Everyday, seven young people in the UK are told they have cancer.

They will each need specialised nursing care and support, to get them through the toughest times they may have faced.

We’re the only UK charity meeting this vital need.
We believe passionately that every young person with cancer has the right to the best treatment, care and support. 2017/18 brought us closer than ever to reaching every teenager and young adult who needs us, but there is much more to do to make sure young people across the UK can access our services.

There are many reasons to be incredibly proud of what we achieved in 2017/18. We successfully expanded our Nursing and Support Service, our programme that enables more young people with cancer across the UK to access our services, regardless of where they live. We were the official Charity of the Year partner of the 2018 Virgin Money London Marathon, raising a spectacular £1.7 million. And we launched our Youth Advisory Group, a group of 24 young people with experience of cancer who will shape what we do in a huge range of ways.

Alongside the achievements of last year, however, we also faced challenges, as the costs of our expanding work increased and we continued to operate in a difficult fundraising market and a challenging NHS environment.

But our determination to support every young person with cancer has never been stronger and we’re gearing up to deliver even greater impact with our 2020-2025 strategy.

In 2019 we will continue to extend our Nursing and Support Service and will also roll out our digital platform to support young people in identifying the emotional and clinical support they need. We will be working with our new Youth Advisory Group to find ways to make our support even better and we will invest in fundraising to ensure our resilience in a tough climate. We are also developing our support for young people with cancer both during and after treatment, as well as building a campaigning strategy to highlight and address the unique challenges young people face.

In everything we do, we will never lose sight of the fact that the generosity of our supporters makes our work possible. So many people contribute to what we do in so many ways, and together we make an unstoppable team. We can’t thank you enough for being part of it,

David Hoare
Chairman

Kate Collins
Chief Executive
PROGRESS AGAINST OUR STRATEGIC PLAN

REACH - extend our REACH to ensure that every young person with cancer has access to expert support.

Over the past 18 months we have continued to roll out our Nursing and Support Service across the UK. The service complements and extends the support we offer on our units in the 28 Principal Treatment Centres for cancer in major NHS hospitals across the UK. It means we can reach many more young people in these hospitals, local designated hospitals and in their homes.

By the end of 2018 we had funded an additional 19 Clinical Nurse Specialists and five Multi-Disciplinary Team Coordinators, making our implementation of the service 75% complete. A further six posts are due to be recruited in 2019, which will take us to 90% of our roll-out.

Final implementation of the service is planned for the rest of the UK in 2020. Funding the additional costs of these expanded services is a significant challenge, but it’s vital we complete the roll-out so we can reach every young person diagnosed with cancer.

GROW income sustainably to be an organisation that raises £20m every year.

We increased year-on-year fundraising in pro-rata terms and we believe this represents a strong performance in a very tough economic climate. As was also the case in the year to 30 June 2017, however, we weren’t able to achieve the level of growth set out in this strategic goal.

As well as external economic factors and increasing financial pressures on the NHS, we also identified internal barriers that limited our growth. It’s these that we are focusing on to drive our organisation and our work forward, for example making the most of our strong brand and technological opportunities to support our fundraising and service delivery.

We’ll also be investing in fundraising to realise our potential and grow our income.

BUILD stronger ways of working so that we can deliver the best for young people now and in the future.

Our work to become more resilient and more efficient as an organisation is well underway.

We’ve established a Youth Advisory Group to make sure all of our work is driven and informed by the experiences of young people with cancer.

We’ve rolled out our Integrated Assessment Mapping (IAM) tool to collate anonymised data on cancer incidence, along with an assessment tool for young people with cancer, to allow us to improve the support we offer to young people during cancer treatment.

We’ve also created more efficient ways of working, such as centralising our fundraising processes so staff can focus on building long-term relationships with our supporters, rather than on administrative tasks. And we’ve developed our IT infrastructure to take advantage of cloud technologies to improve flexibility and reliability. We’ve also developed our data processes in line with GDPR requirements.

By improving how we work in all of these ways, we can keep improving the support we offer to young people before, during and beyond a cancer diagnosis.
OUR 2017/18 IN NUMBERS

100% of young people* felt that having access to a Teenage Cancer Trust unit had a positive impact on their cancer journey.

2,720 copies of "Honest Answers, Sound Advice: A Young Person's Guide to Cancer" given out to young people.

£12.3m invested in life-changing cancer services.

INCR EDIBLE Teenage Cancer Trust Nurses funded:

60 nurses funded.

1,661 AWESOME volunteers gave their time and energy.

100% of young people** agreed that Find Your Sense of Tumour had a positive impact on them.

24 insightful young people joined our new Youth Advisory Group.

*From survey of 89 young people at our 2017 Find Your Sense of Tumour event.

**From survey of 106 young people after the 2018 over 18s Find Your Sense of Tumour event.

*

From surveys of 89 young people at our 2017 Find Your Sense of Tumour event.

**From surveys of 106 young people after the 2018 over 18s Find Your Sense of Tumour event.
WHAT WE’VE ACHIEVED

BEFORE DIAGNOSIS
In the academic year 2017/18 our target was to speak to 225,000 students about cancer in 1,500 schools. We actually spoke to 225,342 students about cancer in 1,423 schools.

In the academic year 2018/19 we’ll speak to 225,000 students about cancer in 1,500 schools.

DURING TREATMENT
Our target for 2017/18 was to fund 58 Nurses, 35 Youth Support Coordinators and seven Multi-Disciplinary Team (MDT) Coordinators.

We actually funded or adopted* 60 Nurses, 34 Youth Support Coordinators and six MDT Coordinators**.

In 2019 we’ll fund 76 Nurses, 36 Youth Support Coordinators and 10 MDT Coordinators.

*salary costs for adopted staff are paid by the NHS but staff are supported by Teenage Cancer Trust in terms of professional and peer support, accessing professional development grants and other benefits.
**figures correct at December 2018

AFTER TREATMENT
In 2017/18 (over our 18-month reporting period) our target was for 510 young people to attend one of our four Find Your Sense of Tumour events, and 119 to book onto our Way Forward events.

528 young people attended Find Your Sense of Tumour and 112 attended Way Forward.

In 2019 (over 12 months) we aim for 275 young people to attend one of our two planned Find Your Sense of Tumour weekends, and 100 at Way Forward.

The expansion of our Nursing and Support Service means we can reach more young people in their local hospitals or homes. That means we’ve been there for young people like Callum, who decided to have his chemotherapy treatment in his local hospital five minutes away, rather than travel to the Teenage Cancer Trust unit over an hour away.

Teenage Cancer Trust’s local Youth Support Coordinator Franki came to see me at home regularly while I was on treatment.

I felt a bit alone while I was in hospital as I was on an adult ward and I brought the average age down considerably, so I really appreciated Franki’s support.

She told me about social opportunities so I could meet people my age who were going through cancer, supported me to finish my university course and helped me reflect on everything I’d been through after getting the all-clear.

