

# maggie's

Financial Statements and  
Report 2010

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
**(Limited by Guarantee)**

**Index to Financial Statements**

	<b>Page</b>
Welcome from the Chairman and Chief Executive	1 - 4
Directors' Report	5 - 12
Independent Auditor's Report	13
Income and Expenditure Account (incorporating the Statement of Financial Activities)	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 24

### Welcome from Nigel Cayzer, Chairman of the Board of Directors

Coming to terms with a diagnosis of cancer can be very difficult. Its impact is not only physical; it also affects every aspect of a person's life including relationships with family and friends. The journey, which starts with a cancer diagnosis, can be frightening, overwhelming and exhausting; to everyone, it is a challenge. Maggie's network of Centres exists to help people manage the trauma of cancer and to provide information and individual professional support to cancer patients, their families and carers. As our founder Maggie Jencks said "Above all what matters is not to lose the joy of living in the fear of dying".

Currently there are two million people in the UK living with cancer. This is increasing by over 3% every year and the need for our support has never been greater. In 2011, we are celebrating our 15<sup>th</sup> birthday and, by coincidence, we will also see 15 centres either established or in development across the country. We are now planning further Centres on a number of new sites, which is being done in conjunction with the NHS Trusts in whose hospital grounds they will be situated.

I am pleased to report that 2010 was another successful year for Maggie's. Our income increased by 37% to £12 million, which reflects the benefit of the actions taken in earlier years to strengthen our fundraising resource. Our capital and revenue expenditure increased by 47%, which includes charitable expenditure of £7.2 million, a rise of 70%. Our charitable expenditure falls into two categories; the operation of existing Centres including our online Centre and the capital cost of construction of the new Centres. Capital expenditure in 2011 was £3.3 million.

We also continued to invest in our infrastructure to support the expansion of our activities. Cheltenham opened during the year with a full programme of support and we increased the resources of our on-line Centre. We have strengthened the management of our property department to both administer our existing property assets and to supervise the construction programme of new Centres to achieve best value. We are very grateful to Delancey PLC for assisting in this process. We appointed two new directors to our fundraising team with responsibility for capital and revenue fundraising respectively. We also continue to invest in building sustainable revenue income streams, the results of which will be reaped in future years. These include legacies, in-memoriam giving, on-line and regular giving.

Our balance sheet remains strong with cash resources of £9.9 million. To this, we can add £5.5 million of pledges towards our future capital and revenue expenditure. As our activities continue to grow we are committed to maintaining our reserves at the level needed to meet three months of fundraising costs, excluding direct event costs, and six months of other cash operating costs together with enough funds to complete our committed building programme. At the end of 2010 our balance sheet reflects this position.

Our Joy of Living Campaign, which is funding the development of five new centres across England and Wales, has also made good progress; we have raised and received pledges totalling £13.3 million. Maggie's Cheltenham, which is the first Centre to be funded under this Campaign, was opened during 2010. Construction has started on our South West Wales

(Swansea) and Nottingham Centres and work will begin on the Oxford and Newcastle Centres during 2011. I would like to extend my grateful thanks to the National Campaign Board and the local Associate Boards for all their hard work in making the Joy of Living campaign such a success.

I would also like to thank Nina Barough of Walk the Walk. They have awarded Maggie's £2.7 million to build our second Centre for Glasgow at Gartnavel Hospital. The Centre, designed by Rem Koolhaas, will open in autumn 2011. Our thanks also go to Colin Montgomerie who, through the Elizabeth Montgomerie Foundation, has been instrumental in raising significant support for a new Centre for Lanarkshire, and is also helping us to raise funds for a Maggie's in Aberdeen to serve the Grampian region. This fundraising is being supported by a partnership with the Aberdeen Press & Journal.

I would like to thank the Keswick Foundation for their generous support for our affiliate organisation Maggie's Hong Kong. An interim service has been successfully established at Tuen Mun Hospital and construction of a new Centre designed by Frank Gehry is due to commence shortly. It is interesting to note that the programmes of help and support that we have developed in Britain are giving the same benefit in a different cultural environment.

Following our governance review a year ago, we instituted a revised structure to meet all the requirements of best practice. I am pleased to report that this has been successfully implemented.

On behalf of the board, I would one again like to extend our thanks to our President, Her Royal Highness, The Duchess of Cornwall. She has been a passionate and committed advocate of our work and we are hugely grateful for the commitment she dedicates to Maggie's. We are also extremely grateful to Sarah Brown for her longstanding support as Patron of the Joy of Living Campaign. I would also like to thank our many funders, particularly the Big Lottery Fund and the People's Postcode Lottery, and our incredible supporters who bike, hike and do so much more to support Maggie's.

I extend my grateful thanks to the Board, and particularly to Caroline Courtauld, who retired from the Board after 12 years but is continuing to support us through her involvement with Maggie's Hong Kong.

As ever, I would particularly like to thank our Chief Executive, Laura Lee, her executive team and all the staff of Maggie's for all their efforts during the year. The success of Maggie's starts with the welcome that is given by our staff in the Centres; the dedication shown at the frontline permeates throughout the organisation and underpins our success.

We look forward to continuing to grow our network over the coming years and extending our reach across the country and beyond. The need for your support is greater than ever and we will continue to work towards our ultimate goal of providing the Maggie's programme of support to everyone affected by cancer in the UK.

Nigel Cayzer



### Report from the Chief Executive

At Maggie's we have followed a distinctive path - inspired by our founder's ideas and our mission to help people live as best as they can, with, through and beyond cancer. Our approach aims to alleviate the emotional distress and practical difficulties that cancer brings, and help each person find their own way forward. We put those affected by cancer at the heart of what we do, and our programme of support has been carefully developed to address their needs. Our quality assurance measures are showing us that what we do is really making a difference: in 2010 90% of our visitors felt their support needs had been met significantly and nearly 100% reported they had improved understanding of their cancer, experienced improved ability to manage stress and felt less alone.

When we opened Maggie's Edinburgh in 1996 we didn't know this was just the beginning of our network, one that would grow to cover Scotland, England, Wales and beyond. We have come a long way, but there is so much further to go. The landscape of cancer is changing and the need for our centres is growing all the time. More people are living with cancer as a part of their life as survival rates increase and those who experience a recurrence are living longer. Continuing to develop our network is crucial if we are to provide our help and support to everyone who needs it.

During 2010 we welcomed more people than ever to our centres, supporting 78,000 visits – a 2.5% increase on the previous year and a trend we expect will continue as we expand our network of centres. There was a 5% increase in the number of new people with a cancer diagnosis who visited us and we also increased our support to carers by 2%. Our plan for 2010 was to increase support for men affected by cancer and we achieved a 2.5% increase, mainly through our specific support groups for prostate, bowel and upper GI cancers, which we provide in collaboration with local clinical nurse specialists and other cancer charities.

