



**OCCTOPUS OXFORD COLON CANCER TRUST**

**Registered charity no.1104702**

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR TO 31 DECEMBER 2017**

# OCCTOPUS OXFORD COLON CANCER TRUST

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# OCCTOPUS OXFORD COLON CANCER TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Patrons:</b>	Professor Sir Walter Bodmer Professor Peter Atkins Neil Ashley
<b>Trustees:</b>	Professor Neil Mortensen (Chairman) Christopher Cunningham Bruce George Nicholas Handy (Treasurer) Rob Jonckheer Professor Bryan Morton Mark Rowse Philip Williams
<b>Secretary:</b>	Rob Jonckheer
<b>Independent Examiner:</b>	Stephen Dexter FCA
<b>Administrator:</b>	Marianne Julebin
<b>Principal office:</b>	Everyman Legal Limited No. 1G, Network Point Range Road Windrush Park Witney Oxfordshire OX29 0YN
<b>Bankers:</b>	HSBC Bank plc 24 Market Square, Witney, Oxfordshire, OX28 6BG
<b>Name</b>	OCCTOPUS Oxford Colon Cancer Trust
<b>Registration as a charity:</b>	1 July 2004 (number 1104702)
<b>Website:</b>	<a href="http://www.occtopus.org.uk">http://www.occtopus.org.uk</a>

# OCCTOPUS OXFORD COLON CANCER TRUST

## TRUSTEES' ANNUAL REPORT

The trustees present their annual report and financial statements for the year ended 31 December 2017. The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 19 and comply with the charity's trust deed, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and applicable law as discussed more fully in note 1 on page 16.

### Objectives and activities

The aims of the charity are to improve the diagnosis and treatment of colorectal cancer and inflammatory bowel disease by promoting education, innovation and research as well as through the provision of specialist equipment to allow new treatments to be delivered to patients.

This is achieved through providing grants and equipment to the colorectal surgery department and its clinical partners at the Oxford University Hospitals NHS Foundation Trust, providing grants to the University of Oxford for the Nuffield Department of Surgical Sciences and providing grants for relevant education and training. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and providing grants for the year.

The charity furthers its charitable purposes for the public benefit through its grant-making policy which looks to:

- fund research related to the early diagnosis and treatment of sufferers with colorectal cancer and related conditions
- provide support for education and training in treating colorectal cancer and related conditions
- funding the purchase by the Oxford University Hospitals NHS Foundation Trust of specialised surgical equipment for the treatment of colorectal cancer, and inflammatory bowel conditions such as ulcerative colitis and Crohn's disease.

### Grant making and funding policy

The charity has established its grant making policy to achieve its objects for the public benefit. The ultimate beneficiaries of our grant making programme are those who suffer from colorectal cancer, ulcerative colitis, Crohn's disease and inflammatory bowel and those at risk of developing these diseases in the future. According to the World Cancer Report colorectal cancer represents almost 10% of the global cancer incidence burden in 2012, and is the third most common cancer in men (an estimated 746,000 cases) and the second most common in women (614,000 cases). Colorectal cancer is the fourth most common cause of death from cancer worldwide, with an estimated 694,000 deaths.

Survival rates for colorectal cancer have improved over the last four decades, but even today only 60% of those people affected survive more than five years. This survival rate can be improved by earlier diagnosis and effective treatment.

The charity provides grants to fund postgraduate research fellowships through the Nuffield Department of Surgical Sciences (NDSS). The amount and term of the reward is decided by the trustees based on the advice of those trustees with clinical expertise. Typically, the research funding will cover a period of two years, though this

# **OCCTOPUS OXFORD COLON CANCER TRUST**

## **TRUSTEES' ANNUAL REPORT (CONTINUED)**

may be longer or shorter at the trustees' discretion. The beneficiaries of the fellowships are monitored through regular reporting to the trustee meetings on progress.

The charity provides one off grants for individual postgraduate research in the field of colorectal cancer and its related conditions. These grants are assessed by the clinical trustees and, if considered appropriate, are reviewed by the trustee body who determine whether to proceed with the grant.

The charity funds specialised training and education activities for treating colorectal cancer and related conditions.

The charity funds the purchase by the Oxford University Hospitals NHS Foundation Trust of specialised surgical equipment to expand knowledge of new and innovative techniques that improve treatment of colorectal cancer and its related conditions.

