



TOGETHER WE'LL BEAT BLOOD CANCER

Report of the Trustees and Financial Statements
for year ended 31 March 2017

bloodwise.org.uk

Bloodwise
The blood cancer research charity

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Thank you from our Chair

Despite the challenging environment faced by most charitable organisations during 2016–17 and the significant changes we've made internally, we finished the year in a strong position and are confident about the future of Bloodwise.

We've learned a great deal about blood cancer in the 50 years we've been funding research and, as a result, many people survive who previously wouldn't have. However, there is still a vast amount we don't know and too many people still suffer, and many still die. We know that the best way to finally beat all blood cancers is to invest in research, and to do this we're reliant on the funds raised by our incredible supporters. Funding depends on awareness and understanding so we've worked hard in this area, as well as by supporting clinicians and patients in understanding blood cancer, but research remains our principal purpose.

Increasing the funds available to invest in research is our highest priority. We have a compelling fundraising proposition – and the benefit of the strong and deep relationships that we've built with the research community and other organisations over many years. We're confident that by focusing our efforts on fundraising, and working in partnership with supporters, researchers, other cancer charities and the NHS, we can both improve outcomes for current blood cancer patients, and bring closer the day when all patients diagnosed with blood cancer can be successfully treated.

The last year has been immensely challenging, both in terms of the changes that Bloodwise has experienced internally, and in terms of the external climate, which has made fundraising more difficult for all charities. Overall income stands at £16m and although this is a decrease of 5% on last year, we're encouraged by improvements seen in the second half of the year as exciting new activities begin to impact results. Notwithstanding the lower income, we've been able to approve research grants of £13.3m during the year and have paid out £21.2m to our researchers – an increase of £700,000 from the previous year – ensuring that Bloodwise continues to lead the way in shaping the future of blood cancer research.

Our identity as Bloodwise is key to this. Whilst there are many different types of blood cancer, each affecting relatively small numbers of people, together they are the fifth most prevalent form of cancer and, tragically, the third biggest cancer killer. We cannot fight blood cancer without public understanding of its impact, and awareness is currently low. That's why building a single community of people and organisations working together with a shared determination to succeed will be a priority for us going forward, building on the great strides forward that we've already made this year.

As ever, we've been encouraged and helped by the efforts of our loyal and enthusiastic supporters, staff and volunteers, many

of whom are patients themselves. We're immensely proud of our new Bloodwise Ambassador programme, launched with great celebration in September 2016 at the Speaker's House in Westminster. We're excited about our plans ahead to work with our Ambassadors to raise awareness of blood cancer, and Bloodwise. With over 130 Ambassadors each telling their personal story, we're putting the patient voice at the centre of all we do and spreading the word that, by working together, we can and will beat blood cancer.

During the year we said goodbye to Cathy Gilman, who led our charity with passion and enormous energy for nine years. She had the vision and determination to build the foundations for a community focused on beating all blood cancers. We are very grateful to her and wish her well in her new role. The Trustees were delighted with the resilience of the organisation at this time and I would like to thank Diana Jupp, our acting Chief Executive, for leading and sustaining our team of staff and volunteers during this time of transition. With the support of the other executive directors, she has ensured that the charity continues to operate smoothly and successfully. Also, after four years as Chair, Pelham Allen has decided to step down. During his time as Chair, the organisation has made significant progress, not least making the transition from Leukaemia and Lymphoma Research, a more introspective research charity, to Bloodwise, a broader organisation with greater influence on UK blood cancer policy and practice, to the advantage of all patients. We wish Pelham well, both personally and with all the other organisations through which he will continue to work tirelessly for the benefit of cancer patients. We also said farewell to two of our longest serving trustees, Peter Burrell and Zanna Floyd, who contributed their time and professional skills to Bloodwise over many years. It was our privilege to present Certificates of Merit to Cathy, Peter and Zanna in recognition of their work for blood cancer patients.

In September, our new Chief Executive, Gemma Peters, will be joining us. Gemma has spent the last ten years building a formidable fundraising operation to support university research, and has the experience and personal skills to lead Bloodwise as we engage with the challenge of marshalling resources to fight blood cancer. We've also just welcomed Dr Jane Stevens, a consultant haematologist, to our Board of Trustees and anticipate making two or three further trustee appointments during the year, including a new permanent Chair, to take Bloodwise forward to the exciting future we know is ahead of us.

On behalf of my trustee colleagues and all present and future blood cancer patients, I thank everyone who has supported Bloodwise over the last year, and look forward with confidence as we work together over the coming year.

Jeremy Bird
Interim Chair

About Bloodwise

We're the UK's leading blood cancer research charity. We've been working to beat blood cancer since 1960. We fund world-class research into all 137 types of blood cancer identified to date, including leukaemia, lymphoma and myeloma, and support all those affected by blood cancer with information and advice on the latest research, trials and treatments.

Our vision is to beat blood cancer. Until that day, we will:

- invest in research that:
 - develops cures for those who have blood cancer, now or in the future
 - continually improves the treatment and care for those who are living with blood cancer today
 - aims to stop blood cancer before it starts
- support patients and clinicians with expert information and advice
- provide a voice for people affected by blood cancer and champion their needs
- improve awareness and understanding of blood cancer and its impact.