Our post-treatment events provide life-changing support for young people, allowing them to be there for each other and have an incredible experience at the same time.

Eilish (top right) attended Way Forward, our two-day event for 15-20 young people who’ve finished cancer treatment. It’s a safe, comfortable space with practical, expert advice on the big issues and lots of opportunities to meet other young people who’ve had cancer.

I went to talks on things like employment, diet and fertility and I felt really comfortable around the other young people and felt happy to ask questions in front of them.

I hadn’t been able to ask the questions at my doctor’s appointment as I felt so emotional still. I chatted to people about the side effects I had suffered and was still suffering, and I could relate to them about experiences they had also been through. This gave me so much peace knowing I wasn’t abnormal for thinking the things I was or feeling the way I was.

Now, if I am worried about anything, I speak to the friends I met there. I would recommend Way Forward to anyone.

In 2018, Callum made the decision to have his chemotherapy treatment closer to home, saving him hours of travel.

Eilish
22, Luton

Eilish
22, Luton

Callum
23, Chester
FUNDRAISING AIMS AND ACHIEVEMENTS

Our supporters make our work possible. It really is that simple. We rely wholly on voluntary fundraising, so all the support we offer to young people with cancer is the direct result of the passion and determination of people and organisations across the UK and Channel Islands.

Over the last 18 months our incredible supporters raised £23.05m. That’s life-changing for the young people we support – thank you to every single supporter for their dedication. We’re already putting that money into action to reach more young people with cancer.

Looking to the future, we know we need to raise significantly more to provide young people with the services they need, and we have been exploring how to do just that.

OUR APPROACH TO FUNDRAISING

The trust our supporters put in us is a gift in itself, and we work very hard to honour it.

Fundraising is discussed regularly at Board meetings, to help ensure that our fundraising practices reflect and reinforce our values. That’s just as important whether we’re fundraising ourselves or working through partners, suppliers or volunteers. We also share our Fundraising Principles externally and with all staff. These guide our work and help supporters understand exactly what to expect from us.

In 2018 we undertook a full review of our fundraising activities to identify ways we can improve in the future. We’re committed to developing a broad-based fundraising strategy that creates a mix of income streams to help balance risk. This is vital both because our ambition is growing and because ongoing economic and political uncertainty, combined with the rapid development of new technology, mean the current fundraising environment is a challenging one.

We are members of the Fundraising Regulator and Institute of Fundraising and we are reviewing our policies and processes to ensure full compliance with the Fundraising Code of Practice. We also have a Complaints Policy and clear procedures for handling complaints. These are designed to help us build our relationship with anyone who complains, so each complaint becomes an opportunity to improve.

We do not currently use either professional fundraisers or commercial participators to carry out any of our fundraising activities.

In 2017/18 we received 84 complaints (out of a total of 115,661 interactions with our supporters) and positively resolved them all without any being escalated to the Fundraising Regulator.

It’s vital we invest in our future and make sure we can carry on doing what we do year after year. That’s the only way we’ll still be there for the 2,500 young people who’ll be told they have cancer next year, and every year after that.

So for every £1 you donate, 75p is spent directly on delivering our services, while 25p is invested in raising funds for the future (averaged over the last three accounting periods).
FINANCIAL REVIEW AND RESULTS FOR THE FINANCIAL PERIOD

The Consolidated Statement of Financial Activities (SOFA) set out on page 28 shows the financial results for Teenage Cancer Trust and its trading subsidiary.

INCOME

The change in our accounting year (from July-June to January-December) means we can align our planning and budgeting with the NHS, so they can incorporate our ability to support posts into their plans. Also, as we typically raise more income in the first half of the financial year, this helps us to better manage any shortfall we might experience and also means we can budget more accurately.

To implement this change, the 2017/18 period we are reporting on is an 18-month accounting period from July 2017 to December 2018. This makes it difficult to make a direct comparison with the previous 12-month period – especially as our income is not evenly spread throughout the year. We generate less than 40% of our income between July and December, with over 60% coming in the first half of the year, when our Royal Albert Hall shows and key events such as the Virgin Money London Marathon take place.

Consequently income for the 18 months from 1 July 2017 to 31 December 2018 amounted to £23.1m which compares with £16.0m for the previous 12 months (ended 30 June 2017). However by way of direct comparison, income for the year ended 31 December 2018 was £16.4m, which is 2.5% greater than the year ended 30 June 2017.

Income from the Royal Albert Hall shows in March 2018 was £1.2m less than the previous year – 2017 was an exceptional year for income from the shows, with The Who headlining twice, and the involvement of Ed Sheeran. This significantly uplifted ticket prices and income across the week, which we did not expect to be repeated this year.

However, this was more than compensated for by an increase in corporate income of £1m from our amazing charity partners, and from revenue raised through our role as 2018 Virgin Money London Marathon charity of the year. The race raised an additional £1.3m for our work compared to previous years.

The fundraising climate remains challenging and competitive, and these results show that it’s vital for us to develop a varied portfolio of fundraising activities to manage the risk of over-reliance on individual sources of income.

EXPENDITURE

Despite a limited increase in income, we have continued to grow throughout the period under review – as have the services that we have delivered. During the 18 months ended 31 December 2018, expenditure was £24.5m which compares with £15.6m for the year ended 30 June 2017. A pro-rata comparison between the 12 months of 2018 and the 12 months of our previous accounting period shows that total expenditure increased by £1.7m from £15.6m to £17.3m, reflecting growth across all areas of activity.

There was a budgeted overspend during the period, largely to support the ongoing roll-out of our Nursing and Support Service across the UK. This was the cornerstone of our 2015-2020 strategy, and we remain on track to achieve the key strategic goal of reaching every young person with cancer by 2020. This is a remarkable achievement, especially in light of the challenging economic climate and its impact on both fundraising and the NHS – our key partner in delivering these essential services.

A further analysis of expenditure shows that for the 18 months ending 31 December 2018, the cost of fundraising activities was £3m, which generated income of £18.5m; for the year ended 30 June 2017, the cost of fundraising was £3m which generated £16.6m. It remains a key strategic priority to develop new fundraising income streams that will drive up our return on investment during the next strategic period. Expenditure on trading activities for the 18 months ending 31 December 2018 was £4.4m, which compares with £3.2m for the year ended 30 June 2017; and expenditure on charitable activities was £15.1m as compared to £9.4m for the year to 30 June 2017. This latter increase reflects the increasing numbers of funded staff as the Nursing and Support Service is rolled out across the UK.

As a result, when looking at the 18 months in total, our retained deficit was £1.4m. The deficit for the 12 months of 2018 was £0.9m. Returning to a balanced budget will be a key requirement of our 2020-2025 strategic plan.

Support and governance costs remained at 10% of our total expenditure in 2017/18. This reflects our ongoing focus on efficiency, which has kept costs stable while extending our capacity and scale.