Our programme of support is continually developing and we introduced our new 'Getting Started with Cancer Treatment' course in all our centres this year. This workshop helps people to better understand their cancer treatment, manage and prevent side effects and be as healthy as possible during and after treatment. We also further developed our 'Where Now?' course, which helps people make the adjustment between completing treatment and moving onto follow up, and which has been recognised by the National Cancer Survivorship Initiative as an example of best practice of supported self management. Investment in programmes such as these ensures we provide support to people from the point of diagnosis and throughout their cancer experience. A greater number of people also accessed our support to help them through the daily challenges of living with cancer, utilising our stress management, nutrition, cancer information and psychological and emotional support. 26% of people who visited a centre also accessed our benefits and financial information. This resulted in £11.6 million in financial claims for people affected by cancer.

We also appointed a Centre Head for our Online Centre to further develop our programme of support on-line. We successfully provided on-line facilitated support

groups for people living with cancer, carers and people dealing with bereavement.

We continue to implement our five year plan '2010-2014 Expanding the Network' which outlines how we will develop our network of centres to bring our high quality, community-based support to even more people affected by cancer, their families and friends. In the autumn we opened our latest centre, Maggie's Cheltenham, our second purpose-built Maggie's in England and our first Joy of Living centre. Architect Sir Richard MacCormac and landscaper Dr Christine Facer Hoffman have created a beautiful environment, made possible by the tremendous fundraising efforts of people across the Three Counties region. Construction also started on three further centres in Swansea, Nottingham and Glasgow at Gartnavel Hospital.

During the year we held our first Love Maggie's Day to celebrate our achievements and highlight what we do. Visitors, supporters and staff all joined in the celebrations and the day provided an opportunity for people to try some of our programme activities and see what their local Maggie's is all about. We also launched our first ever Glasgow night hike, which took place in tandem with our London event and was tremendously successful.

With the help and support of our generous donors we have grown from a small team of two, back in 1996, to a national network of soon to be 15 centres. As we continue to expand and progress, our supporters remain vital to what we do, making it possible to reach more people and to grow our network. I am continually encouraged and inspired by the commitment and enthusiasm of our donors and supporters and all that they undertake to make Maggie's a success. On behalf of our centre visitors, and all of our staff, I extend a heartfelt thank you.



Laura Lee

## How we raised our money in 2010

### Charitable Trusts, Companies & Statutory

**£3,404,000**

This is income from Companies include staff fundraising and corporate donations. Statutory income includes money from the Big Lottery Fund, the Scottish Government and the Welsh Assembly Government.

### Local Community Fundraising

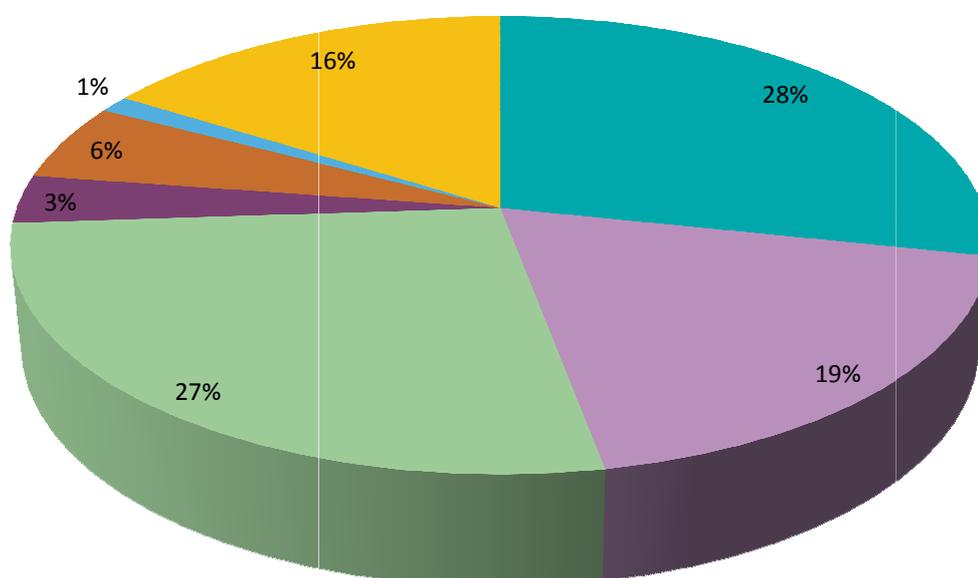
**£2,252,000**

This includes income from volunteers and supporters who run events and fundraise locally in their community around our centres.

### Individuals

**£3,288,000**

This is income from our regular givers and major donors.



### Legacies

**£408,000**

This is the money that people leave us in their wills.

### People's Postcode Lottery

**£655,000**

This is the charitable donation we receive as one of the beneficiary charities for the People's Postcode Lottery

### Activities for generating funds

**£1,924,000**

This includes income from our biking, hiking and running events. Also included is income from dinners and balls.

### Bank Interest and Other

**£142,000**

This is interest receivable from our bank accounts and other small grants.

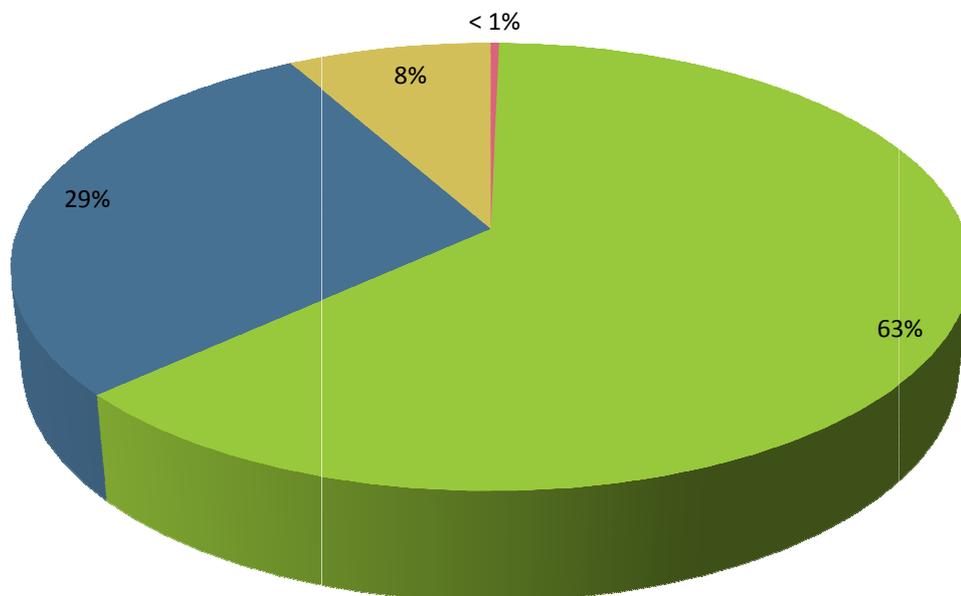
**Thanks to the generosity of our supporters we raised £12,073,000 in 2010**

## How we spent our money in 2010 to help people affected by cancer

### ■ Activities to help people affected by cancer

£7,201,000

This includes the cost of building new centres and refurbishing and upgrading existing centres of £3,320,000. It also includes the cost of running our centres and providing the programme of support both within the centres and on-line, £3,881,000.



