none"> <li>You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.</li> </ul>
4.	<b>Written representations</b>	<ul style="list-style-type: none"> <li>A standard letter of representation has been requested from the Charity, which is included in the Charity Committee papers.</li> </ul>
5.	<b>Confirmation requests from third parties</b>	<ul style="list-style-type: none"> <li>We requested from management permission to send confirmation requests your banks. This permission was granted and the requests were sent and appropriate information and confirmation provided.</li> </ul>
6.	<b>Disclosures</b>	<ul style="list-style-type: none"> <li>Our review found no material omissions in the financial statements.</li> </ul>

# Internal controls – review of issues raised in prior year

	Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
1.	✓	<p>We reported in 2014/15 that review of the Charity's service contract with Investec, who manage the Charity's investments, identified that it was dated 2001 and had not been updated.</p> <p>In 2015/16 we reported that the Charity were in the process of updating this contract.</p>	Investec have now returned updated signed contract documents which are dated October 2015.

## Assessment

- ✓ Action completed
- X Not yet addressed

# Misclassifications & disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Adjustment type		Value £'000	Account balance	Impact on the financial statements
1	Disclosure	(20)	Note 4 Voluntary Income	Total voluntary income for 2015/16 amended from £818k to the correct total per the Statement of Financial Activities of £798k: <ul style="list-style-type: none"> <li>• Donations amended from £305k to £286k</li> <li>• Legacies £512k is unchanged</li> </ul>
2	Disclosure	n/a	Balance Sheet	Date in Total Funds for comparator amounts amended from 31/03/2017 to 31/03/2016.
3	Disclosure	n/a	Trustee's Annual report	A number of amendments were made to the Trustee's Annual Report: <ul style="list-style-type: none"> <li>• Page 7: 7.3% increase on full year income amended to 7%</li> <li>• Page 8: Disclosure added on a £500k donation in August 2017.</li> <li>• Page 9: Added the total of £5m funds held at of the year compared with the amount per the policy of £1m.</li> <li>• Page 9: "Income from donations and legacies was £1,150,255 which represents 52% of total incoming resources, compared to 46% in the previous year." Amended to give correct figure for income from donations and legacies £808,505 and the correct percentages: 37% of total incoming resources, compared to 39% in the previous year.</li> </ul>

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## Section 3: Fees, non-audit services and independence

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**03. Fees, non audit services and independence**

04. Communication of audit matters

# Fees, non-audit services and independence

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

## Fees

	Proposed fee £	Final fee £
Charitable fund audit	4,350	4,350
<b>Total audit fees (excluding VAT)</b>	<b>4,350</b>	<b>4,350</b>

## Fees for other services

Service	Fees £
None	Nil

## Independence and ethics

- We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and confirm that we are independent and are able to express an objective opinion on the financial statements.
- We confirm that we have implemented policies and procedures to meet the requirement of the Auditing Practices Board's Ethical Standards.

## Non- audit services

- No non-audit services were provided to the Charity in 2016/17.

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## Section 4: Communication of audit matters

01. Executive summary

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03. Fees, non audit services and independence

04. Communication of audit matters

# Communication of audit matters to those charged with governance

International Standards on Auditing ISA (UK&I) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

The Audit Plan outlined our audit strategy and plan to deliver the audit, while this Audit Findings outlines those key issues and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved. .

## Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK and Ireland), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Non compliance with laws and regulations		✓
Expected modifications to the auditor's report, or emphasis of matter		✓
Unadjusted misstatements and material disclosure omissions		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓

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# Appendices

## A. Audit opinion



# A: Audit opinion

## We anticipate we will provide the Charity with an unmodified audit report

### Independent auditor's report to the corporate trustee of The Clatterbridge Cancer Charity

We have audited the financial statements of The Clatterbridge Cancer Charity for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's corporate trustee, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the corporate trustee and auditor

As explained more fully in the Trustees' Responsibilities Statement, the corporate trustee is responsible for the preparation of the financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:  
give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources for the year then ended;  
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Charities Act 2011.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:  
the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or  
the charity has not kept sufficient accounting records; or  
the financial statements are not in agreement with the accounting records and returns; or  
we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Manchester

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



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Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
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Our Ref  
Your Ref

12<sup>th</sup> October 2017

Dear Sirs

**The Clatterbridge Cancer Charity**  
**Financial Statements for the year ended 31 March 2017**

This representation letter is provided in connection with the audit of the financial statements of The Clatterbridge Cancer Charity for the year ended 31 March 2017 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with Section 154 of the Charities Act 2011.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**Financial Statements**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 10 January 2017 for the preparation of the financial statements in accordance with the Charities Act 2011, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ('Charities SORP (FRS 102)'), issued by the Charity Commission for England and Wales and any subsequent amendments or variations to this statement, in particular the financial statements give a true and fair view in accordance therewith.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

i Except as stated in the financial statements:

- a. there are no unrecorded liabilities, actual or contingent;
- b. none of the assets of the charity has been assigned, pledged or mortgaged;
- c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Charities SORP (FRS 102) and any subsequent amendments or variations to this statement.

All events subsequent to the date of the financial statements and for which the Charities SORP (FRS 102) and any subsequent amendments or variations to this statement require adjustment or disclosure have been adjusted or disclosed.

We have considered the disclosures changes schedules included in your Audit Findings Report. The financial statements have been amended for these disclosure changes and are free of material misstatements, including omissions.

We can confirm that:

- a. all income has been recorded;
- b. the restricted funds have been properly applied;
- c. constructive obligations for grants have been recognized; and
- d. we consider there to be appropriate controls in place to ensure overseas payments are applied for charitable purposes.

The charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of UK Generally Accepted Accounting Practice.

### **Information Provided**

We have provided you with:

- e. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- f. additional information that you have requested from us for the purpose of your audit; and
- g. unrestricted access to persons from whom you determine it necessary to obtain audit evidence.

We have communicated to you all deficiencies in internal control of which we are aware.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you our knowledge of fraud or suspected fraud affecting the charity involving:

- h. management;
- i. employees who have significant roles in internal control; or
- j. others where the fraud could have a material effect on the financial statements.

We have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the charity's financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We have disclosed to you the identity of the charity's related parties and all the related party relationships and transactions of which we are aware.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

- ii We confirm that we have reviewed all correspondence with regulators, which has also been made available to you, including the guidance 'How to report a serious incident in your charity' issued by the Charity Commission (updated in September 2014). We also confirm that no serious incident reports have been submitted to the Charity Commission, nor any events considered for submission, during the year or in the period to the date of signing of the balance sheet.

Yours faithfully

Name.....

Name.....

Position.....

Position.....

Date.....

Date.....