Bloodwise in numbers

Research



£13.3M

research grants approved during the year



£21.2M

paid to our researchers for ongoing grants



190

research papers published in 2016

Our supporters



22,969

people took part in an event for Bloodwise



10,840

of those were sporting participants



98

trusts support us

Clinical Trials



1,000 people recruited to TAP trials

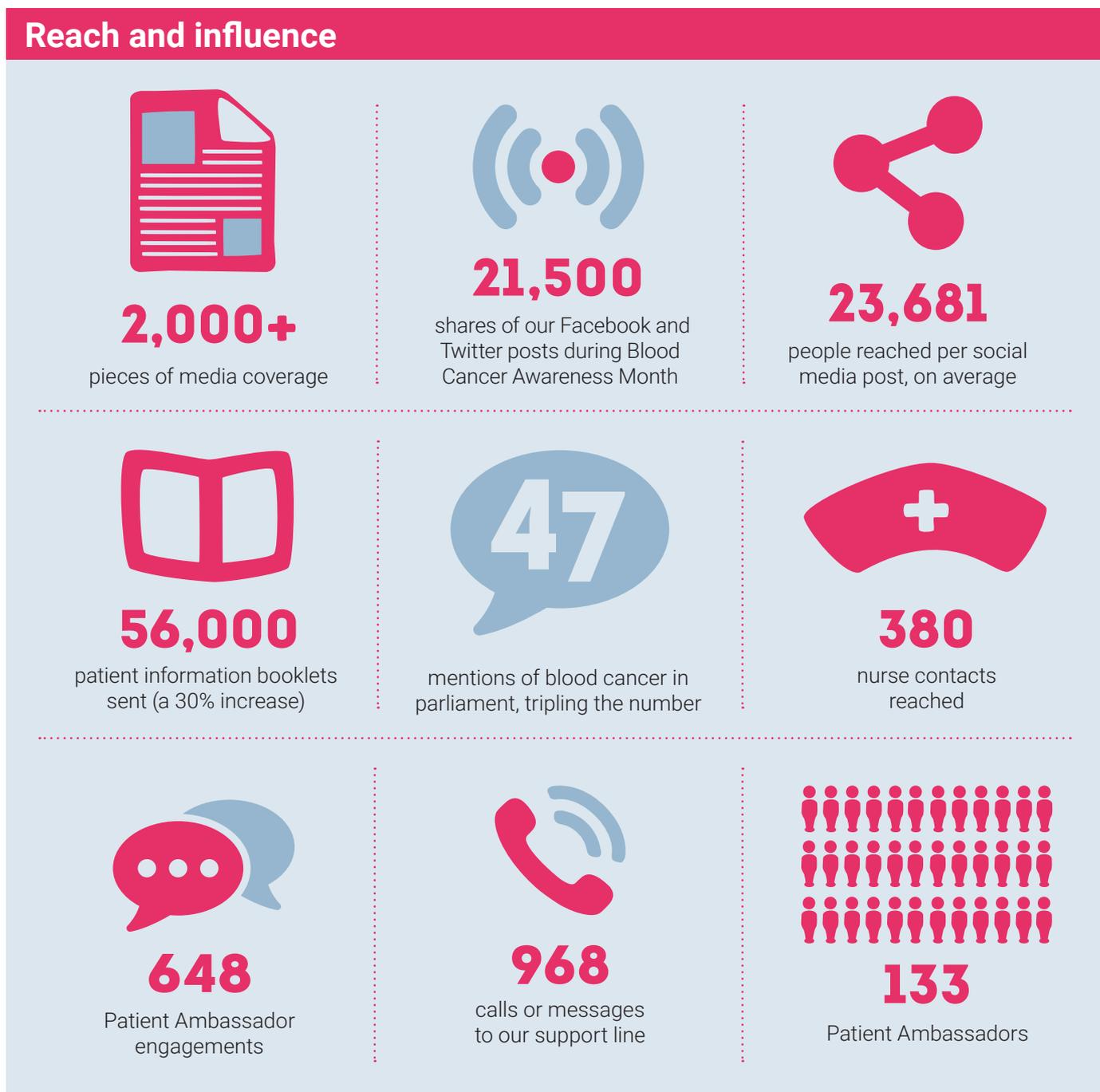


13

7

13 TAP centres and 7 affiliate centres

Bloodwise in numbers



About blood cancer

38,000 people are diagnosed with blood cancer each year in the UK. Blood cancer is much more common than is generally understood and together represents the fifth biggest group of cancers. In spite of tremendous progress in treatment, blood cancer is still the third biggest cancer killer and up to 14,000 people lose their lives each year.

One of the reasons that blood cancer is sometimes perceived to be rare is because there are 137 different types (identified to date). Some of them have better-known names like leukaemia, lymphoma and myeloma, while many of them – in spite of quite large patient populations – are hardly known at all. Blood cancer is unusual because it affects people of all ages – from newborn babies to the elderly. Although most blood cancers are diagnosed in people aged over 60, blood cancer is also the most common cancer in children and young adults. Unlike other forms of cancer, there is very little anyone can do to reduce their risk of getting blood cancer by changing their lifestyle.

We know that most blood cancers result from changes in a single blood cell. These abnormal cells multiply and divide, without the control mechanisms of a normal healthy cell. This interferes with the production of normal blood cells, and has other complex effects on our body that cause the symptoms of blood cancer. The goals of blood cancer research are to identify the changes in normal cells that cause blood cancer and use that knowledge to develop new targeted treatments, and to develop tests that help doctors give the right treatment to the right person at the right time.