The charity provided the services of an administrator in support of the education and training requirements of the Colorectal Department of the Oxford University Hospitals NHS Foundation Trust for the period to 31 August 2017. This included supporting the academic work in the department and the overseas surgical observers and some of the overseas Fellows in their work on improving the treatment of colorectal cancer and its related conditions.

Any private benefit received by research institutions, researchers and healthcare bodies is purely incidental to the objects of the charity's work.

The charity reviews the grant making policy annually to ensure that it reflects the charity's objects and thereby advances public benefit.

### **Structure, governance and management**

#### ***Structure, management and communication***

The charity is a registered charity, number 1104702, and is constituted under a trust deed dated 23 December 2003.

The charity's operations are controlled by the trustees. Professor Mortensen is Chairman and provides medical direction. Rob Jonckheer acts as Secretary, providing support on charitable legal, regulatory and governance aspects. Nicholas Handy acts as Treasurer, providing support on all financial aspects of the charity's activities.

The charity had a part time administrator who was also engaged in research and data reporting. The administrator was an employee of Oxford University Hospitals NHS Foundation Trust, which recharged the element of her remuneration costs that relate to the work she undertook on behalf of the charity. The part time administrator left the charity on 31 August 2017 and those aspects of her activity relating to administration, publicity and fund raising was taken over on 1 October 2017 by a specialist in this area, who provides these services on a contracted basis. A web editor, who works for one to two days a month, was appointed on 1 October 2017 to ensure the charity media profile is kept up to date.

The trustees hold formal meetings at least three times a year to consider all aspects of the charity's activities, and to monitor progress on the charity's strategic and operational plans (see achievements and performance below). These plans help trustees and supporters to work towards a shared and sustainable vision for the future, agreeing priorities and identifying appropriate activities to achieve them.

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## TRUSTEES' ANNUAL REPORT (CONTINUED)

A Nominations Committee, comprising Professor Mortensen and Philip Williams, is responsible for recommendations to the trustees on the appointment of new trustees. Trustee performance and re-appointment is considered annually. Trustees are appointed through meeting with the Nominations Committee and, where practicable, through structured visits to the colorectal surgery department at the Oxford University Hospitals NHS Foundation Trust. Trustee training is through peer support and attendance at relevant conferences or seminars.

Communications with supporters and other interested parties are conducted through various means including tailored mailing, e-mail, the charity's website, Just Giving, the annual report and events such as open days at the colorectal cancer department at the Oxford University Hospitals NHS Foundation Trust. Feedback from supporters is solicited in personal correspondence and communication.

### ***Governance***

During the year, the charity has maintained its emphasis on its own and its partners' accountability. The trustees seek to follow the good practice 'Charity Trustees Guide' issued by ICSA: The Governance Institute.

The trustees meet regularly (at least three times a year formally, additionally as needed) to review the status of initiatives in hand and the charity's financial and investment position. The development of strategic options which could affect planning is also discussed.

The trustees remain committed to minimising administrative costs and to monitoring the performance of initiatives implemented in association with the Oxford University Hospitals NHS Foundation Trust.

Stephen Dexter FCA is the currently appointed independent examiner of the charity.

### **Achievements and performance**

During 2017 the charity continued to enable progress in minimally invasive colorectal surgery in the UK, principally by fundraising, launching a pilot training programme and providing grants to enable it to meet its objectives.

Research and innovation allows medicine to progress and provide patients with better care. Octopus funded their first research fellowship in October 2015 supporting Marta Penna, a surgical doctor in Oxford, to undertake a PhD research post.

Where a significant charitable project has been identified grant donations from corporate entities that specialise in the area addressed by the project are applied for. Typically, the corporate entities restrict their grant or donation to that project and both the income and expenditure are accounted for as a restricted activity.

During the year a pilot training initiative was funded by the charity, under the auspices of the Association of Coloproctology of Great Britain and Ireland (ACPGBI), for the training of surgeons and theatre practitioners in the technique of Transanal Total Mesorectal Excision (TaTME). TaTME is a novel access technique which has attracted substantial interest amongst colorectal surgeons throughout the world. Suggested benefits include better short- and long-term outcomes for selected patients with mid- and/or low rectal cancer. This pilot training initiative attracted restricted income grant donations from corporate entities amounting to £29,975 as well as the provision of equipment on a loaned basis.

An initial event for the pilot training initiative was held for 40 participants in October 2017 and was very well received. In addition to rehearsing the key skills for TaTME, the delegates were able to interact with several of the TaTME faculty and industrial partners.