RESERVES

We had unrestricted reserves of £13.3m at the end of 2018 and restricted reserves of £0.7m.

In total, our reserves fell by £1.4m to £14m when compared to the previous year, as a result of the deficit generated in the 18 months under review and due to the planned investment in our Nursing and Support Service. Unrestricted reserves fell by £1.6m, whereas restricted reserves increased by £0.2m. Unrestricted reserves at the end of the year are in line with our reserves policy (see page 19).

Restricted reserves continue to be well managed and spent at the earliest opportunity. Of the £651k available at the end of 2018, we estimate that around 80% will be spent in 2019.

Staff costs for employed staff increased by 2%, which reflects the 2% pay rise in July 2017. Head count increased by 5%.

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**Next Year**

The Trustees have approved further investment in our services and infrastructure in 2019 resulting in a planned deficit of £1.7m. This will be funded from unrestricted reserves and will ensure our strategic goal to create services that every young person with cancer can access by 2020 stays on track.

During 2019, the senior leadership team will work with young people, staff, stakeholders and Trustees to develop the new organisational strategy for 2020-2025. This will set out our vision of the ongoing evolution of our services to fulfil the key unmet needs of young people with cancer – before, during and beyond treatment.

We will develop a robust financial strategy to support this new strategic vision, ensuring we return to financial sustainability and generate income that equals or exceeds our expenditure each year. We anticipate that more reserves may be needed to drive fundraising initiatives and achieve the required level of growth. Trustees will carefully consider this investment and are conscious both that reserves are reducing and that our current financial performance needs to be redressed.

During this long financial period, there has been a significant focus on laying the foundations for the future strategy. We’ve undertaken a range of reviews, both internally and externally, to drive efficiency, strengthen our brand and understand the sector in which we operate.

These reviews, plus our recent investment in an enhanced marketing and communications function, will enable us to capitalise on our brand and develop our unique offering as a charity. We will shape a clear compelling vision to ensure supporters understand the importance of their support and young people engage with our services, moving on from cancer to live a full life wherever possible.

**Trading Subsidiary**

We have one wholly owned trading subsidiary, The Teenage Trust (Trading) Limited, which is incorporated in the United Kingdom. This subsidiary organises and holds fundraising events for Teenage Cancer Trust and passes its taxable surplus to Teenage Cancer Trust under Gift Aid.

In 2017/18, the concerts at the Royal Albert Hall were once again our biggest fundraising event. Income from the concerts includes both ticket sales and other fundraising at the events. The taxable surplus for the period to be Gift Aided to the charity amounted to £59k, compared to £1.1m in 2017.

This decrease from 2016/17 is as a result of returning to a more ‘normal’ week of shows after the truly remarkable series in 2017, which drove outstanding financial returns. In 2018, the surplus from the shows was £0.9m, which is slightly below the £1m target. This figure is very dependent on both the acts performing and on the ticket price, both of which vary considerably from year to year.

**Principal Risks and Uncertainties**

The Trustees have developed a risk framework that clearly differentiates between the different types of risk that we face.

These are:
- **Strategic risks**, which impact our ability to deliver our strategy
- **Operational risks**, which are associated with internal operations, processes and ways of working
- **Project risks**, which are associated with the delivery of individual projects; and
- **Event risks**, which are linked to specific events.

The Trustees are responsible for the governance of the charity’s strategic risks. These must all be understood and managed if the charity is to achieve long-term success.

As at 31 December 2018, the principal strategic risks, and their management strategies, were identified as:

<table>
<thead>
<tr>
<th>Risk</th>
<th>Management Strategy</th>
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| **Impact** – the risk that we are not able to clearly demonstrate the impact of our work, and so limit opportunities to attract supporters and funders | • Clearly define our vision, mission and core purpose  
• Establish what data is required to demonstrate our impact  
• Review the work of the impact and outcomes team  
• Develop a policy, influencing and engagement strategy |
| **Financial sustainability** – the risk that each year we continue to spend more than we raise and so become less financially resilient | • Develop a new strategy supported by a clear vision, mission and core purpose, and by compelling calls to action  
• Clearly evidence the impact of the work we deliver  
• Develop a marketing and communications strategy to support the new fundraising strategy  
• Develop digital skills across the charity |
| **Governance and organisational leadership** – the risk that inefficient and unclear leadership processes and structures result in slow and suboptimal decisions | • Further develop a clear, delegated scheme of authority that enables effective processes for decision-making and authorisation  
• Carry out a review of Board effectiveness against the Charity Governance Code  
• Embed the management of strategic risks into our Trustee and Senior Leadership Team agendas  
• Develop KPIs to understand the effectiveness of the Board and the Senior Leadership Team |
**Compliance** – the risk that the charity is non-compliant with elements of applicable legislation and guidance around best practice that carries reputational and/or financial risk

- Carry out a review of fundraising compliance
- Develop guidance to ensure best practice in key areas of compliance, in particular around fundraising
- Implement recommendations from Data Protection Audit
- Refresh IT code of conduct
- Governance audit for Board to ensure best practice
- Carry out audit of suppliers, contracts and contracting arrangements
- Training and development of Trustees to ensure clear understanding of CC20 and other key compliance areas

**Safeguarding** – the risk that a serious safeguarding issue arises

- Continue to deliver ongoing mandatory safeguarding training to all staff and Trustees
- Continue to review and resolve all safeguarding incidents to continuously test and develop best practice

**People and skills** – the risk of not having all the right people, skills and resources in place, resulting in under-performance and reputational damage

- Develop a strategic workforce plan that includes a leadership and management framework, a leadership development programme, a reward and retention strategy and a competency framework

For full details of our risk policy and risk management practices, see page 21.

This is the end of the charity’s Strategic Report as required by the Companies Act.

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**OUR WORK IN SCOTLAND**

Teenage Cancer Trust is registered with the Office of the Scottish Charity Regulator (OSCR) (registration number SC039757). In Scotland, we deliver specialist teenage and young adult cancer services in hospitals, along with cancer education.

In the 18 months to 31 December 2018, we provided specialist cancer facilities and specialist staff at the Royal Hospital for Children and The Beatson West of Scotland Cancer Centre in Glasgow, and at the Royal Hospital for Sick Children and Western General Hospital in Edinburgh. We also funded our Education and Awareness Programme in Scotland, aiming to educate all 13 to 24-year-olds about the signs of cancer. This is particularly important for early detection of melanoma, which is on the rise among young people in Scotland. We currently have eight members of staff in Scotland (figure correct as at December 2018).

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**FINANCIAL AND MANAGEMENT POLICIES**

**RESERVES POLICY**

**Restricted Funds**

It’s our policy to spend restricted funds as soon as we can. We hold onto them until we can spend them according to our supporters’ wishes, and in the rare event that’s not possible, our Trustees contact the supporter to ask if their donation can be transferred to our unrestricted funds or if they would prefer it to be returned to them.