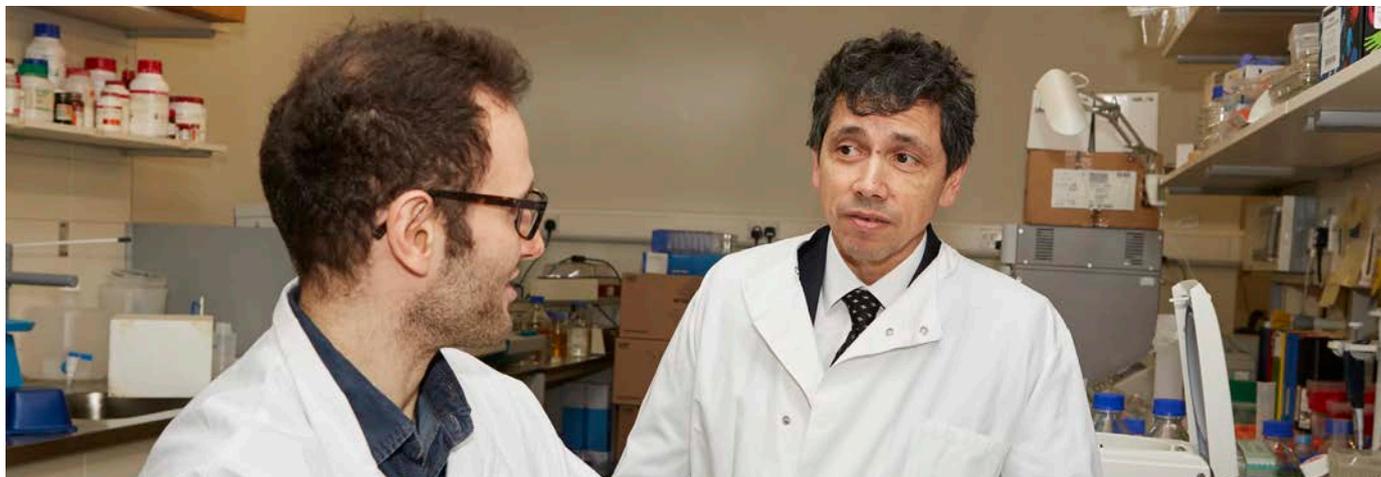
Due to the number and complexity of blood cancers, patient needs can vary enormously and can be quite different to those of other cancer patients. It's important that we work with people living with blood cancer, and with doctors and other care providers to further our understanding, to stop people from dying and to make patients' lives better.

Importantly all blood cancers are treated by the same specialist doctors, called haematologists. As many blood cancers are related, scientists and doctors working on different types have a lot to learn from one another. Our funding has built a community of researchers in the UK that is working every day to bring real change to people living with blood cancer.



Strategic report - achievements and performance

Goal 1: Delivering world-leading research



To ensure we're working towards our vision of a world without blood cancer, all of Bloodwise's work is focused around our five strategic goals – delivering world-leading research, improving care and access to best treatment, increasing awareness and understanding of blood cancer, raising income to fund research and services, and strengthening the organisation.

Research

Having significantly grown our investment in research awards over a period of several years, 2016-17 was a year of consolidation in which we focused on supporting our large portfolio of ongoing research. A challenging fundraising environment for all charities had an impact on our income and the amount that we were able to commit to new research during this period.

Alongside the renewal of two clinical fellowships and a number of awards to provide continuity to existing research, our major investment was in a new period of funding for our Trials Acceleration Programme centres, which began in January 2017. We also continued to receive and approve applications for clinical trials funded through the Trials Acceleration Programme.

Last year we said we would work with the research community to develop a new research strategy. During 2016 we began a dialogue with stakeholders in the blood cancer research community on our future strategy for investment in research. This dialogue will continue during 2017, as we enhance our use of expert advice in both the development of our research strategy, and research funding decisions.

In the spring of 2017 we opened a new funding round for Project Grants and for Programme Continuity Grants. New funding arising from this round will be announced in the autumn.

Trials Acceleration Programme

Where it is believed that a drug could save lives, we want that drug to be tested as quickly as possible. Employing an innovative model, the Trials Acceleration Programme (TAP) ensures that people living with blood cancer have access to therapeutic advances as quickly as possible, by boosting the speed at which clinical trials are conducted. TAP provides hope for patients who are likely to have exhausted all other options.

Our support for TAP funds a clinical trials unit hub in Birmingham, and thirteen TAP Centres around the country, where funding for research nurses and other clinical trials staff creates a national network for blood cancer clinical trials. In 2016, our existing TAP centres underwent an independent review to assess performance, in competition with applications from other locations that wished to join the network. The panel agreed that TAP was performing well and that the TAP Centres were critical to that success.

The level of interest in becoming a TAP Centre was high, with a significant number of new applicants. Funding was provided to thirteen centres, two of which are new to the network. Seven further locations were awarded affiliate status and will receive other benefits of being part of the network, including having full access to the TAP hub resource to help set up and manage studies.

Two of our key research breakthroughs from the past year:

New blood test for many AML patients changes care



Professor David Grimwade, King's College London

Acute myeloid leukaemia (AML) is one of the most common forms of leukaemia. Around 2,400 people are diagnosed in the UK each year, and survival rates are extremely poor. About a third of patients with AML have faults in a gene called NPM1.

Intensive chemotherapy offers the best chance of a cure, but it is very common for AML to come back. When doctors think that a patient is at high risk of relapse, they are often treated with a bone marrow transplant. But finding a donor can take time and the treatment is gruelling, so knowing exactly who really needs a transplant is important.

Scientists led by Professor David Grimwade at King's College London developed a 'minimal residual disease' (MRD) test in the laboratory then used it to predict relapse in AML patients who had undergone chemotherapy. All of the patients involved were taking part in a clinical trial and had a type of AML driven by faults in the NPM1 gene, which the new test can identify.

The team found that the new test was far better and quicker at predicting relapse compared to current methods. Patients who had detectable levels of NPM1 after treatment were more likely to relapse, so would benefit from a bone marrow transplant as early as possible. Bone marrow transplant is a life-saving treatment when it is needed, but carries significant risk for patients. Patients who had no signs of NPM1 were shown to be less likely to relapse, so could avoid an unnecessary bone marrow transplant.

Dr Richard Dillon who was part of the study says: "Because of its success, the MRD test has quickly moved to the pathology services at King's College London, so is now available to patients across the UK. This means that on a weekly basis, patients who are doing well on their chemotherapy are being identified, and some are even avoiding having a bone marrow transplant procedure altogether."

Very sadly, Professor Grimwade died in October 2016. He is a huge loss to the international research community and is greatly missed by all who knew him. He was committed to training the research leaders of the future and the team he led continues his life-changing research programme.