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## TRUSTEES' ANNUAL REPORT (CONTINUED)

Lead surgeons from five pilot centres will then benefit from expert clinical coaching for five TaTME cases at their own centre. Scheduling of these cases is being centrally managed with the clinical outcomes and operative performance closely monitored. During the period three of these preceptored cases were completed.

The charity funded two individual grants for research; the assessment of a 13-gene extracellular matrix signature for predicting radio-sensitivity and outcome in rectal cancer patients (Gene Signature) and an observational study to correlate the results of ploidy and stroma analysis with prognosis in early rectal cancer (Ploidy and Stroma Analysis).

### *The Gene Signature project.*

Radiotherapy is one of the treatment options for rectal cancer, but not all patients are responsive to it. If it were possible to predict which patients would not benefit from radiotherapy, then unnecessary radiation and its side effects could be avoided.

A gene signature has been recently developed that reflects proteins in the structural tissue and may make tissues less sensitive to radiotherapy. This signature will be examined in samples taken from rectal cancers before treatment, and compared with patient outcomes and effectiveness of radiotherapy to see whether the signature allows the prediction of radio-sensitivity and outcomes in rectal cancer patients.

### *The Ploidy and Stroma Analysis project.*

When early rectal cancer is removed by minimally-invasive surgery, the standard pathological assessment gives information about how advanced the tumour is. This is important in indicating whether the cancer is likely to recur, and therefore in advising the patient regarding any further treatment. However, there is still a lot of uncertainty in these predictions, and better tests to improve the pathological assessment are being looked for.

This study will use advanced digital techniques developed in Oslo, Norway, to look at two further tests, ploidy and stroma ratio in the tumour, and compare these test results with outcomes. If these tests give greater accuracy in predicting outcome, patients could be better advised about their prognosis and further management options.

The charity funded the services of an administrator as part of its grant policy to support education and training. The administrator left the charity on 31 August 2017 and the trustees are considering whether the position should be replaced.

The charity measures its performance in two areas; in the provision of grants and the subsequent success of those grants in achieving the grant making policies. The provision of grants is monitored at each trustee meeting where the trustees with clinical expertise will table opportunities for grant making and the trustee body as a whole will confirm whether the grant will be made. As each grant provided tends to have unique circumstances the charity measures its performance on a case by case basis and at trustee meetings follows up the benefits from the grants.

Against the background of recent achievements, the charity will continue to monitor and address opportunities for research and the application of surgical technology in treating colorectal cancer and its related conditions. Its priorities at present are to:

- identifying future grants and education projects

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## TRUSTEES' ANNUAL REPORT (CONTINUED)

- continue to raise funds to address its charitable objectives; and
- conserve a fund for future technological developments (see also under Reserves policy below).

The charity was delighted to receive a special award of £4,000 from the Masonic Charitable Foundation Community Awards Tercentenary Fund. These awards are voted for by the local community and we were one of four charities in Oxfordshire that were successful in applying for this award, which is unrestricted and will be put to good use in furthering the charity's objectives.

The trustees concluded in late 2016 that Occtopus needed to improve and increase its activities in the related areas of fundraising and marketing. As a result, a new website was launched during the year which is more engaging for viewers, which includes more information on the activities which the Trust is supporting, and which will be easier and cheaper to update. In addition an improved database and email marketing infrastructure was put in place. This makes it easier for supporters to register their interest in the charity and be kept in touch with its developments and campaigns. All of these developments are aimed to make the Trust's outreach more effective and flexible, and at a lower cost to execute.

Following the rollout of this infrastructure the trustees appointed a part time Marketing Assistant to produce and disseminate email newsletters, and to update the content of the website. In conjunction with the Fundraising Consultant appointed by the trustees this is expected to increase the level of donations from individuals alongside the aim of increasing donation levels from Trusts and Foundations.

### ***Principal risks and uncertainties***

The principal risks faced by the charity have not changed significantly from last year; primarily the performance of investments and operational risks from non-effective grant making and the capacity of the charity to make effective grants.

The trustees consider the variability of investment returns on funds invested or deposited to constitute the charity's major financial risk. This is mitigated by having a diversified investment portfolio and monitoring the annualised returns of that investment portfolio on a monthly basis, with a formal report by the treasurer at each of the trustee meetings. This diversification is achieved through the investment in equity and income managed funds.