**Unrestricted Funds**

There was no change to our reserves policy in the period under review.

The policy states that unrestricted reserves should not fall below the equivalent of six months’ running costs or rise above 12 months’ planned running costs. At the end of the financial year, this meant the lower and upper reserve limits were £9m and £18m.

At the balance sheet date, the amount of unrestricted reserves, excluding designated funds, was £14m – in the middle of the approved range. As we’ve explained on page 16 – and despite a budgeted increase in income in the year ahead – the Trustees have approved a budgeted deficit for 2019 of £1.7m, which will see a corresponding fall in unrestricted reserves. However, the overall level of reserves will remain within our reserves policy.

By December 2019, we will finalise our new strategy for 2020-2025, with a financial plan that ensures our ongoing revenue expenditure does not exceed our income. To achieve this, it may be necessary to use some of our unrestricted reserves to invest in new fundraising opportunities and deliver the growth needed to meet the needs of young people. As a result, reserves may fall further towards the lower approved limit before returning to higher levels in the years ahead.

The Trustees will carefully consider all business cases that require use of these reserves, weighing up the balance between each opportunity and the potential risk involved.

The only designated fund at the start of the period is the fund that the Trustees set up in 2014 for fundraising inspired by Stephen Sutton. This was fully expended during the period in accordance with the public announcement made in May 2016.

**INVESTMENT POLICY**

Due to the continued uncertainty in the markets and the banking sector, our investment policy remained unchanged in the year under review. Our policy stipulates that funds can only be held by banks with a strong security rating. To this end, all cash deposits were held at Royal Bank of Scotland and Barclays Bank, our chosen retail banks.

At the end of the financial year, £4m of cash reserves were invested in fixed term deposits at Barclays and Royal Bank of Scotland to attract a slightly improved rate of return.

We plan to review our investment policy in the year ahead.

**EMPLOYEES**

Teenage Cancer Trust operates an equal opportunities recruitment policy. Our Remuneration Committee is responsible for overseeing the charity’s pay and reward structures and approving annual pay increases.

The long-term success and performance of Teenage Cancer Trust is directly linked to the talents, motivation and accomplishments of our employees, and we recognise the importance of developing our employees and building our capability as an organisation.

We do this by recruiting great people, by building high levels of relevant skills and knowledge through our learning and development programme, and by providing a stimulating and rewarding work environment.

**PENSIONS**

The pension benefits offered by Teenage Cancer Trust consist of a defined contribution scheme into which Teenage Cancer Trust will contribute up to 5% of gross salary (dependent on employee contribution) to assist staff in reaching their target pension.
GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT
Teenage Cancer Trust is a company limited by guarantee and governed by its Memorandum and Articles of Association, which were last modified on 28 July 2014. It is registered as a charity with the Charity Commission.

Objective
The objective of Teenage Cancer Trust is: ‘The relief of sickness in young persons with cancer and related diseases’.

Public benefit
The principal beneficiaries of the work of Teenage Cancer Trust are the teenagers and young adults with cancer who are treated either on our specialist units within NHS hospitals or via our Nursing and Support Services.

Secondary beneficiaries of the work of Teenage Cancer Trust are the families and friends of the young people with cancer.

The Trustees have referred to the Charity Commission’s general guidance on public benefit when reviewing the aims and objectives and planning future activities. In particular, the Trustees consider how the planned activities will contribute to those aims and objectives.

The Board
The Board of Trustees is responsible for setting our overall strategy. At each Board meeting the Board receives written reports on all aspects of our work.

The Board of Trustees meets six times a year and is responsible for overseeing the performance of the charity. It is also responsible for setting our overall strategy. At each Board meeting the Board receives written reports on all aspects of our work.

The Board delegates the running of the charity to the Chief Executive, who is responsible for delivering the agreed strategy and ensuring the charity adheres to its policies. The Chief Executive is assisted by the Senior Leadership Team, who report to her and meet at least twice a month. Kate Collins was appointed as Chief Executive in March 2018 following the departure of Siobhan Dunn, the previous Chief Executive, earlier in the year. During the period under review, no expenses were incurred in the course of performing Trustee duties (2017-nil).

The Risk and Safeguarding Committee comprises two Trustees. They meet four times a year with senior members of staff who represent relevant aspects of the charity’s work, including the Director of Finance and Strategic Performance (who is the executive lead on risk management) and the charity’s safeguarding lead.

Risk
The Trustees have a formal risk management process in place to assess major risks.

This process:
• identifies the risks we face
• prioritises them according to how likely they are to occur and how much impact they could have
• ensures, where appropriate, that adequate measures are in place to minimise their impact.

Overall responsibility for ensuring this process is carried out effectively lies with the Board of Trustees.

Risk management practices, including incident reporting, are embedded throughout all operations. They form an integral part of business decisions and underpin strategic thinking. Risk management is also the main driver for the development of the policy and procedures framework, which covers all areas of operations. All projects and events are risk assessed at the planning stage, and this plays a key role in determining whether the event or project should go ahead.

Details of the most significant risks facing the charity and its subsidiary are detailed on page 17, together with the associated strategies for managing each risk.

Each quarter, progress against the strategy is formally measured and reviewed, and the most significant risks to our strategic goals are identified and reported to the Trustees.

Safeguarding
The Trustees have overall responsibility for ensuring we have proper safeguarding procedures and policies in place to ensure the safety and protection of the children and vulnerable adults we work with. They have due regard to the guidance issued by the Charity Commission and have all read the Department of Education’s guidance document, ‘Safeguarding for Trustees’.

We’ve implemented the following safeguarding policies and procedures:
• The appointment of a Trustee with overall responsibility for safeguarding and a safeguarding lead
• Safe recruitment policies including full DBS (Disclosure and Barring Service) checks for all staff working with young people
• Safeguarding training for all Trustees and staff, in line with their roles and responsibilities – and repeated every two years
• Robust risk and safeguarding assessment practices, so that individual events are always managed in a way that protects young people, staff and volunteers.

Chief Executive
The Board delegates the running of the charity to the Chief Executive, who is responsible for delivering the agreed strategy and ensuring the charity adheres to its policies. The Chief Executive is assisted by the Senior Leadership Team, who report to her and meet at least twice a month. Kate Collins was appointed as Chief Executive in March 2018 following the departure of Siobhan Dunn, the previous Chief Executive, earlier in the year. During the period under review, no expenses were incurred in the course of performing Trustee duties (2017-nil).

RISK AND SAFEGUARDING
STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees’ annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources, including income and expenditure, for the year. In preparing those financial statements the Trustees are required to:

• Select suitable accounting policies and apply them consistently
• Observe the methods and principles in the Charities SORP
• Make judgments and accounting estimates that are reasonable and prudent
• State whether applicable 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.