### ■ Costs of generating voluntary income

£3,290,000

This is the cost of receiving and attracting voluntary donations, new supporters and our fundraising activities. These are our main source of funds.

### ■ Cost of fundraising events

£927,000

This is the cost of organising our running, hiking and biking events. Also included are the costs of fundraising dinners and balls.

### ■ Cost of governance

£38,000

This includes costs to meet statutory requirements such as audit fees.

## Patron, Directors, Officers, Professional Advisers and contact details

### Founders

Maggie Keswick Jencks and Charles Jencks

### President

HRH The Duchess of Cornwall

### Patrons

Sarah Brown  
Frank Gehry  
Chris Gorman OBE  
Lord Rogers of Riverside CH  
Zaha Hadid  
Sir David Landale KCVO  
Jon Snow  
Sam Taylor-Wood  
Kirsty Wark

### Directors

Dr Ali Afshar  
Viscountess Blakenham (Vice-Chairman)  
Nigel Cayzer (Chairman)  
Caroline Courtauld (retired 24<sup>th</sup> May 2010)  
Philippa Grant OBE (Lady Huntingtower)  
Dr Charles Jencks  
Laura Lee  
Professor Robert Leonard  
Ian Marchant  
Geoffrey Ridley  
Daniel Rimer  
Jamie Ritblat

### Company Secretary

Allison Wood

### Audit Committee

Ian Marchant (Chairman)  
Viscountess Blakenham  
Danny Rimer

### Property Committee

Ali Afshar (Chairman)  
Viscountess Blakenham  
Jamie Ritblat  
Laura Lee  
Allison Wood  
Glenn Burton

### Remuneration Committee

Nigel Cayzer (Chairman)  
Ian Marchant  
Prof Robert C F Leonard

### Nominations Committee

Nigel Cayzer (Chairman)  
Viscountess Blakenham  
Laura Lee  
Jamie Ritblat

### Executive Officers

Chief Executive  
Laura Lee

Finance Director  
Allison Wood

Revenue Fundraising Director  
Stephen George

Capital Fundraising Director  
Glen Fendley

Business Development Director  
Sarah Beard

Communications Director  
Marie McQuade

Property Director  
Glenn Burton

Programme Director  
Ann-Louise Graham

### Contact Details

#### Registered Office:

The Stables  
Western General Hospital  
Crewe Road South  
Edinburgh  
EH4 2XU

Email: [info@maggiescentres.org](mailto:info@maggiescentres.org)  
Website: [www.maggiescentres.org](http://www.maggiescentres.org)  
Tel: 0300 123 1801

#### Glasgow Office:

8 Newton Place  
Glasgow  
G3 7PR  
Tel: 0141 341 5678

#### London Office:

2<sup>nd</sup> Floor  
Palace Wharf  
London  
W6 9HN  
Tel: 0207 386 3520

## Patron, Directors, Officers, Professional Advisers and contact details continued

### Bankers

Bank of Scotland  
38 St Andrew Square  
Edinburgh EH2 2YR

The Royal Bank of Scotland plc  
142-144 Princes Street  
Edinburgh EH2 4EQ

Santander  
2 Triton Square  
Regent's Place  
London NW1 3AN

Aviva Liquidity Funds plc  
Wexford Business Park,  
Rochestown, Drinagh  
Wexford, Ireland

### Solicitors

Turcan Connell WS  
Princes Exchange  
1 Earl Grey Street  
Edinburgh EH3 9EE

Shepherd & Wedderburn LLP  
1 Exchange Crescent  
Conference Square  
Edinburgh EH3 8UL

SJ Berwin LLP  
10 Queen Street Place  
London EC4R 1BE

### Auditor

Chiene + Tait  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh EH3 6NL

## DIRECTORS' REPORT

The Directors are pleased to present their Report and Financial Statements for the year ended 31 December 2010.

Maggie Keswick Jencks Cancer Caring Centres Trust is constituted as a company limited by guarantee, registration number SC162451. Maggie's Cancer Caring Centres Trust is registered with the Office of the Scottish Regulator under registration number SC024414.

The Directors of the charitable company (the charity) are its trustees for the purpose of charity law but throughout the report are collectively referred to as Directors. Details of the Directors during the year are given on page 5.

## STRUCTURE, GOVERNANCE and MANAGEMENT

### Governing Document

The Trust is a charitable company limited by guarantee, incorporated on 3 January 1996 and registered as a charity on 3 January 1996.

The company was formed under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

### Appointment of Directors

Under the Articles of Association, the members of the Board of Directors are elected to fill a vacancy or as an additional director, provided that the appointment does not cause the number of Directors to exceed 14. A Director so appointed shall hold office as a co-opted Director only until the next Annual General Meeting.

Under the requirements of the Articles of Association, one-third of Directors are required to retire by rotation each year, and, being eligible may be re-elected.

Ian Marchant, Danny Rimer, Jamie Ritblatt and Professor Robert Leonard retire by rotation and, being eligible, offer themselves for re-election.

Biographies of Directors can be found on the charity's website.

### Director Induction and Training

On joining, Directors undergo an induction programme suitable to their needs with training being provided during the year where necessary. Directors receive a Director's Handbook with details of governance and policies reserved for Board decision. Induction also includes a tour of an operational centre and meeting key staff within the charity.

## Organisational Structure

The Board of Directors, which can have up to 14 members, is responsible for setting the overall strategy and for the governance of Maggie's Centres in line with a written Directors' Handbook. The Board meets quarterly. There are four active sub-committees of the Board, the members of which may include Directors and external advisers, where appropriate. The Chairman of each sub-committee reports back to the Board. Terms of Reference for the sub-committees are summarised below:

### Audit Committee

The Committee is responsible for monitoring and reviewing the policies and processes in place for the identification and management of risk, the scope and effectiveness of the external audit and the appointment of an external auditor.

### Property Committee

The Committee is responsible for determining the policy on all aspects of the design, construction and procurement of Maggie's building programme.

### Remuneration Committee

The Committee reviews and determines Maggie's policy on remuneration and advises the Board on the specific remuneration packages of all employees of Maggie's.

### Nominations Committee

The Committee is responsible for identifying and nominating candidates for election to the Board and its sub-committees. It is also responsible for monitoring Directors' induction, support and development.

Membership of the sub-committees are given on page 5.

### Advisory Committees

In addition to the sub-committees there are a number of advisory committees to the Executive team. These are:

Professional Advisory Board – responsible for advice and support to the Executive on the professional programme of cancer support provided by Maggie's. In so doing it assists the charity in meeting its goals and objectives.

National Campaign Board – responsible for monitoring, advising and supporting the Joy of Living Campaign.

Maggie's Art Group – advises the charity on all matters relating to art including the existing collection and possible additions through loan, gift or purchase. Art is used to enhance and complement the design and environment of Maggie's Centres.

International Working Group – responsible for developing and defining Maggie's strategic approach to international development.

### Roles of Chairman and Chief Executive

The Chairman is responsible for leadership, operation and governance of the Board, ensuring it operates effectively.