The operational risk from research and grant awards is that they may be non-effective in advancing knowledge and practice to those treating colorectal cancer and related conditions. This is managed through retaining trustees who are clinical experts to whom the recipients of the awards provide regular and detailed reports. In addition, the recipients provide regular reports to the trustee body as a whole. The process of reporting and review assists us, and those we support, in keeping track of how research and knowledge is developing. This review process also focuses on the public benefit derived from our funding of their work.

The operational risks from the funding of specialised surgical equipment for the use by the Oxford University Hospitals NHS Foundation Trust are:

- the surgical equipment may be non-effective in treating the specialised condition of colorectal cancer and related conditions
- the surgical equipment could be procured by the National Health Service as part of its normal spending and does not therefore meet the charity aim of innovative techniques



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## TRUSTEES' ANNUAL REPORT (CONTINUED)

- the surgical equipment might be appropriated by other areas of the Oxford University Hospitals NHS Foundation Trust which, whilst providing a public benefit, would not necessarily achieve the charity's aims.

The operational risks from the funding of specialised surgical equipment are managed by the appointment of clinical experts as trustees who advise the trustees as a whole on the efficacy of the equipment and its innovative nature. The clinical experts, as the primary users of the equipment, provide assurance that the equipment is not appropriated by others. All funding grants for specialised surgical equipment are agreed by the trustee body as a whole to ensure the risks noted above are appropriately managed.

### Financial review

The principal funding sources of the charity is made up of corporate entity donations (typically in respect of restricted funding of projects) and individual donations (typically from patients of the Oxford University Hospitals NHS Foundation Trust or their relatives) together with Gift Aid where the donor has provided the appropriate declaration.

In addition, events may be held to raise funds where income is generated both by the sale of tickets to the event and charity auctions or other donations provided during the event.

Where donations exceed the immediate funding requirements of the charity the excess is invested in interest bearing bank accounts or investments in accordance with the investment policy (see below) and the dividends and interest from these investments provides funding for the charity.

During the year the charity raised restricted income from corporate entities amounting to £29,975 for running a pilot training course in respect of TaTME, discussed in more detail above. The related costs to date amount to £17,018 leaving a balance of £12,957 to cover costs expected to be incurred in 2018.

During the year, the charity received unrestricted amounts of £11,104 in respect of non-recurring donations (2016 - £12,530) and £8,135 of recurring donations (2016 - £8,235), including relevant Gift Aid. Investment income amounted to £12,697 (2016 - £13,800).

The charity entered into a commercial agreement with Everyclick's where Everyclick makes a payment to the charity in return for being able to list that charity on their services and to use the charity's trade mark for the services. This is accounted for as licence income and resulted in £1 income in the year.

As noted in achievements and performance above the charity provided grants of £15,000 (2016 – Nil) for the Gene Signature and Ploidy and Stroma Analysis projects. The charity also provided funding of £182 (2016 - £56) to maintain the Oxford Colorectal Department website.

The Oxford University Hospitals NHS Foundation Trust employed a part time administrator who undertook work on behalf of the charity, both in respect of charitable activities through providing support for the education and training undertaken by the Oxford University Hospitals NHS Foundation Trust Department of Colorectal Surgery and in respect of fundraising through organising events and dealing with the external communications to donors. The part time administrator ceased these activities on 31 August 2017. The recharge of these costs for the year amounted to £8,387 (2016 - £12,352).

As the charity has no employees it has no employment or pension obligations.

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## TRUSTEES' ANNUAL REPORT (CONTINUED)

The overall result of the activity during the year was a surplus for the year of £37,166 (2016 – £23,049) of which £21,950 (2016 - £21,437) was represented by net gains on investments. The surplus comprised £12,957 (2016 – Nil) of restricted income funds that can only be disbursed on activity related to the TaTME training pilot and £24,209 (2016 £23,049) of unrestricted surplus

The balance of funds was increased to £535,297 at 31 December 2017 from £498,131 at 31 December 2016, of which £12,957 were restricted to the TaTME training pilot (2016 – Nil). As noted in the reserves policy section which follows the charity has sufficient reserves to fulfil its commitments.

### ***Investments and investment policy***

The trustees review the investment policy on an annual basis to ensure that it reflects the needs of the charity. The objective of the policy is to invest funds that are not anticipated to be used within the next twelve months in a mix of Equity and Fixed Interest funds. The balance between Equity and Fixed Interest funds is reviewed during the trustees' meetings and where more than 60% is invested in Equity funds the treasurer provides a report to the trustees to determine whether any additional action is required.