The Trustees are responsible for keeping adequate and proper accounting records. These must be sufficient to show and explain the charity’s transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity. The Trustees should also ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Additionally, the Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity’s website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Going concern
The charity’s financial position has been outlined on pages 14-15 of this report. The Trustees have assessed projected income to the end of 2018 and related plans for expenditure and use of reserves. They have considered the charity’s reserves position, strategic risks, the various income streams on which the charity relies, the liquidity of its assets and hence the charity’s ability to withstand a fall in income. Based on this information, the Trustees have concluded that Teenage Cancer Trust and its subsidiary The Teenage Trust (Trading) Limited have adequate resources to continue activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of these accounts.

Auditors
BDO LLP was re-appointed as auditors in the year in accordance with the Companies Act 2006.

Related parties
None of the Trustees of the charity receives any remuneration or other benefit from their work with the charity. Expenses incurred in the course of performing Trustee duties are reimbursed by the charity and are disclosed in note 19 to the financial statements.

Trustees’ awareness statement
Each of the Trustees has confirmed that, so far as they are aware, there is no relevant audit information of which the charity’s auditors are unaware. They have also done everything they should have done, as a trustee, to make themselves aware of any relevant audit information and to ensure the charity’s auditors are aware of it.

The Report of the Trustees (incorporating the Strategic Report) was approved by the Board of Trustees on 18 July 2019 and authorised to be signed on its behalf by:

David Hoare
Chair of the Board
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS AND TRUSTEES OF TEENAGE CANCER TRUST

Opinion
We have audited the financial statements of Teenage Cancer Trust (the Parent Charitable Company) and its subsidiaries (the Group) for the period ended 31 December 2018 which comprise the Statement of Financial Activities, the Consolidated and Parent Charitable Company balance sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

• give a true and fair view of the state of the Group’s and the Parent Charitable Company’s affairs as at 31 December 2018 and of the Group’s incoming resources and application of resources for the period 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

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

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

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

Other information
The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor’s report thereon. The other information comprises: the Chairman and Chief Executive’s Statement and the Report of the Trustees (including the Strategic Report). The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS AND TRUSTEES OF TEENAGE CANCER TRUST

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees, which includes the Directors’ Report and the Strategic report prepared for the purposes of Company Law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors’ Report, included within the Trustees’ Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Directors’ remuneration stipulated by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor’s responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council’s (“FRC”) website at: https://www.frc.org.uk/auditorresponsibilities. This description forms part of our auditor’s report.

Use of our report

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

Fiona Corder (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Galway, West Bases
Date 1st July 2019

BDO LLP is a limited liability partnership registered in England and Wales (registered number OC305127).
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
For the period ended 31 December 2018

In thousands of £

<table>
<thead>
<tr>
<th>Unrestricted</th>
<th>Restricted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note funds</td>
<td>funds</td>
</tr>
<tr>
<td>10 months</td>
<td>12 months</td>
</tr>
</tbody>
</table>

**INCOME**

- **Fundraising activities**
  - Donations and community fundraising
  - Corporate support
  - Income from trading activities
  - Interest earned on cash deposits
  - Income from charitable activities

**TOTAL INCOME**

**EXPENDITURE**

- Cost of raising funds
  - Fundraising activities
  - Trading activities

**Total cost of raising funds**

- Expenditure on charitable activities
  - Before diagnoses
  - During treatment
  - After treatment
  - Unpacking our services

**TOTAL EXPENDITURE**

**Net (Expenditure)/Income before other recognised gains and losses**

**Net movement in funds**

**Total funds brought forward**

**Total funds carried forward**

All transactions arise from continuing operations.

All gains and losses are treated above.

CONсолIDATED STATEMENT OF CASH FLOWS
For the period ended 31 December 2018

Year
2018
12 months
12 months
£

Cash flows from operating activities
(Debit)/Credit for the financial period
(1,429,067)
456,077

Investment income and bank interest
(58,315)
(62,356)

Depreciation
19,682
95,951

Decrease in stock
15,080
48,559

Decrease/(increase) in debtors
303,795
(198,056)

Increase/(decrease) in creditors
34,471
(46,230)

Net cash used/(provided) by operating activities
(877,762)
(63,931)

Cash flows from investing activities
Interest received and investment income
63,315
62,320

Net cash provided by investing activities
63,315
62,320

Net/(decrease) in cash and cash equivalents
(563,446)
(9,510)

Cash and cash equivalents at beginning of period
15,960,916
15,974,929

Cash and cash equivalents at end of period
19,524,623
15,960,919

Cash and cash equivalents comprise:
Cash held in deposit accounts
4,016,869
4,617,997

11,461,120
9,990,240

Cash at bank and in hand
15,587,073
15,960,919

REPORT AND ACCOUNTS
31 DECEMBER 2018

NOTES TO THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENT
For the period ended 31 December 2018

1 ACCOUNTING POLICIES
The principal accounting policies adopted in the preparation of the financial statements are summarised below and have been consistently applied throughout the 18 months to the preceding period.

BASIS OF PREPARATION
The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SCRP 2010), for charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities and Trustee Investment (Scotland) Act 2005. The date of transition to FRS 102 was 1 July 2014.

The charity meets the definition of a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Trustees consider that there are no material uncertainties about the Charity’s ability to continue as a going concern, and therefore the financial statements are prepared on a going concern basis and under the historical cost convention.

PARENT COMPANY DISCLOSURE (EXEMPTIONS)
In preparing the annual financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company.
- A non-statutory declaration has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the results for the group as a whole.

SCOPE OF CONSOLIDATED ACCOUNTS
The group financial statements consolidate the accounts of the charity and its subsidiary undertaking, Teenage Cancer Trust Limited. The transactions, assets and liabilities of this company have been consolidated with those of Teenage Cancer Trust as they are wholly controlled by the Trustees of the charity.

INCOME
Voluntary income
Incomes is recognised in the period in which Teenage Cancer Trust is entitled to receipt of that income and when the amount can be measured with reasonable accuracy.

Legacies income is recognised when entitlement to the legacy arises. This is when the executors have informed the charity that a payment which can be measured reliably may be made following the agreement of the estate’s administrators.

Gift Aid is accounted for as income in the same period as the donation to which it relates.

Grants in Kind
Grants in kind over £10,000 are recognised as income and expenditure are included in the statement of financial activities at its fair market value that would have been charged if purchased from the donor.

Activities for generating funds
Include income from fundraising events, which is received in advance, is recognised at the time of the event. Other fundraising income is recognised when it falls due.

Investment income
Investment income comprises interest receivable and is recognised on an accruals basis. Interest is receivable from short-term, fixed rate deposits.

Volunteers
Teenage Cancer Trust benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual review. In accordance with FRS 102 and the Charities SCRP, the economic contribution of general volunteers is not recognised in the accounts.

EXPENDITURE
Expenditure is accounted for on an accruals basis and is classified in the following categories:

- Cost of raising funds
- Charitable activities

Cost of raising funds includes expenditure incurred on fundraising activities.