Research breakthrough as possible approach to curing CML identified (Professor Holyoake, Glasgow)



Professor Tessa Holyoake, University of Glasgow
Professor Tony Whetton, University of Manchester (not shown)

People living with chronic myeloid leukaemia (CML) have benefitted from enormous improvements in treatment since the development of Imatinib. Imatinib and other similar new drugs are tyrosine kinase inhibitors (TKIs) which target the CML cells very precisely, driving cancer into remission. This means that most people can now live with their CML and many have a good quality of life.

But while TKIs effectively hold back CML, they do not cure it. A small population of cancer stem cells remains and if treatment is stopped, the leukaemia relapses in the majority of patients. This means that CML patients need to remain on treatment for their lifetime. These drugs, as well as being costly to administer, can cause a number of side effects including diabetes and vascular problems.

To understand how CML stem cells might be targeted, an interdisciplinary research team, led by Professor Tessa Holyoake from the University of Glasgow and Professor Tony Whetton from the University of Manchester, used a range of techniques to compare CML stem cells and normal blood stem cells. They found that that two proteins (p53 and c-Myc) act as 'gateway controllers' in CML. Drugs that target these proteins are available, so the team could show in the laboratory that they can be used together to target these critical proteins and kill the cancer stem cells, while largely sparing normal cells.

These hugely significant findings suggest that targeted drugs could be developed to cut the cancer off at its roots while sparing healthy cells, providing hope of more effective and kinder treatments.

The results have potential implications for other cancers including acute myeloid leukaemia and brain tumours. The researchers are now keen to build on their work by beginning human trials in patients with drug-resistant CML.

Professor Holyoake, who led the team from the Paul O'Gorman Leukaemia Research Centre, said: "We are certainly excited by the results shown in the study. The research – a fantastic example of precision medicine in action – is at an early stage, but the data we collected has revealed two weaknesses in CML and a potential drug approach to eradicating these key stem cells. We also could not have achieved such an excellent result without all the generous stem cell donations from both CML patients and other members of the public, so it is important to say thank you to them."

Professor Whetton said: "We have found a way to kill leukaemia stem cells which could lead to a cure for chronic myeloid leukaemia instead of managing the disease. We are really excited that our new proteomics approaches helped to achieve this."

Goal 2: Improving care

Our Patient Services, and Policy and Public Affairs work is led and shaped by the patient experience. By listening to patients and their loved ones about their experiences and needs, we work together to develop, improve and expand our reach and influence to improve care and access to treatment, and provide excellent quality support and information.

This year the information and support provided by the Patient Services team has seen a continual increase in demand across all services. We distributed 56,000 patient information booklets, an increase of 30% on last year. There were 968 support calls and emails this year, almost doubling last year's total. Our social media platforms have seen continually high reach and engagement figures, with 111,396 different posts, comments, shares and retweets over the year, with an average reach of 23,681 people per post. Particularly successful have been the six Facebook Live sessions we've co-ordinated, where we've seen some of our largest viewing figures, one post gaining 3,643 views. These sessions are offering a new and valuable form of peer to peer support to blood cancer patients.

Last year we postponed the launch of Blood Cancer Connect, our digital signposting service, to further develop the site and ensure it fully reflected patients' needs. We said that we would soft launch the site for testing in May 2016. Following testing with patients and Health Care Professionals, Blood Cancer Connect has seen dramatic improvements this year in design, functionality, and user experience. We've been working with our associated cancer charities and organisations to ensure the product is as effective as possible and will launch the service in the autumn of 2017.

We're incredibly grateful to our Medical Advisory Panel, chaired by Dr Kirit Ardeshta who have been fantastic in supporting so many areas of our work including writing and reviewing our literature, ensuring that all our information is up to date, clinically accurate and relevant, supporting our services team in answering complex clinical queries, providing expert opinion and comment in our policy, public affairs and media work, and providing input and insight into the strategic development of our services.

Key highlights:

The establishment and launch of the first All Party Parliamentary Group (APPG) on blood cancer

The Group was launched in June 2016. Bloodwise is providing secretariat support and will work together with everyone in the blood cancer community to raise awareness of blood cancer and make sure the voice of blood cancer patients is heard in Westminster. The Group's first inquiry is into blood cancer care in the NHS and will look at all aspects of blood cancer, including awareness, diagnosis, patient experience, commissioning of services and clinical research.

Three year strategic research programme – making the Cancer Recovery Package work for blood cancer patients

Patients have told us that due to the differences in blood cancer compared to solid tumour cancers, the Cancer Recovery Package is often not appropriate for them. In partnership with the pharmaceutical firm Janssen, we launched a three year project to assess the views of blood cancer patients and healthcare professionals of the Recovery Package, and based on these findings, develop a workable solution that will allow blood cancer patients to access the best care and support possible.

We're really pleased to be able to work in partnership with pharmaceutical companies where such partnerships support our mission. Our pharmaceutical policy – which is available on our website – provides clear principles and guidance about how we work with pharmaceutical companies to enable us to achieve the charity's mission, without affecting our ability to offer independent and unbiased patient information, or influencing our campaigning, research or fundraising activities.



Patient Information - Achieving the NHS Information Standard:

Following an extensive review process in October 2016, Bloodwise was recognised as a provider of high-quality, reliable health and care information by being awarded the Information Standard, a certification scheme established by the Department of Health and NHS England. This means we've proved that our information for patients is evidence-based, peer-reviewed, and produced in partnership with people affected by blood cancer.

With seven updated and revised publications and factsheets this year we continue to improve our information that supports people with blood cancer to understand their condition and take an active role in their own care and treatment.