The trustees have determined that, in common with many other UK charities, the charity should invest funds that are not anticipated to be used within the next twelve months in the sub-funds of FP CAF Investment Fund ("FP CAF"), which is an open-ended investment company whose Authorised Corporate Director ("ACD") may, with the approval of the Financial Conduct Authority ("FCA"), establish different funds from time to time. FP CAF's Investment Manager is Octopus Investments Limited, and its ACD is Fund Partners Limited, both which are authorised and regulated by the FCA.

The FP CAF sub-funds in which the charity has invested are:

- the FP CAF UK Equity Fund which invests primarily in UK equities and aims to achieve capital growth over the medium to longer term which is in excess of the UK equity market average; and
- the FP CAF Fixed Interest Fund which invests primarily in global fixed interest securities and aims to achieve a balance of income and capital growth over the medium to longer term, the total of which is in excess of that of the Global Fixed Interest market, hedged into £Sterling.

Investments are shown in the balance sheet at market value of £501,020 at 31 December 2017 (2016 - £479,070). These comprise holdings of £232,233 (2016 - £233,691) in the FP CAF Fixed Interest Fund and £268,787 (2016 - £245,379) in the FP CAF UK Equity Fund.

The trustees have determined that at a minimum funds anticipated to be required within one month should be held in an account provided by the charity's bankers. Cash balances at the end of the year stood at £40,221 (2016 - £29,463) of which £21,337 (2016 - £18,589) was held in an interest-bearing account. The increase in cash balances is primarily explained by the receipt of restricted income funds, net of costs, amounting to £12,957 (2016 – Nil) in respect of the TaTME training project.

Unrealised gains arising during the year on the charity's investments were £21,950 (2016 - £21,437). Investment income from investments and interest was £12,697 (2016 - £13,800).

The estimated income yield on investments has been 2.6% (2016 - 1.8% ) and the estimated aggregate return on investments (including both capital growth and income yield) has been 7.2% (2016 – 8.7%). The overall investment yield continues to exceed the interest-bearing account yield of 0.07%.

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## TRUSTEES' ANNUAL REPORT (CONTINUED)

### ***Taxation***

The charity is entitled to those exemptions from UK taxation which are available in law to charities.

### ***Reserves policy***

The trustees' policy is that so far as possible the annual income of the charity should be applied exclusively towards its charitable activities, as at present it has no governance expenses. However, the trustees recognise that reserves will fluctuate, as its income in any year is to a large extent unpredictable and unlikely to match precisely opportunities for expenditure to meet its objectives.

The balance of funds at the 31 December 2017 amounted to £535,297 (2016 - £498,131), of which £12,957 (2016 – Nil) was restricted to the TaTME training pilot and the balance of £522,340 (2016 - £498,131) was unrestricted.

A detailed budget of the TaTME training pilot has been reviewed and approved by the trustees and this indicates that the restricted funds will be fully utilised in 2018.

Whilst there are no other identified significant projects currently under review it is the opinion of the trustees that a minimum of £200,000 is likely to be needed to meet the periodical needs for technological updates of existing equipment not funded by the National Health Service. The balance of £322,340 is considered a free reserve and is available to provide grants that meet the charity's policies.

### ***Remuneration policy***

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration or expenses were paid in the year.

Trustees are required to disclose all relevant interests and register them with the Chairman and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

# OCCTOPUS OXFORD COLON CANCER TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees on 16 April 2018 and signed on their behalf by:

Professor Neil Mortensen

Oxford

16 April 2018

# **OCCTOPUS OXFORD COLON CANCER TRUST**

## **INDEPENDENT EXAMINER'S REPORT**

### **to the trustees of the Octopus Oxford Colon Cancer Trust**

I report on the accounts of the Octopus Oxford Colon Cancer Trust for the year ended 31 December 2017, which are set out on pages 13 to 25.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act), and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145 (5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act;
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached, other than Note 1 on page 16 which states that the financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Stephen Dexter FCA  
Grove  
16 April 2018