Charitable activities include expenditure directly relating to the delivery of the services (including staff costs) provided by the charity. Grants to fund hospital units or other projects are recognised in the accounts at the date of commitment once approved by the Trustees and communicated to the recipient.

Allocation of support and governance costs
Support costs are those functions that assist the work of the charity but do not directly underwrite charitable activities. Support costs include local office costs, finance, personnel, marketing and governance costs which support the charity’s activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on staff time spent on each area of work.

Governance costs represent the costs of governance arrangements including paying the strategic directions of the charity. Governance costs also include external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.
TANGIBLE FIXED ASSETS AND DEPRECIATION
All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Depreciation is calculated using the straight line method at an annual rate of 25% of the cost of each equipment, unless otherwise specified.

LEASED ASSETS
Payments in respect of operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

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

INVESTMENTS
Investments comprise cash deposits.

FINANCIAL INSTRUMENTS
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at fair value and subsequently measured at their settlement value.

PENSION COSTS
Contributions to employees’ personal pension plans are charged to the statement of financial activities in the year in which they become payable. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on staff time spent on each area of work in line with the underlying activity.

TERMINATION PAYMENTS
Termination payments are recognised as an expense in the statement of financial activities immediately.

FUND ACCOUNTING
The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the Trustees. The designated funds are monies set aside for the specific fund and designated for specific projects.

FINANCIAL STATEMENTS
The financial statements were prepared in accordance with Accounting Standards. The accounts have been prepared on the historical cost basis except for gains and losses from the sale of fixed assets.

SIGNIFICANT MANAGEMENT JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY
The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

Notes to the Accounts:
2. NET INCOME OF TRADING SUBSIDIARY
The charity has one wholly owned trading subsidiary, The Teenage Cancer (Trading) Limited, which is incorporated in the United Kingdom and which organises and hosts fundraising events in support of Teenage Cancer Trust. The subsidiary company passes its taxable surplus to Teenage Cancer Trust under gift aid.

A summary of the subsidiary company’s trading results for the period is given below:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audited accounts will be filed by the Registrar of Companies</td>
<td>10 months</td>
<td>12 months</td>
</tr>
<tr>
<td>Income</td>
<td>£3,068,031</td>
<td>£3,068,031</td>
</tr>
<tr>
<td>Expenditure</td>
<td>(2,393,314)</td>
<td>(2,257,508)</td>
</tr>
<tr>
<td>Surplus</td>
<td>674,717</td>
<td>810,523</td>
</tr>
<tr>
<td>Amount paid under gift aid to Teenage Cancer Trust</td>
<td>(38,916)</td>
<td>(1,137,515)</td>
</tr>
<tr>
<td>Totals for the period</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

3. GIFTS IN KIND

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 months</td>
<td>12 months</td>
<td></td>
</tr>
<tr>
<td>Free marketing for RNT shows</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>Production of RNT shows</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>Total</td>
<td>480,000</td>
<td>480,000</td>
</tr>
</tbody>
</table>

4. ANALYSIS OF EXPENDITURE

<table>
<thead>
<tr>
<th></th>
<th>Direct costs</th>
<th>Direct payable funds</th>
<th>Direct staff costs</th>
<th>Support &amp; Governance costs</th>
<th>Total costs</th>
<th>18 Months to 31 Dec 2018</th>
<th>12 Months to 31 Dec 2018</th>
<th>10 months</th>
<th>12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of raising funds</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trading activities</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td>£12,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Underwriting services

- Policy
  - Claims
    - Loss Adjusting
      - Loss Adjusters
    - Claims Management
  - Rating
    - Risk Management
  - Underwriting
    - Underwriting
      - Underwriting
    - Underwriting
  - Reinsurance
    - Reinsurance
      - Reinsurance
    - Reinsurance
  - Broking
    - Broking
      - Broking
    - Broking

Total charitable expenditure | £36,000,000 | £36,000,000 | £36,000,000 | £36,000,000 | £36,000,000 |

TOTAL EXPENDITURE IN THE 18 MONTHS TO 31 DECEMBER 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 Months to 31 Dec 2018</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
<tr>
<td>12 Months to 31 Dec 2018</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
<tr>
<td>10 months</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
<tr>
<td>12 months</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
</tbody>
</table>

Total expenditure in the 12 months to 30th June 2019

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Months to 30th June 2019</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
<tr>
<td>10 months</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
<tr>
<td>12 months</td>
<td>£36,000,000</td>
<td>£36,000,000</td>
</tr>
</tbody>
</table>
### SUPPORT & GOVERNANCE COSTS

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office costs</td>
<td>£646,541</td>
<td>£606,200</td>
</tr>
<tr>
<td>Finance and professional fees</td>
<td>£192,020</td>
<td>£194,980</td>
</tr>
<tr>
<td>Information technology</td>
<td>£198,619</td>
<td>£201,413</td>
</tr>
<tr>
<td>Human Resources costs including recruitment, training and welfare</td>
<td>£773,697</td>
<td>£633,290</td>
</tr>
<tr>
<td>Travel</td>
<td>£50,253</td>
<td>£52,065</td>
</tr>
<tr>
<td>Other costs</td>
<td>£105,263</td>
<td>£94,061</td>
</tr>
<tr>
<td>Governance costs</td>
<td>£238,755</td>
<td>£154,102</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£2,283,437</td>
<td>£1,487,061</td>
</tr>
</tbody>
</table>

### ANALYSIS OF GOVERNANCE COSTS

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td>£79,076</td>
<td>£89,977</td>
</tr>
<tr>
<td>Staff costs (Note 7)</td>
<td>£202,410</td>
<td>£125,373</td>
</tr>
<tr>
<td>Support costs</td>
<td>£13,223</td>
<td>£12,073</td>
</tr>
<tr>
<td><strong>Total for the charity</strong></td>
<td>£335,712</td>
<td>£223,423</td>
</tr>
</tbody>
</table>

Governance costs are reflected in both staff costs and support costs in Note 4 - costs are allocated to each activity based on the amount of time staff spend working in each area.

### NET (EXPENDITURE)

This is a scaled after charging:

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>£975,010</td>
<td>£634,130</td>
</tr>
<tr>
<td>Auditors’ remuneration - audit</td>
<td>£24,929</td>
<td>£26,926</td>
</tr>
<tr>
<td>Auditors’ remuneration - tax and other</td>
<td>£2,450</td>
<td>£1,955</td>
</tr>
<tr>
<td>Operating lease rentals</td>
<td>£179,889</td>
<td>£344,743</td>
</tr>
<tr>
<td>Depreciation</td>
<td>£39,632</td>
<td>£55,161</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£1,369,994</td>
<td>£1,039,229</td>
</tr>
</tbody>
</table>

### STAFF COSTS

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs including non payroll costs during the period were as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>£4,483,715</td>
<td>£5,320,174</td>
</tr>
<tr>
<td>Social security costs</td>
<td>£88,265</td>
<td>£551,167</td>
</tr>
<tr>
<td>Other pension costs &amp; benefits</td>
<td>£32,872</td>
<td>£22,752</td>
</tr>
<tr>
<td>Temp and non payroll costs</td>
<td>£546,273</td>
<td>£522,556</td>
</tr>
<tr>
<td>Staff costs allocated to Governance (see note 5)</td>
<td>£10,322,141</td>
<td>£6,471,169</td>
</tr>
<tr>
<td>Direct Staff Cost</td>
<td>£10,119,312</td>
<td>£6,349,912</td>
</tr>
</tbody>
</table>

During the 18 months to 31 December 2018 the charity made termination payments amounting to £113,564 (2017: 88). This amount is made up of payment in lieu of notice £29,181, holiday pay £13,318, loss of benefits £2,189 and termination payments of £68,956 which were recognised in the accounts period that the full salaries were paid.