The Chief Executive is appointed by the Board to manage the day-to-day operations of the charity and the implementation of the strategic plan and policies as agreed by the Board.

### Board Decisions

There is a formal schedule of matters reserved specifically for Board decision that includes the following:

- Strategy
- Annual revenue and capital budgets
- Financial reporting and controls
- Structure and controls
- Board membership and other appointments
- Remuneration policy
- Corporate governance
- Key organisational policies
- Major financial transactions
- Procedures for Board decisions between Board meetings

### OBJECTIVES AND ACTIVITIES

The objectives of the charity are as follows:

- (a) To initiate patient-orientated centres where persons with cancer are actively encouraged to participate in their treatment.
- (b) To promote, establish and administer both in the United Kingdom and elsewhere, centres for the support and care of persons with cancer or cancer related illnesses.
- (c) To support cancer patients at all stages by the provision of information, practical, psychological and emotional support.
- (d) To support the families and carers of people with a cancer diagnosis by the provision of information, practical, psychological and emotional support.
- (e) To initiate and finance research into the care and psychological and physical well-being of cancer patients.
- (f) To initiate training programmes for individuals concerned with the care and psychological and physical well-being of cancer patients.
- (g) To publish and distribute the results of research into the care and psychological and physical well-being of cancer patients.

Maggie's provides support for anyone affected by cancer in an informal, non-institutional environment. The centres are located beside cancer treatment centres, allowing people who have cancer and their family and friends to drop in at any point for a cup of tea and a chat, a browse of the library, the chance to explore our programme of support or just somewhere quiet to sit and relax. Our programme of support is for people affected by every type and stage of cancer. Our aim is to enable people to manage the physical and emotional impact of living with, through and beyond a cancer diagnosis and to make their own contribution to their treatment and recovery. Our evidence-based programme is provided by a team of cancer specialists and can transform the way that people live with cancer. Underneath one roof people can access help with information, benefits and welfare support, psychological support both individually and in groups, courses and stress reduction techniques. There is no need to make an appointment, or be referred. Everything we offer is free of charge.

### Maggie's vision

Maggie's unique model of psychological support transforms the way that people live with cancer. We want everyone in the UK who needs it to have access to this support. We are working to create a network of cancer caring centres across the UK offering high quality community-based cancer support.

### Maggie's values

- People affected by cancer are at the heart of all we do
- Professional emotional and psychological support can change the way people live with cancer
- We work together to help people overcome the isolation and despair caused by a cancer diagnosis
- We care for the people who use our centres, those who work with us and those who support us

### Maggie's aims and achievements

We aim to be recognised as the leading network of centres providing support to people living with, through and beyond cancer. We intend to achieve this through the following aims:

- To design, build and operate an appropriate network of caring centres that ensure the provision of the intended cancer support programme, at an acceptable cost.
  - In 2010, Maggie's Cheltenham was opened by our president HRH, the Duchess of Cornwall. We successfully commenced construction of Maggie's South West Wales, Maggie's Nottingham and our second purpose built centre in Glasgow. Planning permission was granted for Maggie's North East and we commenced Monty's Maggie's appeal, with Colin Montgomerie, which will support

- the development of Maggie's Aberdeen to provide support for the Grampian region of Scotland.
- To increase the awareness of our existence amongst the general public and demonstrate the value of our activities to our stakeholders.
    - In 2010 Maggie's implemented a new way to engage and connect with recognisable public figures (Maggie's Champions). We set up a cultural development plan which promoted our knowledge of architecture, art and cancer care by hosting high profile events such as a symposium on architecture and health. 'The Architecture of Hope', a book about Maggie's architecture was also published.
    - Awareness through our ambassadorial support has grown significantly through the work and presence of our President and Patrons.
    - Maggie's has successfully secured and delivered a significant number of local and national media campaigns throughout the UK, achieving over £7 million advertising value per annum.
  - To undertake psychosocial research in relation to people affected by cancer to demonstrate the effectiveness and value of our programme of support.
    - In response to recommendations made in the 2008 Tri-ennial review, Maggie's commissioned its first research projects in the year. The first study focuses on facilitating access and will explore cancer patients and their awareness of and barriers to using Maggie's. The second project is focused on our spaces and the role of the restorative garden. The study will explore the positive effect that gardens and designed landscapes have upon the well being of people.
  - To consistently provide a professional and evidence-based cancer support programme that is widely accessible, free and valued by those who use it.
    - In 2010, Maggie's developed two new programme initiatives aligned with an individual's medical and psychological cancer experience; "Getting started: with cancer treatment" and "Where Now?"
    - Visits to our centres increased by 2.5% in 2010, with a 5% increase in visits from new people with a cancer diagnosis. There was a 2.5% increase in men and 2% increase in visits from family and friends of people with cancer. We also saw an increase in visits from people with lower GI, prostate, upper GI, bladder, brain and haematological cancers.
    - Maggie's online support grew by 100% with a membership of over 1,800 by the end of 2010. An online centre head was appointed to focus on the delivery of our online programme of support at the end of last year.
  - The 2010 internal annual programme audit showed that 93% of participants rated Maggie's as excellent and 6% good. 99% reported an improved understanding of their cancer diagnosis; 88% an improved confidence in speaking with their medical teams; 98% improved confidence in talking about cancer with family and friends; 99% improved ability to manage stress; 82% improvement in household income via benefits and financial support and 86% reported feeling less isolated as a result of visiting Maggie's. Overall; 92% of people who participated in the audit reported that their support needs had been met by Maggie's.
  - To deliver increasing and more sustainable levels of income, to fund future growth and ensure financial stability.
    - In 2010, we strengthened our fundraising infrastructure through the recruitment of both a Revenue Fundraising Director and a Capital Fundraising Director.
    - Income in 2010 increased 37% to £12 million.
    - We invested further in the recruitment of regular direct debit donors as part of our strategy to build sustainable regular income sources.
    - Income from the communities around our centres and planned centres grew 17% during the year.
    - At the end of 2010 the Joy of Living campaign had reached £13.3m of its £15m target of cash and pledges towards building five new centres in England and Wales. We invested in our capital fundraising capacity in the year so that we are in a position to launch our next capital campaign.
  - To recruit, retain and develop teams of suitably skilled and motivated staff, who consider themselves to be valued and well managed.
    - We conducted the annual review of our organisational structure and invested in resources across all functions to further the achievement of our objectives for the year.
    - We strengthened our HR function and achieved a staff retention rate of 93%.
- Maggie's relies on the support of volunteers who give both time and effort to helping us achieve our aims and objectives. We have hundreds of fundraising volunteers who work tirelessly raising money locally and who come and help at our national events. At our centres, volunteers support our staff to ensure that people affected by cancer receive the highest quality of support possible. We have a number of active patrons who give their time and energy at fundraising events.

## FINANCIAL REVIEW

2010 was a very challenging economic environment but the Directors are pleased to report an increase in both fundraising and charitable activities enabling us to progress our plan to grow the number of Maggie's Centres and extend our programme of support to more people affected by cancer.