# OCCTOPUS OXFORD COLON CANCER TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2017

	Note	2017			2016
		Restricted Income £	Unrestricted £	Total £	Total £
<b>Income and endowments from:</b>					
Donations and legacies	3	29,975	19,239	49,214	20,765
Other trading activities	4	-	1	1	-
Investments	5	-	12,697	12,697	13,800
<b>Total</b>		<b>29,975</b>	<b>31,937</b>	<b>61,912</b>	<b>34,565</b>
<b>Expenditure on:</b>					
Raising funds	7	-	10,302	10,302	10,534
Charitable activities	8	17,018	19,376	36,394	22,419
<b>Total</b>		<b>17,018</b>	<b>29,678</b>	<b>46,696</b>	<b>32,953</b>
<b>Net income and net movement in funds before gains and losses on investments</b>					
		<b>12,957</b>	<b>2,259</b>	<b>15,216</b>	<b>1,612</b>
Net gains on investments	9	-	21,950	21,950	21,437
<b>Net Movement in funds</b>		<b>12,957</b>	<b>24,209</b>	<b>37,166</b>	<b>23,049</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	12	-	498,131	498,131	475,082
<b>Total funds carried forward</b>	<b>12</b>	<b>12,957</b>	<b>522,340</b>	<b>535,297</b>	<b>498,131</b>

The notes at pages 16 to 25 form part of these accounts.

# OCCTOPUS OXFORD COLON CANCER TRUST

## BALANCE SHEET

At 31 December 2017

	Note	2017			2016
		Restricted	Unrestricted	Total	Total
		Income			
		£	£	£	£
<b>Fixed assets</b>					
Investments	9	-	501,020	501,020	479,070
<b>Current assets</b>					
Debtors		-	243	243	8
Cash		12,957	27,264	40,221	29,463
<b>Total current assets</b>	10	<b>12,957</b>	<b>27,507</b>	<b>40,464</b>	<b>29,471</b>
<b>Current liabilities</b>					
Creditors and accruals	11	-	6,187	6,187	10,410
<b>Net current assets</b>		<b>12,957</b>	<b>21,320</b>	<b>34,277</b>	<b>19,061</b>
<b>Net assets</b>		<b>12,957</b>	<b>522,340</b>	<b>535,297</b>	<b>498,131</b>
<b>The funds of the charity</b>					
Total income	12	12,957	522,340	535,297	498,131

The notes at pages 16 to 25 form part of these accounts.

Approved by the trustees on 16 April 2018 and signed on their behalf by:

Professor Neil Mortensen

# OCCTOPUS OXFORD COLON CANCER TRUST

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	Note	2017			2016
		Restricted	Unrestricted	Total	Total
		Income			
		£	£	£	£
<b>Cashflows from Operating Activities:</b>					
Net cash used in operating activities	13	12,957	(14,896)	(1,939)	(62,833)
<b>Cash flows from investing activities:</b>					
Proceeds from sale of investments	9	-	-	-	10,500
Dividends and interest from investments	5	-	12,697	12,697	13,800
<b>Change in cash and cash equivalents in the year</b>		<b>12,957</b>	<b>(2,199)</b>	<b>10,758</b>	<b>(38,533)</b>
Cash and cash equivalent brought forward	10	-	29,463	29,463	67,996
Cash and cash equivalent carried forward	10	<b>12,957</b>	<b>27,264</b>	<b>40,221</b>	<b>29,463</b>

The notes at pages 16 to 25 form part of these accounts.



# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

### 1. Accounting policies

#### *(a) Basis of preparation and assessment of going concern*

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. With respect to the next reporting period, 2018, the most significant areas of uncertainty that affect the carrying value of assets held by the charity are the level of investment return and the performance of investment markets (see the investment policy and risk management sections of the trustees' annual report for more information).

#### *(b) Funds structure*

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. The charity has a single restricted fund which was created during the year and was restricted to expenditure on the TaTME training pilot. The TaTME training pilot started in the year and is expected to be completed in 2018.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

#### *(c) Income recognition*

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the charity has been notified in writing of both the amount and settlement date, or a cheque or funds transfer has been received. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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

Distributions are recognised once the distribution has been declared and notification has been received of the distribution due. This is normally upon notification by the fund manager.

### *(d) Expenditure recognition*

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note *(f)* below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payment(s), settlement is probable and the effect of discounting is material.

The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### *(e) Irrecoverable VAT*

The charity is not registered for VAT so irrecoverable VAT is charged against the expenditure heading for which it was incurred.

### *(f) Allocation of support and governance costs*

The charity has no specific governance costs, which comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice, as there are no trustee costs and the Independent Examiner charges no fees for the examination. Other support costs in respect of charitable activities have been apportioned based on an assessment of the individual cost and related activity it supports. The allocation of support and governance costs is explained in note 6.