Bloodwise Ambassadors:

In September we were delighted to officially launch our Bloodwise Patient Ambassador Programme at Speaker’s House. We’re now working with 133 Ambassadors who provide a voice for blood cancer patients in the UK, raising awareness and connecting our support services with those who need it. This year there have been 648 recorded Ambassador engagements, ranging from reviewing our patient information to ensure it is relevant and accessible for patients, giving interviews to the media about their blood cancer experience, providing insight to policy issues that impact other patients, supporting us at corporate pitches to emphasise the necessity of certain projects we are initiating, raising awareness in their local healthcare settings, and importantly supporting other patients online and face to face at the many events they have attended.

By talking to key decision makers in the government and NHS about their experiences with blood cancer, Ambassadors provide a unique perspective. This has significantly helped our position in negotiations with NHS England over the Cancer Drugs Fund and in our efforts to put blood cancer on the political agenda.



Ambassador, Melody Berthoud and her son Andrew –Together with his mum, Andrew has appeared in the national and local press, and attended Christmas with the Stars and the Gala performance of *The Girls*, all helping to raise awareness. He was featured in the Winter appeal and his story was covered on BBC London news.

Reaching more health professionals:

With the launch of our Nurses Network, we’re extending our reach to nurses all over the UK, increasing hospital engagement and referral to support services. We now have 359 nurses in the Network, all of whom receive our monthly eBulletin promoting the various activities we are running, as well as user generated content from nurses documenting their impact in patient care. 85 of these nurses are also part of our private nurses Facebook group which is set up to provide nurses the opportunity to share best practice and ask questions amongst each other

Launch of RCN accredited E-learning Resource:

In collaboration with our Nurses Network Working Group we’ve developed our first e-learning resource for junior ward nurses and new starters in haemato-oncology. We’re currently conducting a pilot study with three different hospitals trialling the project and have been getting excellent results so far with 76 nurses signed up to the course. The course and its impact on practice will be evaluated and reported on following the end of the pilot period in October 2017. We’re delighted that we’ve also been successful in achieving Royal College of Nursing accreditation for this, which will be invaluable for nurses in the revalidation of their qualification.

To support our Nurse Network further, we held our inaugural Shared Learning Conference for nurses where we held sessions on improving communication and self-care to improve standards of care for blood cancer patients. This proved very successful and 100% of attendees said that they would be very enthusiastic to attend another conference of this kind.



Goal 3: Building awareness

Throughout the year, we've been increasing our coverage and building awareness through our successful campaigns, notably our "3rd & 5th campaign" which helped spread the message that blood cancer is the third biggest cancer killer in the UK and the fifth most common cancer. We know that due to the number and complexity of blood cancers, and the lack of obvious symptoms which are present in many other types of cancer, general understanding is low. Low awareness and understanding of blood cancer can be a factor in delayed diagnosis and a poorer patient experience of diagnosis and treatment. By raising awareness and increasing the understanding of blood cancer, people are better able to access the support and information they may need and find out about the role and importance of blood cancer research.

We've made great strides forward this year in putting blood cancer onto the political agenda. Through our work with the first All Party Parliamentary Group (APPG), we've doubled our list of MP supporters and tripled the number of mentions of blood cancer in parliament.

We're also grateful to Time Inc. for the significant amount of pro bono advertising placed across 38 of their titles, with a total value of £458,551.

Raising awareness of Bloodwise and blood cancer, both with people affected by blood cancer and with key decision makers, will be a key priority for the coming year.

Key highlights:

Blood Cancer Awareness Month and World Cancer Day

We had a successful Blood Cancer Awareness Month in September 2016 across print, digital and social media. During this time our Facebook and Twitter posts were shared a total of 21,500 times.

During World Cancer Day in February we secured coverage in the nursing media and reached 40,000 people on social media. This led to a significant increase in requests for patient information – 2,112 items were requested during the week of World Cancer Day, compared to a weekly average of 965.

Our Patient Ambassadors

Our Patient Ambassadors were instrumental in helping us to reach more than 3 million people on Facebook alone during Blood Cancer Awareness Month, through their blogs, patient videos, and Facebook Live interviews.

They are also raising awareness in hospitals and local healthcare settings, and giving interviews to the media.

Website

Last year, to coincide with our name change, we built a new website to help us raise awareness and communicate strategically about blood cancer and Bloodwise. However, the site was not as user-friendly as we'd hoped and we saw a negative impact on our search rankings. We've spent the year improving our homepage and the donation experience, yet the performance of the website remains less than optimal. We've therefore invested time and resources to redesign the existing site to further improve the user experience. The newly designed site will be launched in summer 2017.

Impact events

This year Bloodwise moved from hosting one London Impact event to delivering five regional ones, reducing the costs significantly, and making the events more accessible to people all over the country. Bringing together patients, supporters and those affected by blood cancer with our staff, leadership team, blood cancer researchers and healthcare professionals, we reached more people than ever before, with 379 registrations including over 50% of attendees who had not previously attended an Impact event. These events provided an opportunity for us to meet up and share how we are facing blood cancer together, with over 95% saying they would be interested in attending an event in the future.



Goal 4: Raising Income

As noted earlier in this report, 2016-17 has been another challenging year for charities, particularly those such as Bloodwise that receive no government funding and rely on fundraising from individuals, corporates, trusts and foundations. Given the overall environment and some internal leadership changes in fundraising, we've reviewed our fundraising activities throughout the year to ensure we're investing in the right and the most profitable income streams. A more in-depth review is planned for 2017-18 to ensure we're maximising all our opportunities and have enough diversity in our portfolio.

Yet, despite a challenging year for fundraising, we've continued to consolidate important sources of income from our supporters and our branches, and we've worked hard to strengthen existing partnerships and to develop new ones. Legacies continue to play a vital role in Bloodwise and provide the foundation upon which we can build a more stable future. As noted elsewhere in this report, legacies accounted for £5.8m of income this year, an increase of 15% from last year.