### Incoming resources

Total incoming resources in the year were £12 million representing a 37% increase on 2009 (£8.8 million). £10 million of income was received from voluntary income sources and £1.9 million came from activities for generating funds which includes biking, hiking and running events, balls and dinners. A breakdown of income is shown on page 3.

The £233k reduction in income from activities for generating funds was part of a planned shift in fundraising away from higher cost annual events, for example overseas challenge events, to more sustainable sources of income such as community fundraising, regular giving and legacies.

£4.5 million (2009: £1.8 million) was raised in the year specifically for capital purposes. £3.5m was received as part of our Joy of Living Campaign to develop and build 5 new centres in England and Wales and £1m was received for a second centre in Glasgow at Gartnavel Hospital. At the end of 2010 the Joy of Living campaign had reached £13.3m of its £15m target of cash and pledges.

	Cash £'000	Pledges £'000	Total £'000
Cheltenham	2,518	47	2,565
Nottingham	2,038	450	2,488
Newcastle	1,715	20	1,735
Oxford	1,678	691	2,369
Swansea	1,754	1,656	3,410
General campaign	582	168	750
	<b>10,285</b>	<b>3,032</b>	<b>13,317</b>

In addition £2.7 million has been raised in cash and pledges for the Glasgow Gartnavel centre and £943k for Lanarkshire.

### Expenditure

Revenue expenditure increased to £8.1 million (2009: £6.8 million) and together with expenditure on building new centres resources spent on direct charitable activities increased to £7.2 million or, 63% of total resources spent.

### Analysis of Charitable expenditure:

	2010 £'000	2009 £'000
Support, advice and information	3,881	3,226
Building centres	3,320	1,005
<b>Total</b>	<b>7,201</b>	<b>4,231</b>

Expenditure on support, advice and information increased by 20% to £3.9m. We invested in the creation of a property management function to manage our existing property assets and the new centre construction programme to ensure we achieve best value in the building of our new centres. We also increased expenditure on our on-line centre by providing on-line facilitated support groups and appointing an on-line centre head to deliver the programme of support. We also started a programme of support at our new centre in Cheltenham.

Capital expenditure in the year was £3.3 million. We completed the construction of Maggie's Cheltenham during the year and began construction on centres in Nottingham and Swansea and our second centre in Glasgow at Gartnavel Hospital. In addition we incurred expenditure on pre-construction costs for other new centres in Oxford and Lanarkshire and refurbished our Edinburgh centre. At the end of the year we had capital commitments of £5.2m which will be financed from funds already received and pledges due during 2011.

The cost of generating voluntary income increased to £3.3 million as a result of investment in expanding our capital fundraising capacity and attracting new regular donors to provide a source of future committed giving. The costs of activities for generating funds decreased to £927k (17%) in line with the reduction in income from this source. The fundraising costs include costs incurred in securing additional income pledges for new centres which will be received when construction of these centres begins. The review of governance and updating of the Memorandum and Articles of Association led to an increase of £19k in governance costs in the year.

### Net Incoming resources for the year

The net incoming resources in the year were £3.9 million (2009: £2 million). The unrestricted net incoming resources were £28k and the restricted net incoming resources were £3.9 million comprising income for capital purposes.

### Reserves Policy

The Directors have agreed that the charity should hold a general reserve equivalent to:

- Three months of fundraising costs, excluding direct event costs, and
- between six and 12 months of other cash operating costs budgeted for the following financial year.

General reserves are funds that are readily realisable. It excludes funds whose use is restricted or designated for particular purposes. It also excludes funds invested in property and other fixed assets that are used for the day-to-day running of the charity. Cash operating costs include all other costs except fundraising costs, depreciation and one-off items of expenditure. In determining the policy the Directors consider the organisation's exposure to risk and the potential impact on income or expenditure.

At 31 December 2010 the actual level of general reserves held was £3.1 million. The Directors consider this level to be appropriate given the charity's projected expansion and growth outlined in its strategic plan.

Maggie's has two designated funds; the Capital Asset Fund and the New Centres Development Fund. The Capital Asset Fund, representing the net book value of tangible fixed assets not held in restricted funds, totals £3.2 million. The New Centres Development Fund totals £1.7 million, and consists of money received and designated to the construction of new centres outlined in our strategic plan. This fund also includes £700k for upgrading and refurbishing our existing centres and preliminary capital costs of the new centres if they are not raised in advance.

The total funds at the end of 2010 were £22.2 million, of which £12.5 million were held as fixed assets and £9.7 million were net current assets.

### Investment Policy

During the year the Directors reviewed the investment policy and agreed that surplus funds should continue to be held in fixed term deposit accounts and diversified across three banks and an instant access liquidity fund. During the year income from deposits and accounts amounted to £94k (2009 £96k).

### PLANS FOR FUTURE PERIODS

Maggie's is now one year into its new Five Year Plan 'Expanding the Network 2010-2014'. Looking forward to the next four years, we will continue to work towards our aim that everyone in the UK who needs it will have access to our programme of support. We will build on our current successes and the expertise that we have developed, continuing our work to create an increased network of centres offering high quality community-based cancer support. We aim to achieve this in the following ways:

- We will increase the size of our network of cancer caring centres.
  - Our planned growth will see Maggie's grow from nine to 15 operational centres with a further eight in development. As our network expands, Maggie's remains committed to creating high quality therapeutic environments that enhance

our programme of support.

- During 2011 construction of Maggie's South West Wales, Maggie's Glasgow Gartnavel and Maggie's Nottingham will be completed and a programme of support put in place. Construction will also begin on Maggie's Oxford and Maggie's Newcastle.
- We will consistently provide a professional and evidence-based cancer support programme that is widely accessible, free and valued by those who use it.
  - Maggie's will focus on improving proportional distribution by cancer site whilst maintaining current representation and we will continue to work to increase our support for men.
  - Online support is a new and emerging area for Maggie's. We will continue to develop facilitated on-line support groups. We will also develop cancer specific information on-line.
  - Maggie's will continue to develop an evidence-based programme of support in line with individual needs of people affected by cancer and within the context of government policy.
- Increase our income generation to fund future growth and ensure financial stability.
  - Improve the fundraising cost ratio whilst achieving a balanced income mix.
  - We intend to complete our Joy of Living campaign and launch a new capital campaign.
- Develop teams of suitably skilled and motivated staff who consider themselves valued and well managed.
  - We will develop our HR function and introduce training frameworks for all staff, whilst continuing to evolve our policies and procedures and sufficiently invest in resources to secure sustainability.
- Achieve high quality governance standards.
  - There is a robust framework in place to evaluate compliance against our established guidelines. We will undertake a quarterly review to ensure that we are adhering to all guidelines.

### Risk Management

The Audit Committee has delegated authority from the Directors to ensure that a review of the major risks to which the charity is exposed is conducted and that systems have been established to mitigate those risks. The Directors receive a report from the Audit Committee following their review.