### *(g) Costs of raising funds*

The costs of generating funds consist of the allocation of support costs identified as directly related to the cost of generating funds and the costs of specific events whose purpose is to raise funds.

### *(h) Charitable activities*

Costs of charitable activities include grants made, surgical equipment provided and an apportionment of support costs.

### *(i) Fixed asset investments*

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors.

### *(j) 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

### *(k) Pensions*

The charity has no employees and no pension obligations.

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### *(l) Debtors*

Debtors are recognised at their recoverable amount (the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods and services).

### *(n) Cash at bank and in hand*

Cash at bank and in hand is held to meet short term cash commitments as they fall due. Cash equivalents are short term highly liquid investments readily convertible to known amounts of cash and are subject to an insignificant change in value. A cash equivalent has a short term maturity which is not expected to exceed three months.

### *(m) Liabilities*

Liabilities are amounts due to creditors and any provision made as a result of an obligation to transfer economic benefit, normally as a cash payment, to a third party. A liability is recognised as the amount that the charity anticipates it will pay to settle the obligation or the amount it has received as an advanced payment for goods or services it must provide.

### *(n) Contingent liabilities*

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

## **2. Related party transactions and trustees' remuneration and expenses**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2016 - Nil).

The trustees have made no claims for expenses during the year (2016 - Nil).

Bruce George and Christopher Cunningham are directly employed by, and hold senior positions at, the Oxford University Hospitals NHS Foundation Trust which the trustees consider to be a related party. Professor Neil Mortensen is an honorary Consultant Surgeon at the Oxford Hospitals NHS Foundation Trust and Professor of Colorectal Surgery at the Nuffield Department of Surgery in Oxford University

During the period to 31 August 2017, the charity refunded the salary costs of the Administrator to the Oxford University Hospitals NHS Foundation Trust. The Administrator was an employee of the Oxford University Hospitals NHS Foundation Trust and was released to work for the charity for two days per week at a cost of £8,387 (2016 £12,352).

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### 3. Donations and legacies

	2017			2016
	Restricted	Unrestricted	Total	Total
	Income			
	£	£	£	£
<b>Recurring donations</b>				
Under gift aid	-	6,260	6,260	6,260
Not under gift aid	-	310	310	410
Tax recoverable	-	1,565	1,565	1,565
	-	8,135	8,135	8,235
<b>Other donations</b>				
Under gift aid	-	1,650	1,650	3,350
Not under gift aid	29,975	9,042	39,017	8,342
Tax recoverable	-	412	412	838
	29,975	11,104	41,079	12,530
<b>Total donations</b>	29,975	19,239	49,214	20,765

### 4. Other trading activities

	2017	2016
	£	£
Licence fee income	1	-

Other trading activities were unrestricted.

### 5. Investment income

	2017	2016
	£	£
Fund distributions	12,689	13,780
Interest on bank deposits	8	20
	12,697	13,800

Investment income was unrestricted.

### 6. Allocation of governance and support costs

All governance activities are carried out by the trustees or the independent examiner and as they are not remunerated and have claimed no expenses the governance costs are £Nil (2016 - Nil).

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

The allocation of support costs between expenditure on an activity basis is shown in the table below:

	Donations and legacies %	Other trading activities %	Education and training %	Basis
Administrator's cost to 31 August 2017	50%	0%	50%	Time spent
Administrator's cost from 1 October 2017	100%	0%	0%	Time spent
Just Giving charges	100%	0%	0%	Actual cost
Web site maintenance	100%	0%	0%	Actual cost
Printing and stationery	100%	0%	0%	Actual cost

The time spent by the Administrator was allocated between the various activities based on an assessment of the time taken in undertaking those activities

### 7. Expenditure on raising funds

	2017 £	2016 £
<b>Donations and legacies</b>		
Administrator costs	5,110	6,176
Just Giving charges	423	494
Web site development	4,769	3,864
	<b>10,302</b>	<b>10,534</b>

Expenditure on raising funds was unrestricted.