We have an excellent reputation for high-profile sporting events but this is a highly competitive area of fundraising and so it is more important than ever that we are continually reviewing our portfolio of events, and improving our supporter journeys. We are grateful for the ongoing support and sponsorship from TV Times and Time Inc whose commitment to raising funds for blood cancer research and Bloodwise has been unwavering since 1982. Thanks to our Honorary President Ken Lomas who initiated and developed this vital relationship with the establishment of the first celebrity running team which continues today, thousands of supporters turn up to run, cycle, walk and cheer every year for Bloodwise. Cycling Weekly were once again the media sponsor for our London to Paris bike ride in 2016, and we're grateful they will continue to support us in this way in 2017 and 2018.

Partnership and Philanthropy is a relatively new area for Bloodwise, yet we believe it holds great potential, particularly in terms of restricted funding. Our Major Donor Programme is still in its infancy, it is generally understood to take 3-4 years to develop, but we are beginning to have some successes. In Autumn 2017 we will launch the Bloodwise Giving Club, a high net worth giving club designed to increase major donor support through building a solid base of committed annual giving.

Our small Trusts and Corporate team have had particular success with Trust Fundraising this year, applying for restricted funding for both multi-year research programmes as well as small one-off grants for new service provision. We continue to seek new business and corporate partnerships to work with us to help us achieve our vision to beat blood cancer. Similar to sport fundraising, it is a very competitive field. However,

we're hopeful that with investment and an increase in brand awareness over the coming years, we will secure a range of new and exciting corporate partnerships and will continue our work with Barclays and Morgan Stanley through our Light the Night fundraising programme.

With 118 local branches and fundraising groups our community fundraising has always been at the heart of what we do and continues to have great potential for us. This year, we've been investing in more community products to support the work of the branches and fundraising groups, but also to extend our reach to new audiences. Examples of these include the Reindeer Run, our first Burns Night Supper, and a new fundraising initiative, Tea with the Girls, which will generate income in the 2017-18 financial year. These fundraising products have proven to be popular and we hope to replicate and build on their success year after year.

Key highlights



2017 Prudential RideLondon Charity of the Year

We're delighted to have won the 2017 Prudential RideLondon Charity of the Year partnership, selected from more than 100 charities. Our close involvement with this prestigious event means that we receive a wide-ranging package of benefits and support from the event organisers to maximise fundraising efforts around the event, including 200 guaranteed places. The event has a huge fundraising potential and so we're optimistic about the impact that this will have on our fundraising income in the 2017-18 financial year.

The Girls musical

This year saw the opening of The Girls in the West End, a musical comedy based on the story of our inspirational fundraisers, the Calendar Girls. The musical is supporting Bloodwise through bucket collections after every show and by donating all profits from merchandise sales. The Gala night of the show attracted fantastic, five star, media coverage with co-writers Gary Barlow and Tim Firth attending alongside the original Calendar Girls, celebrity guests and Bloodwise Patient Ambassadors. The show has also inspired our new fundraising initiative, Tea with the Girls, a campaign that encourages family and friends to enjoy an afternoon tea together to raise money for Bloodwise. We look forward to seeing the impact of this initiative on our fundraising income in the 2017-18 financial year.

Sam Heughan and My Peak Challenge

We've had continued success with our Scottish President, actor Sam Heughan's 'My Peak Challenge'. The fundraising and fitness campaign has brought in over £500,000 for Bloodwise since it started in 2015. It's gaining momentum and helping us to build awareness. A £308,000 grant awarded by Bloodwise to the Camelia project, a first-in-human trial testing treatment for AML – one of the most aggressive forms of leukaemia – is being funded by MPC, and we're now discussing another project with MPC for future funds to go towards.

Wickes partnership

Our hugely successful ten-year partnership with Wickes came to an end in July. Bloodwise became Wickes's first-ever national charity partner in 2006, initially for an 18-month period. The collaboration went from strength-to-strength with enthusiastic colleagues, customers and suppliers uniting to raise £4.8m.



Goal 5: Strengthening the organisation



We recognise how important it is to have an engaged team who believe in our purpose and objectives, as well as the infrastructure to enable us to operate efficiently, to drive us forward in our vision of beating blood cancer. Changes in leadership posed a challenge to the organisation this year, as did the recognition of long-term under-investment in our IT infrastructure. We carried out a comprehensive review of our systems and completed some critical upgrades, including replacing ageing servers and improving the reliability of our back-ups.

We began the process of recruiting our new CEO, and we look forward to welcoming Gemma Peters in September. We will also begin the process of recruiting our new Chair of the Board of Trustees.

We've merged our fundraising and marketing teams into one directorate to encourage even greater collaboration between teams and to ensure effective stewardship of our supporters. This year we've also created a new Planning and Performance team to support the organisation in tracking key performance indicators which will improve the efficiency and effectiveness of our fundraising and other activities.

In November we conducted our second staff survey, externally hosted by ORC International. The aim of the survey was to assess staff engagement levels, identify issues which contribute to staff turnover, and give us clear data to show areas in which we are performing well and areas where we can improve.

We had an excellent response rate across the organisation, with a 93% completion rate. This is very high for any organisation and has allowed us to take away clear action points. The survey showed us that we have a team who are proud to work for Bloodwise, and understand how their role contributes to our vision of beating blood cancer. The results show that staff are feeling better informed and more challenged and motivated in their work than last year. This year we created a cross-functional team to put in place a plan of action in response to the survey results.

The survey will be repeated in November 2017 to enable us to review the impact of our response to the 2016 survey results.

The year ahead – our next steps

We're operating in uncertain times – an unpredictable political and economic climate will inevitably pose challenges to the National Health Services over the next few years. This means that the services and support that we provide to blood cancer patients will be more vital than ever.

Despite these challenges, we're optimistic about the year ahead, which will see a renewed emphasis on fundraising to support our research investment strategy.