Maggie's has a comprehensive risk management process in place to identify and address the major

financial, operational, governance, reputational and regulatory risks which might impact on its ability to meet its objectives. Maggie's has a corporate risk register which records the major risks, the controls in place to mitigate those risks and actions required, if appropriate. The Executive Management team reviews and updates the register on a monthly basis.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure quality of delivery for all operational aspects of the services provided by all Maggie's Centres. A Finance Procedures Manual has been adopted as part of the charity's policies and procedures to ensure that financial control procedures are applied uniformly across the charity.

Maggie's has identified the following key risks:

- Funding risks associated with the charity's dependence on voluntary income and the impact of the economic environment;
- Ensuring rigorous management of major building projects some of which will happen concurrently; and
- Ensuring effective delivery of a quality service to centre users during a period of growth.

Maggie's has a strategic business plan with aims, objective and KPIs that are monitored monthly by the Executive management and quarterly by the Board to ensure its effective delivery and the management of risk.

## TAXATION

The Trust is a charity and is recognised as such by Her Majesty's Revenue and Customs for taxation purposes. As a result no liability to taxation is anticipated on any of its income.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Trust and the incoming resources and application of resources, including the net income and expenditure, of the Trust for the year. In preparing the financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures 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 Trust will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements, comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The applicable law also sets out the directors' responsibilities for the preparation and content of the Directors' Report.

The directors are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

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

## AUDITOR

A resolution to reappoint Chiene + Tait will be put to the members at the Annual General Meeting.

## ON BEHALF OF THE BOARD

Nigel Cayzer  
Chairman



25<sup>th</sup> April 2011

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST (Limited by Guarantee)**

We have audited the financial statements of The Maggie Keswick Jencks Cancer Caring Centres Trust for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 12, the directors (who are the directors of the charity 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.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Malcolm K Beveridge*

Malcolm Beveridge BA CA  
(Senior Statutory Auditor)  
For and on behalf of  
**CHIENE + TAIT**  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh,  
EH3 6NL

17 May 2011

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
(Limited by Guarantee)

**INCOME AND EXPENDITURE ACCOUNT (Incorporating the Statement of Financial Activities)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2010 £'000	Total Funds 2009 £'000
<b>Incoming Resources</b>						
<i>Incoming resources from generated funds:</i>						
<i>Voluntary income:</i>						
Income for capital projects	2	-	4,512	-	4,512	1,774
Grants and donations	2	3,558	1,985	-	5,543	4,785
<i>Activities for generating funds:</i>						
Running, hiking and other events		1,896	28	-	1,924	2,157
<i>Investment income</i>						
		91	-	3	94	96
<b>Total incoming resources</b>		5,545	6,525	3	12,073	8,812
<b>Resources expended</b>						
<i>Costs of generating funds</i>						
<i>Costs of generating voluntary</i>						
Income	3	2,934	356	-	3,290	2,436
Cost of fundraising events	3	927	-	-	927	1,112
<i>Charitable activities*</i>						
Support, advice and information	3	1,618	2,263	-	3,881	3,226
<i>Governance costs</i>						
	3	38	-	-	38	19
<b>Total resources expended</b>		5,517	2,619	-	8,136	6,793
<b>Net incoming resources before transfers</b>		28	3,906	3	3,937	2,019
Transfers between funds		3	-	(3)	-	-
<b>Net incoming resources</b>		31	3,906	-	3,937	2,019
<b>Total funds at 1 January 2010</b>		7,936	10,073	250	18,259	16,240
<b>Total funds at 31 December 2010</b>	11	7,967	13,979	250	22,196	18,259

Movements in funds are disclosed in Note 11 to the financial statements.

A statement of recognised gains and losses is not shown as all gains and losses are recognised in the Statement of Financial Activities.

All activities are classed as continuing.

\*The cost of charitable activities does not include £3.320 million (2009: £1.005 million) of capital expenditure on building new centres as shown in note 7.

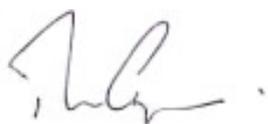
The notes on pages 17 to 24 form part of these financial statements.

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
(Limited by Guarantee)

**BALANCE SHEET AS AT 31 DECEMBER 2010**

	Notes	2010 £'000	2010 £'000	2009 £'000	2009 £'000
<b>Fixed assets</b>					
Tangible assets	7		12,481		9,637
<b>Current assets</b>					
Debtors	8	592		613	
Cash at bank		9,875		8,524	
		-----		-----	
		10,467		9,137	
		-----		-----	
<b>Current liabilities</b>					
Creditors	9	752		515	
		-----		-----	
<b>Net current assets</b>			9,715		8,622
			-----		-----
<b>Total assets less current liabilities</b>			22,196		18,259
			=====		=====
<b>Funds</b>					
Endowment Fund	11		250		250
Restricted Funds	11		13,979		10,073
Unrestricted Funds:					
Designated capital asset fund	11		3,172		3,085
Designated new centres development fund	11		1,715		2,123
General fund	11		3,080		2,728
			-----		-----
			22,196		18,259
			=====		=====

Approved by the Board of Directors and signed on its behalf by:



.....  
Nigel Cayzer

Director



.....  
Laura Lee

Director

25<sup>th</sup> April 2011

**Company Number: SC162451**

The notes on pages 17 to 24 form part of these financial statements.

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
**(Limited by Guarantee)**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 £'000	2010 £'000	2009 £'000	2009 £'000
<b>Net cash inflow from operations</b>	16		4,586		2,336
<b>Returns on investments and servicing of finance</b>					
Interest received		85		84	
		-----	4,671	-----	2,420
<b>Capital expenditure and financial investment</b>					
Purchase of tangible fixed assets			(3,320)		(1,005)
			-----		-----
<b>Cash inflow before financing</b>			1,351		1,415
			-----		-----
<b>Increase in cash in the year</b>	17		1,351		1,415
			=====		=====

The notes on pages 17 to 24 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010**

**1. Accounting policies**

**Accounting convention**

The financial statements are prepared under the historical cost convention and comply in every material respect with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and with applicable United Kingdom Accounting Standards, the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006.

**Consolidation**

The financial statements represent the financial statements of Maggie Keswick Jencks Cancer Caring Centres Trust. The subsidiary undertakings as shown at note 12 are dormant. As a result, they have not been consolidated on the grounds of immateriality.

**Donations and grants**

Donations and grants are recognised in the year in which they are received.

**Legacies**

Legacies are credited to the Statement of Financial Activities as soon as the conditions for receipt have been met and there is reasonable assurance and accuracy in respect of the amounts receivable.

**Bank interest**

Interest on deposits is dealt with on an accruals basis.

**VAT**

The trust became registered for VAT on 1 June 2003, and de-registered on 6 September 2006 because taxable supplies are below the registration limit. Expenditure includes all VAT applicable.

**Resources expended**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Other overheads not directly related to a particular activity are apportioned on the basis of staff numbers.

Costs of generating voluntary income comprise the salaries, direct expenditure and overheads for community and other fundraising except for event fundraising. Direct costs of fundraising events include the salaries of the events team, and the logistics and costs of the events, and attributable overheads.

The costs of charitable activities include the salaries of staff who provide the services and workshop costs, and the costs of running the centres. Governance costs are the costs of the Board meetings and the external audit.