The number of employees at 31 December 2018 was 273 (2017: 126) made up of 136 full-time staff (2017: 124) and 37 part-time staff (2017: 26).

In the period to 31 December 2018, the average full time equivalent number of staff was 196 (2017: 149).

### TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer and office equipment</td>
<td>£91,035</td>
<td>£135,516</td>
</tr>
<tr>
<td>Website development</td>
<td>£116,254</td>
<td>£161,527</td>
</tr>
<tr>
<td>Finance System development</td>
<td>£461,424</td>
<td>£538,718</td>
</tr>
<tr>
<td>Total</td>
<td>£668,713</td>
<td>£709,342</td>
</tr>
</tbody>
</table>

### DEPRECIATION

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>£95,189</td>
<td>£155,060</td>
</tr>
<tr>
<td>Change in the period</td>
<td>£29,774</td>
<td>£40,518</td>
</tr>
<tr>
<td>Total</td>
<td>£124,963</td>
<td>£195,578</td>
</tr>
<tr>
<td>Net book value</td>
<td>£90,482</td>
<td>£195,516</td>
</tr>
<tr>
<td>Net book value at 31 December 2018</td>
<td>£90,482</td>
<td>£234,092</td>
</tr>
</tbody>
</table>

### INVESTMENTS

<table>
<thead>
<tr>
<th>Item</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares in group undertakings</td>
<td>£233,905</td>
<td>£233,905</td>
</tr>
</tbody>
</table>

### STAFF COSTS

During the 18 month period, the number of employees remuneration within the following salary brackets (including taxable benefits, but excluding employer pension contributions), was as follows:

<table>
<thead>
<tr>
<th>Salary range</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,000 - £69,999</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>£70,000 - £79,999</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>£80,000 - £89,999</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>£90,000 - £99,999</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>£100,000 - £109,999</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>£110,000 - £119,999</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The number of employees annualised remuneration within the following salary brackets was as follows:

<table>
<thead>
<tr>
<th>Salary range</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,000 - £69,999</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>£70,000 - £79,999</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£80,000 - £89,999</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£90,000 - £99,999</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>£100,000 - £109,999</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Pension contributions paid to higher paid employees for the 18 months amounted to £37,193 (2017: £166,295 (12 months)).

### KEY MANAGERS PERSONNEL

Key Managers Personnel comprises of the CEO and Senior Management Team of five directors. The total remuneration, including employee’s national insurance contributions and pension contributions, paid to the Key Managers Personnel in the 18 months was £762,023 (2017: £366,390 (12 months)).

The CEO’s salary, excluding pension contributions is 2.63 times the average salary.

### 9 INVESTMENTS

The charity’s investment in its subsidiary company represents the cost of the called-up ordinary share capital of the Teenage Trust (Trading) Limited, a company registered in England and Wales. The principal activity of the company during the period was the organisation and holding of fundraising events to raise money for Teenage Cancer Trust.

At 31 December 2018 the aggregate of the share capital and reserves of The Teenage Trust (Trading) Limited amounted to £2,591 (2017: £2,591). The retained surplus for the period ended 31 December 2018 was £nil (2017: £nil).
NOTES TO THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENT
For the period ended 31 December 2018

10 DEBTORS

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2017</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>4275</td>
<td>4761</td>
<td>4275</td>
<td>4761</td>
</tr>
<tr>
<td>Amount owed by subsidiary company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation recoverables</td>
<td>3257</td>
<td>2890</td>
<td>3257</td>
<td>2890</td>
</tr>
<tr>
<td>Prepayments and other debentures</td>
<td>1195</td>
<td>1293</td>
<td>1195</td>
<td>1293</td>
</tr>
<tr>
<td><strong>Total debtors</strong></td>
<td>5305</td>
<td>6254</td>
<td>5305</td>
<td>6254</td>
</tr>
</tbody>
</table>

11 CREDITORs AMOUNTS FALLING DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2017</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>1760</td>
<td>1708</td>
<td>1760</td>
<td>1708</td>
</tr>
<tr>
<td>General &amp; miscellaneous costs</td>
<td>854</td>
<td>854</td>
<td>854</td>
<td>854</td>
</tr>
<tr>
<td>Grants payable (see note 13)</td>
<td>327</td>
<td>327</td>
<td>327</td>
<td>327</td>
</tr>
<tr>
<td>Other creditors</td>
<td>617</td>
<td>617</td>
<td>617</td>
<td>617</td>
</tr>
<tr>
<td>Uncollected income</td>
<td>832</td>
<td>832</td>
<td>832</td>
<td>832</td>
</tr>
<tr>
<td><strong>Total creditors</strong></td>
<td>2696</td>
<td>2696</td>
<td>2696</td>
<td>2696</td>
</tr>
</tbody>
</table>

12 DEFERRED INCOME

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2017</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 1 July 2017</td>
<td>2443</td>
<td>2443</td>
<td>2443</td>
<td>2443</td>
</tr>
<tr>
<td>Amount released to income from unretainable activities</td>
<td>(2443)</td>
<td>(2443)</td>
<td>(2443)</td>
<td>(2443)</td>
</tr>
<tr>
<td>Amount deferred in the period</td>
<td>106</td>
<td>106</td>
<td>106</td>
<td>106</td>
</tr>
<tr>
<td>Balance as at 31 December 2018</td>
<td>255</td>
<td>255</td>
<td>255</td>
<td>255</td>
</tr>
</tbody>
</table>

Deferred income comprises income received in respect of events taking place after 31 December 2018.