We'll also see the impact of our investments in key projects that will support the delivery of our strategic priorities. We've made significant improvements to our website in order to make it easier for patients, professionals and supporters to find what they need, and to increase awareness of Bloodwise and blood cancer.

We're delighted that we'll be joined in September 2017 by our new CEO, Gemma Peters, who brings a strong background in fundraising and leadership, and is experienced in working with the research community. She is currently managing a team of 140, so is familiar with managing teams similar in size to ourselves. By strengthening our board membership, we'll ensure that we have the correct governance in place to deliver on our strategic priorities.

Strategic priorities for the year:

1. We will aim to increase our investment in new research awards, focussed on project grant and programme continuity grant funding.
2. We will continue to develop our long-term strategy for investment in research, in discussion with the blood cancer research community, people affected by blood cancer, and our partners working in blood cancer.
3. We will aim to increase our reach and engagement with people affected by blood cancer through our new website, our patient information, Blood Cancer Connect and our Ambassadors programme.
4. We will continue in our efforts to build awareness of blood cancer, blood cancer research and Bloodwise with people affected by blood cancer and with key decision makers.
5. We will renew our emphasis on fundraising to support our research strategy.
6. We will improve efficiency and effectiveness and continue to strengthen the organisation.

Financial review

Your support

Income

A total of £16.0m was generated during the year, a decrease of £0.9m (5%) on last year. Voluntary income and Legacies are the two largest sources of income accounting for 52% and 36% of total income respectively (FY16: 58% and 30%).

Voluntary income includes donations from individual giving, community fundraising and sports events along with income from corporates, trusts and philanthropists. In 2017 we raised £8.3m which was £1.5m (16%) lower than 2016. The reduction was primarily due to a drop in Sports fundraising arising from lower participant numbers. We believe that website problems and the impact of the name change last year had a significant negative impact on registrations and hence fundraising. We are starting to see stronger registration results in some areas ahead of the current season and have been selected as Charity of the Year for Prudential Ride London Surrey 100.

Legacy income was £5.8m which was £0.8m (15%) higher than 2016. The value of legacy income from year to year is very variable but the level of income in 2017 is close to our long-run average. At the year end the value of legacies notified to us but which have not been received or accrued was £3.8m which is £2.0m (111%) higher than 2016.

Investment income

Investment Income was £1.0 million, similar to the previous year. In light of continued uncertainty in the wider environment and our plans to use reserves to invest in research, we have maintained the lower risk liquidity portfolio at a similar level to FY16.

Expenditure on raising funds

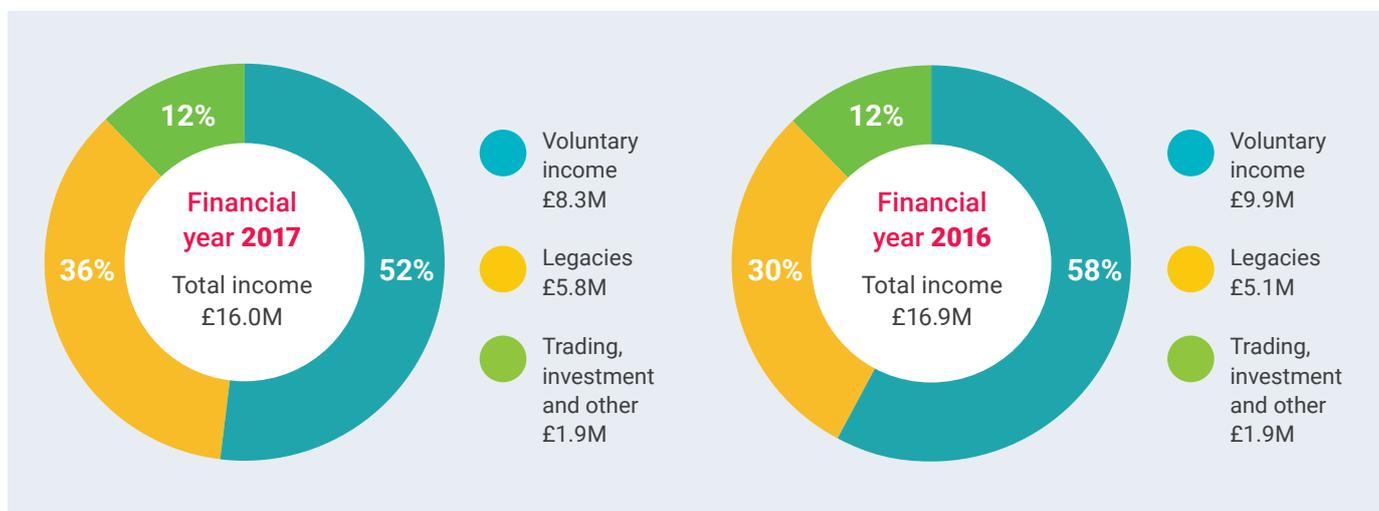
Total expenditure on raising funds was £5.9m, a reduction of £0.6m on last year.

The cost of raising donations and legacies was £5.5m which is £0.5m (8%) lower than 2016. This reflects a continuing focus on efficiency and the decision to drop a number of poor performing activities. The balance of costs relates to trading activities and investment management fees.

Funds

Our income is made up of restricted income, which must be used only for the purpose specified by the donor and unrestricted income, which may be used by the charity for its general purposes to fulfil its charitable objectives. Our overall results show net expenditure for the year of £4.2m. Net investment gains of £4.6m resulted in a net increase in funds for the year of £0.4m. At year end we had restricted funds of £0.2m representing funds received during the year which had not been expensed before year-end, and unrestricted funds of £7.6m.

Our income at a glance



Charitable expenditure

In FY17 we expended £14.2m on charitable activities, only £0.1m less than last year. Net research grant commitments excluding writebacks totalled £12.7m (FY16: £13.5m) and comprised net new grant commitments of £4.8m along with confirmation of deferred commitments arising on existing grants of £7.9m. Deferred commitments relate to the portion of grants (typically years 4 and 5) that are subject to successful completion of the first three years of research.