**Tangible fixed assets and depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

Tenants improvements	- between 5 years and the lease term
Freehold land and buildings	- over 50 years
Furniture and fittings	- over 4 years
Office equipment and computer software	- over 3 years

Items of equipment are capitalised where the purchase price exceeds £1,000.

Depreciation is not charged on tenant improvements and freehold land and buildings for centres while still in the course of construction.

**1. Accounting policies (cont'd)**

**Fund Accounting**

**Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

**Designated funds**

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

**Restricted funds**

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

**Endowment funds**

Endowment funds are donated funds to be invested to provide annual income to be used for the purposes of running Maggie's Cancer Caring Centres.

**Pension**

The Charity operates a group personal pension arrangement on a defined contribution basis for the majority of staff. Pension contributions are paid in accordance with the rules of the scheme.

Certain employees are members of the National Health Service Pension Scheme under a Direction arrangement whereby membership extends to non-NHS bodies engaged in the provision of health services. This is a defined benefit scheme administered in Scotland by the Scottish Public Pensions Agency and in England and Wales by the NHS Pensions Agency. The scheme provides benefits on final pensionable pay. Under Financial Reporting Standard 17 this is a multi-employer scheme and the contributions have been accounted for as if it were a defined contribution scheme as the assets of the scheme are not ring fenced for each employer.

**Operating lease commitments**

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

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)**

**2. Incoming resources from generated Funds**

	<b>Un-restricted</b>	<b>Restricted</b>	<b>2010</b>	<b>2009</b>
	£'000	£'000	£'000	£'000
Charitable Trusts	105	2,230	2,335	1,621
Statutory and Big Lottery Fund	-	791	791	169
Local Community fundraising	2,175	77	2,252	1,920
Companies	215	63	278	342
Individuals	613	2,675	3,288	1,283
Legacies	408	-	408	563
People's Postcode Lottery	-	655	655	628
Other	42	6	48	33
	-----	-----	-----	-----
	<b>3,558</b>	<b>6,497</b>	<b>10,055</b>	<b>6,559</b>
	=====	=====	=====	=====

**3. Total resources expended**

	<b>Costs of Generating Voluntary Income</b>	<b>Cost of Fund-raising Events</b>	<b>Support, Advice and Information</b>	<b>Governance Costs</b>	<b>2010</b>	<b>2009</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	2,163	376	2,599	-	5,138	3,885
Programme & Centre						
Running costs	-	-	240	-	240	284
Fundraising costs	702	481	-	-	1,183	912
Depreciation	43	6	427	-	476	502
Other costs	249	43	280	38	610	784
Premises and running costs	133	21	335	-	489	426
	-----	-----	-----	-----	-----	-----
	<b>3,290</b>	<b>927</b>	<b>3,881</b>	<b>38</b>	<b>8,136</b>	<b>6,793</b>
	=====	=====	=====	=====	=====	=====

Included in the above Costs of Generating Voluntary Income is £305k of costs directly associated with capital campaign fundraising.

**4. Net incoming resources for the year**

	<b>2010</b>	<b>2009</b>
	£'000	£'000
This is stated after charging:		
Depreciation	476	502
Directors' remuneration	120	109
Auditor's remuneration – audit services including VAT	18	18
Auditor's remuneration – non-audit services including VAT	3	3
	=====	=====

Employer's pension contributions of £14,740 were paid on behalf of the Chief Executive (2009: £13,376).

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)**

<b>5. Staff costs</b>	<b>2010</b>	<b>2009</b>
	£'000	£'000
Salaries	4,070	3,372
Social security costs	389	325
Pension contributions	273	249
	-----	-----
	<b>4,732</b>	<b>3,946</b>
	=====	=====

The average number of employees during the period was 118 (2009: 103). The split of the 118 employees is as follows: 51 employees in Programme, 38 fundraising for revenue, 13 fundraising for capital, 9 in Administration and 7 in Communications.

Laura Lee, who is a Director, is remunerated as the Charity's Chief Executive. The Articles of Association include a clause permitting remuneration of Directors. Emoluments, including benefits in kind, are within the range of £120,000 to £129,999, not including retirement benefits accruing under the National Health Service arrangement. No other director received any remuneration. Directors are paid expenses for attending meetings and duties directly related to their role as directors. In 2010 two (2009: one) Trustees were paid total expenses of £3,131 (2009: £762) for travel, subsistence and reimbursement of items purchased on behalf of Maggie's Centres. The funds of the charity have been used to pay premiums for Directors and Officers insurance amounting to £2,205 for the year to 31 December 2010 (2009: £2,205).

Costs of one person who is seconded from an NHS Trust, and one person seconded from a company are included in the salary costs above. The number of other employees whose emoluments as defined for tax purposes amounted to over £60,000 in the year was as follows:

	<b>2010</b>	<b>2009</b>
	Number	Number
£60,000 - £69,999	3	2
£70,000 - £79,999	2	-
£80,000 - £89,999	-	1
	=====	=====

These employees have retirement benefits accruing under a defined contribution scheme. Contributions totalling £26,267 were made in the year (2009: £19,732).

	<b>2010</b>	<b>2009</b>
	Number	Number
Number of employees with retirement benefits accruing under:-		
Defined contribution schemes	69	50
	=====	=====
NHS Superannuation scheme	28	27
	=====	=====

**6. Taxation**

The charitable company is exempt from corporation tax on its charitable activities.

THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST  
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)

7. Fixed Assets

	Freehold Land & Buildings	Tenants Improve- ments	Furniture and Fittings	Office Equipment & Computer Software	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 January 2010	170	10,075	517	570	11,332
Additions	1,457	1,755	34	74	3,320
Transfer	560	(560)	-	-	-
<b>At 31 December 2010</b>	<b>2,187</b>	<b>11,270</b>	<b>551</b>	<b>644</b>	<b>14,652</b>
<b>Depreciation</b>					
At 1 January 2010	-	979	385	331	1,695
Charge for year	-	233	73	170	476
<b>At 31 December 2010</b>	<b>-</b>	<b>1,212</b>	<b>458</b>	<b>501</b>	<b>2,171</b>
<b>Net book value</b>					
<b>At 31 December 2010</b>	<b>2,187</b>	<b>10,058</b>	<b>93</b>	<b>143</b>	<b>12,481</b>
At 31 December 2009	170	9,096	132	239	9,637

A transfer was made from tenants improvements to freehold land and buildings for the Cheltenham centre on completion of the construction.

8. Debtors

	2010 £'000	2009 £'000
Other debtors and prepayments	592	613

9. Creditors

	2010 £'000	2009 £'000
Other taxes and social security costs	164	117
Other creditors	517	329
Accruals	21	21
Deferred income	50	48
	752	515

Deferred income is income for sponsorship or entry to events to be held in 2011 that was received in 2010.