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### 8. Expenditure on charitable activities

	2017			2016
	Restricted Income £	Unrestricted £	Total £	Total £
<b>Grant funding</b>				
Funding research fellowship	-	-	-	9,937
Individual projects	-	15,000	15,000	-
	-	15,000	15,000	9,937
<b>Medical support</b>				
Colorectal Department website	-	182	182	56
Cancer Survivorship Programme	-	-	-	6,250
	-	182	182	6,306
<b>Education and training</b>				
TaTME pilot training course	17,018	-	17,018	-
Administrator costs	-	4,194	4,194	6,176
	17,018	4,194	21,212	6,176
	<b>17,018</b>	<b>19,376</b>	<b>36,394</b>	<b>22,419</b>

### 9. Fixed asset investments

	2017 £	2016 £
<b>Movements in investments comprised:</b>		
Fair value at the beginning of the year	479,070	468,133
Disposals at carrying value	-	( 10,500)
Net gains on revaluation of investments	21,950	21,437
Fair value at the end of the year	<b>501,020</b>	<b>479,070</b>

Fixed asset investments were unrestricted.

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### Investments at original cost comprised:

	Cost	
	2017	2016
	£	£
FP CAF Fixed Interest Fund (B Income)	137,617	137,617
FP CAF Fixed UK Equity Fund (B Income)	219,982	219,982
	<u>357,599</u>	<u>357,599</u>

### Investments at fair value comprised:

	Market Value		
	2017	Revaluation	2016
	£	£	£
FP CAF Fixed Interest Fund (B Income)	232,233	( 1,458)	233,691
FP CAF Fixed UK Equity Fund (B Income)	268,787	23,408	245,379
	<u>501,020</u>	<u>21,950</u>	<u>479,070</u>

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the trustees' Annual Report.

The main risk to the charity from financial instruments lies in the performance of the instruments and the liquidity risks relating to the instruments.

The two instruments invested in by the charity are both sponsored by CAF Investments Ltd and are focused on outperforming the FTSE All Share index in the case of the FP CAF UK Equity Fund ("the Equity Fund") and on outperforming the Global Fixed Interest market average in the case of the FP CAF Fixed Interest Fund ("The Income Fund"). The mix of equity and income funds were chosen by the trustees as they provide an element of natural hedge.

During the year the underlying assets of both funds were impacted by market uncertainty, in particular with the United Kingdom triggering the Article 50 of the Treaty of Lisbon 2007 and subsequent negotiations.

Liquidity risk is assessed to be low as all assets are regulated by the FCA. The charity's investments can be traded through CAF Investments Ltd with settlement typically within six days and consequently have good liquidity.

The charity has no investment holdings in markets subject to exchange controls or trading restrictions. The charity manages these investment risks by operating an investment policy that provides for diversification of holdings between income and equity funds. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term total return.



# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### 10. Current assets

	2017			2016
	Restricted	Unrestricted	Total	Total
	Income			
	£	£	£	£
Debtors and prepayments	-	243	243	8
Current account	12,957	5,927	18,884	10,874
Deposit account	-	21,337	21,337	18,589
Cash at bank	12,957	27,264	40,221	29,463
	<b>12,957</b>	<b>27,507</b>	<b>40,464</b>	<b>29,471</b>

Cash at bank balances are the sole components of cash and cash equivalents. All current assets in 2016 were unrestricted.

### 11. Creditors falling due within one year

	2017	2016
	£	£
Research fellowship funding	-	5,350
Administrator's remuneration	917	2,620
Accruals and deferred income	5,270	110
Other creditors	-	2,330
	<b>6,187</b>	<b>10,410</b>

Creditors falling due within one year were unrestricted.

### 12. Analysis of fund movements

	Balance brought forward	Income	Expenditure	Gains and losses	Balance carried forward
	£	£	£	£	£
Restricted Income	-	29,975	( 17,018)	-	12,957
Unrestricted	498,131	31,937	( 29,678)	21,950	522,340
Total	<b>498,131</b>	<b>61,912</b>	<b>(46,696)</b>	<b>21,950</b>	<b>535,297</b>

# OCCTOPUS OXFORD COLON CANCER TRUST

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017 (Continued)

### 13. Reconciliation of net movement in funds to net cash flow from operating activities

	2017			2016
	Restricted Income £	Unrestricted £	Total £	Total £
<b>Net movement in funds (as per the statement of financial activities)</b>	12,957	24,209	37,166	23,049
Dividends and interest from investments	-	( 12,697)	( 12,697)	(13,800)
Gains on investments	-	( 21,950)	( 21,950)	(21,437)
(Increase)/decrease in debtors	-	( 235)	( 235)	536
Decrease in creditors	-	( 4,223)	( 4,223)	(51,181)
<b>Net cash used in operating activities</b>	<b>12,957</b>	<b>(14,896)</b>	<b>(1,939)</b>	<b>(62,833)</b>