13 GRANT COMMITMENTS

As at 31 December 2018 the charity had entered into the following funding commitments:

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charity and Group</td>
<td>626</td>
<td>626</td>
</tr>
<tr>
<td>As at 1 July 2017</td>
<td>180</td>
<td>180</td>
</tr>
<tr>
<td>As at 31 December 2018</td>
<td>461</td>
<td>461</td>
</tr>
</tbody>
</table>

Disclosed as:

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Falling due within one year</td>
<td>461</td>
<td>461</td>
</tr>
</tbody>
</table>

Analysis of commitments charged in the period:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lobbying funds</td>
<td>696</td>
<td>696</td>
</tr>
<tr>
<td>Various Unit Maintenance</td>
<td>532</td>
<td>532</td>
</tr>
<tr>
<td>Various Designated Hospital Enhancements</td>
<td>92</td>
<td>92</td>
</tr>
<tr>
<td>Various Principal Treatment Centre Improvements</td>
<td>421</td>
<td>421</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>592</td>
<td>592</td>
</tr>
</tbody>
</table>
NOTES TO THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENT
For the period ended 31 December 2018

15 FUND MOVEMENTS (cont)

<table>
<thead>
<tr>
<th></th>
<th>As at 1st July 2018</th>
<th>Income</th>
<th>Expenditure</th>
<th>As at 20th June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>General Fund</td>
<td>12,385,672</td>
<td>14,334,841</td>
<td>(1,715,722)</td>
<td>14,657,411</td>
</tr>
<tr>
<td>Designated funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stephen Sutton</td>
<td>2,100,924</td>
<td>5,030</td>
<td>(2,002,965)</td>
<td>344,259</td>
</tr>
<tr>
<td>Total consolidated unrestricted funds</td>
<td>14,486,596</td>
<td>14,619,874</td>
<td>(1,717,687)</td>
<td>14,657,411</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oxford</td>
<td>244,614</td>
<td>4,234</td>
<td>(24,066)</td>
<td>174,162</td>
</tr>
<tr>
<td>Southwark General Hospital</td>
<td>365,409</td>
<td>32,847</td>
<td>(99,901)</td>
<td>142,356</td>
</tr>
<tr>
<td>Scotland</td>
<td>104,345</td>
<td>33,046</td>
<td>(18,141)</td>
<td></td>
</tr>
<tr>
<td>Foyle Foundation</td>
<td></td>
<td>250,313</td>
<td>(250,313)</td>
<td></td>
</tr>
<tr>
<td>Queens Trust</td>
<td></td>
<td>428,828</td>
<td>(428,828)</td>
<td></td>
</tr>
<tr>
<td>Dalry House</td>
<td></td>
<td>150,000</td>
<td>(150,000)</td>
<td></td>
</tr>
<tr>
<td>Funds with income and expenditure less than £10k</td>
<td>159,637</td>
<td>839,756</td>
<td>(683,067)</td>
<td>134,571</td>
</tr>
<tr>
<td>Total consolidated restricted funds</td>
<td>971,776</td>
<td>1,632,822</td>
<td>(1,742,195)</td>
<td>496,079</td>
</tr>
<tr>
<td>Total funds</td>
<td>14,958,572</td>
<td>16,021,203</td>
<td>(15,500,748)</td>
<td>15,422,660</td>
</tr>
</tbody>
</table>

16 OPERATING LEASE COMMITMENTS
At 31 December 2018, the charity and group had the following future minimum lease payments commitments under non-cancellable operating leases:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land</td>
<td>land</td>
<td>Other</td>
<td>land</td>
<td>land</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Operating lease payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>within one year, which is more than one year</td>
<td>793,764</td>
<td>4,380</td>
<td>433,430</td>
<td>4,913</td>
<td></td>
<td></td>
</tr>
<tr>
<td>within one to five years</td>
<td>793,764</td>
<td>4,380</td>
<td>133,915</td>
<td>2,128</td>
<td></td>
<td></td>
</tr>
<tr>
<td>within two to five years</td>
<td>1,396,362</td>
<td>5,588</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A five year extension for the building operating lease for our Head Office was signed on 20 December 2017.

17 LIABILITY OF MEMBERS
The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members, being the number of Trustees at the time, are required to contribute an amount not exceeding £1.

19 TAXATION
Teenage Cancer Trust is a charity within the meaning of Part 1 Schedule 8 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or section 55 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The subsidiary company makes qualifying donations of all taxable profit to The Teenage Cancer Trust. No corporation tax liability on the subsidiaries shares into the accounts.

No tax charge arose in the period (2017/18).

19 RELATED PARTY TRANSACTIONS
No transactions occurred during the period (2017/18).

No notional expenses were reimbursed during the period (2017/18).

No further transactions occurred during the period.

During the period, The Teenage Trust (Trading) Limited transferred its taxable surplus of £55,916 (2017: £11,877,018) to the charity under gift aid and paid the charity a management charge of £63,244 (2017: £63,233). There was no other transactions between the parent company and the subsidiary.

As at 31 December 2018, The Teenage Trust (Trading) Limited owed the charity £963,430 (2017: £2,014,000) (note 10).

LEGAL AND ADMINISTRATIVE DETAILS

Teenage Cancer Trust
Company registration number: 3350311;
Charity registration number: 1062036;
Scottish Charity registration number: SC039767.
Registered Office: 3rd Floor, 93 Newman Street, London, W1T 3EZ.

Constitution
Teenage Cancer Trust, the charity, is constituted as a company limited by guarantee and is registered for charitable purposes with the Charity Commission and the Office of the Scottish Charity Regulator (OSCR). The charity’s governing document is the Memorandum and Articles of Association.

Trustees
David Haare (Chair)
Ronald Harris
Andrew Hughes
Alan Patten (resigned 29 January 2018)
Richard Rosenberg
Paul Spanswick
Caren Hindmarsh
Varda Shine
Jeremy Shute (appointed 26 April 2018, resigned 12 May 2019)
Kamaljit Hothi

Chief Executive
Siobhan Dunn (resigned 4 January 2018)
Kate Collins (appointed 6 March 2018)

Senior Leadership Team
Jill Long (Director of Finance & Strategic Performance)
Linda Noon (Joint Interim Director of Fundraising) (from 9 April 2018 to 16 November 2018)
Maline Szreter (Joint Interim Director of Fundraising) (from 9 April 2018 to 16 November 2018)
Liz Tail (Director of Fundraising) (appointed 12 November 2018)
Alison Cown (Interim Director of Marketing & Communications) (from 23 April 2018 to 31 January 2019)
Paul Brown (Director of Marketing & Communications) (appointed 12 February 2019)
Karen Turnbull (Director of People)
Simon Fuller (Director of Services) (resigned 20 April 2018)
Tanya Curry (Interim Director of Services) (appointed 16 May 2018)

Bankers
Barclays Bank plc, 50 Pall Mall, London SW1A 1QB
The Royal Bank of Scotland plc, Commercial Banking, Charing Cross Commercial Centre, 3rd Floor, Cavel House, 2a Charing Cross Road, London WC2H 0NN

Auditors
BDO LLP, 2 City Place, Berhane Ring Road, Gatwick, West Sussex, RH6 0PA

Solicitors
Taylor Vinters, Merlin Place, Milton Road, Cambridge, CB4 0DP
IBB Solicitors, Capital Court, 30 Windsor Street, Uxbridge, UB8 1AB