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)**

**10. Analysis of net assets between funds**

	<b>Endowment Funds</b>	<b>Restricted Funds</b>	<b>Designated Funds</b>	<b>General Funds</b>	<b>Total</b>
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	9,309	3,172	-	12,481
Net current assets	250	4,670	1,715	3,080	9,715
	-----	-----	-----	-----	-----
	250	13,979	4,887	3,080	22,196
	=====	=====	=====	=====	=====

**11. Movement in funds**

		<b>At 1 January 2010</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>	<b>At 31 December 2010</b>
		£'000	£'000	£'000	£'000	£'000
<b>Endowment fund:</b>						
Blakenham Fund	(i)	250	3	-	(3)	250
		=====	=====	=====	=====	=====
<b>Restricted funds:</b>						
<b>Centres capital funds:</b>						
Operational Centres	(ii)	6,830	664	(416)	-	7,078
Centres under development:		3,084	3,848	(229)	-	6,703
<b>Restricted revenue funds:</b>						
Centre programme funds	(iii)	81	1,513	(1,481)	-	113
Big Lottery Fund for Maggie's London		-	101	(101)	-	-
Big Lottery Fund for Maggie's Lanarkshire		36	146	(151)	-	31
Big Lottery Fund for Maggie's Oxford		-	94	(88)	-	6
Big Lottery Fund for Maggie's S W Wales		32	83	(102)	-	13
Fundraising and publicity funds		10	76	(51)	-	35
		-----	-----	-----	-----	-----
<b>Total restricted funds</b>		<b>10,073</b>	<b>6,525</b>	<b>(2,619)</b>	<b>-</b>	<b>13,979</b>
		=====	=====	=====	=====	=====
<b>Unrestricted funds:</b>						
<b>Designated funds:</b>						
Capital asset fund	(iv)	3,085	-	(213)	300	3,172
New Centres Development Fund:	(v)	2,123	-	-	(408)	1,715
General fund	(vi)	2,728	5,545	(5,304)	111	3,080
		-----	-----	-----	-----	-----
<b>Total unrestricted funds</b>		<b>7,936</b>	<b>5,545</b>	<b>(5,517)</b>	<b>3</b>	<b>7,967</b>
		=====	=====	=====	=====	=====
<b>Total funds</b>		<b>18,259</b>	<b>12,073</b>	<b>(8,136)</b>	<b>-</b>	<b>22,196</b>
		=====	=====	=====	=====	=====

The above funds carried forward at 31<sup>st</sup> December 2010 represent:

- (i) **Blakenham fund** - A donation of £250,000 to be invested to provide annual income to be used for the purposes of running Maggie's Cancer Caring Centres. The income for the year has been transferred to the general fund.
- (ii) **Centres Capital funds** – restricted grants and donations received which have been used to build Maggie's centres and funds held for the construction of new centres. The expenditure relates to depreciation for operational centres and direct fundraising costs for new centres. The transfer relates to capital expenditure on other fixed assets and the refurbishment of the Edinburgh Centre in the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)

11. Movement in funds (cont'd)

- (iii) **Restricted Revenue funds** – grants and donations given for specific centre programmes, fundraising or publicity. Details are given in respect of restricted funds for the Big Lottery Fund where separate disclosure is required by them.
- (iv) **Capital Asset fund** – the net book value of general funds invested in tangible fixed assets, other than those covered by restricted funds (see (ii) above) and which are not, by the nature of fixed assets, available for use for other purposes. Expenditure represents the depreciation charge for the year against the assets.
- (v) **New Centres Development fund** – the amount that has been set aside for specified centre construction in addition to the restricted funds (see (ii) above). The amount transferred will ensure that capital commitments for projects under construction can be met having taken into account pledges. The New Centre Development Fund represents an amount set aside to fund preliminary costs for developing other potential future centres and to refurbish or upgrade facilities at existing centres. The transfer represents the amount spent on fixed asset purchases, the refurbishment of the Edinburgh Centre, the requirements for new centre development and a transfer to the general fund to meet the increasing reserves level as a result of the charity's growth.
- (vi) **General fund** – this comprises the amount agreed by the board to be set aside to meet possible shortfalls in funding and unexpected increases in costs. The transfer represents the amount required to meet the increase in reserves to maintain the reserves policy laid down by the Board.

12. Subsidiary Companies

The Maggie Keswick Jencks Cancer Caring Centres Trust has the following subsidiary companies with the same charitable objects as the Trust, all are registered in Scotland:

The Maggie Keswick Jencks Cancer Caring Centres Trust (Dundee);  
The Maggie Keswick Jencks Cancer Caring Centres Trust (Glasgow); and  
Maggie's Trading Limited.

These are companies limited by guarantee, but due to the influence of the composition of the Board of Directors and the membership they are considered to be subsidiary companies. The subsidiary companies are now dormant.

Maggie Keswick Jencks Cancer Caring Centres Trust England is a charitable company limited by guarantee, registered in England with a year end of 31 January. It is also considered to be a subsidiary company, due to the influence of the composition of the Board of Directors. At 31 January 2011, the company had net funds of £8,163.

13. Capital commitments

	2010	2009
	£'000	£'000
Capital expenditure contracted for but not provided in the financial statements	5,231	1,223
	=====	=====

This relates to commitments made for the construction of Maggie's centres in Glasgow, Swansea and Nottingham for which funds are held in restricted funds and the New Centres Development fund.

**THE MAGGIE KESWICK JENCKS CANCER CARING CENTRES TRUST**  
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)**

**14. Other financial commitments**

At 31 December 2010 the Trust had annual commitments under non-cancellable operating leases expiring as set out below:

	2010 £'000	2009 £'000
<b>Land &amp; buildings</b>		
Expiring within one year	8	-
Expiring within one and two years	64	93
	=====	=====

Payments made under land and buildings operating leases in the year amounted to £93k (2009: £93k).

**Other assets**

Expiring within one to two years	9	1
Expiring within two to five years	22	29
	-----	-----
	31	30
	=====	=====

Payments made under other operating leases in the year amounted to £38k (2009: £33k).

**15. Pensions**

During the year the Trust operated a group personal pension arrangement for certain employees to which the Trust is contributing 6% of salary. Other employees are members of the National Health Service Pension Scheme under a scheme of Direction to which the Trust makes contributions at 14% of salary for the England and Wales scheme and 13.5% for the Scottish scheme. The total pension charge for the year was £273k (2009: £249k). Pension costs outstanding at 31 December 2010 were £37k (2009: £19k).

**16. Contingent liabilities**

There is one completed centre where a formal lease has not been signed with the appropriate Health Authority. This will be signed as soon as legal formalities are concluded.

**17. Reconciliation of net incoming resources to net cash inflow from operations**

	2010 £	2009 £
Net incoming resources	3,937	2,019
Interest received	(94)	(96)
Depreciation	476	502
Decrease/(Increase) in debtors	30	(62)
Increase/(Decrease) in creditors	237	(27)
	-----	-----
<b>Net cash inflow from operations</b>	4,586	2,336
	=====	=====

**18. Analysis of movement in net funds during the year**

	At 1 Jan 2010 £	Cashflow £	Other Non-cash Changes £	At 31 Dec 2010 £
Cash at bank and in hand	8,524	1,351	-	9,875
	=====	=====	=====	=====