Grants awarded this year included £1.7m for the Trials Acceleration Programme (TAP) centres, which provides three years of funding. TAP has been very successful in delivering new trials and increasing options for patients.

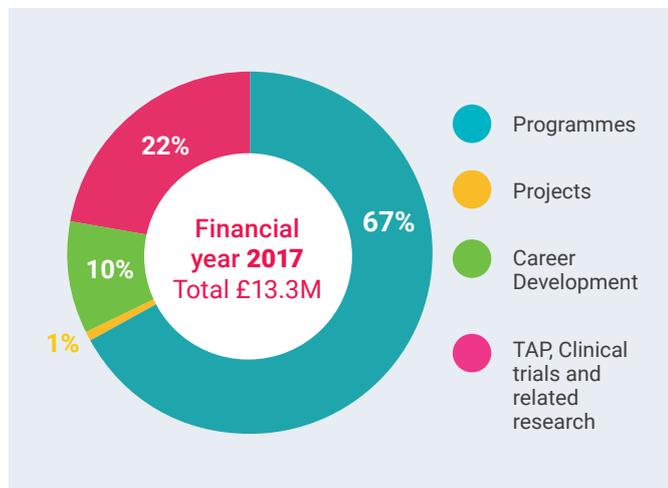
We also wrote back unspent research commitments made in previous year of £1.0m (FY16: £2.4m).

Patient benefit activities relates to our patient services, policy and awareness activities. The prior year included a one-off national awareness campaign, whereas the investment this year (£1.7m) reflects a more normal level of activities. We have continued to develop the Blood Cancer Connect information service which will launch in the new financial year.

Research payments

Because we make commitments that extend over periods of more than one financial year, we have to consider the new commitments that we make in terms of the cash flow payments that they will generate in future years. Unlike other charities where income and expenditure often occur within a single financial year, we must ensure that we keep suitable investment balances to ensure that our payments to existing commitments can be met. During the year we made payments of £21.2 million (FY16: £20.5m) on existing research commitments and we expect this to be similar over the next two years.

Research expenditure in FY17 by type of grant

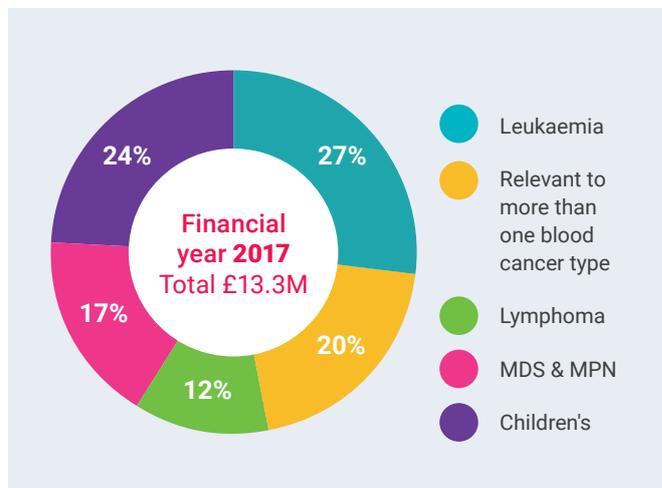


Of the grant commitments made this year, £8.9 million was invested in specialist programmes. Programmes are awards made for up to five years to support a team of researchers in tackling more extensive long-term goals that have the potential to deliver impact for patients.

This year we invested nearly £2.9 million in trials and related research. Because of our previous investment in Trial Acceleration Programme infrastructure and centres, new trials start each year without incurring an additional commitment to the charity and therefore the scale of our new investment does not directly reflect the scale of new activity.

We invested £1.4 million in career development awards that ensure we are helping to develop the skills and capabilities that will be needed for our research in the future.

Research expenditure in FY17 by blood cancer type



As we understand more and more about the biology of cancer, we understand the control mechanisms that are disrupted for cancer to take hold. These mechanisms are true for many forms of cancer, so much of our research is relevant to different blood cancers and even other forms of cancer. It is therefore challenging to separate our research portfolio according to blood cancer type, but these charts give an indication of the primary focus of our new research commitments over the past 12 months.

The chart above shows the types of blood cancer that the grants we awarded this year are investigating. It does not include grants made in previous years. The balance of our awards changes significantly from year to year. For example, in Financial year 2016, 10% of our investment was in myeloma research and funding for those awards continues.

Active research grants by location in FY17



Reserves policy

Our grant commitments are long-term, and recognised as liabilities in one year but only payable up to three years later. The aim of the reserves policy is to optimise the balance between short-term spending and longer-term sustainability. Our emphasis is on cash-flow management to ensure that we are able to make payments when due, rather than keeping assets to cover every liability. For this reason we define our reserves as cash and investments.

The reserves policy requires that we maintain cash and investments at a level:

- not more than 24 months grant payments plus six months operating expenses; and
- not less than 12 months grant payments plus six months operating expenses.

In addition, the policy requires total assets (excluding tangible fixed assets) to exceed current liabilities at all times. A traditional definition of reserves, based on net assets, compares total assets to total liabilities, without regard for the timeframe in which those liabilities will become payable.

Based on the current grants position, the reserves policy requires us to hold between £34.9 million and £44.0 million in liquid and readily realisable assets. At 31 March 2017, cash and investments (including current asset and fixed asset investments) were valued at £48.7 million, sitting slightly above the Upper reserves limit. In accordance with the current plans, we expect reserves to drop between the upper and lower limits in the next financial year.

Although the balance sheet shows net current liabilities of £7.8 million, we expect cashflow generated by operating activities to enable liabilities to be met as they fall due. In addition the fixed asset investments, valued at £26.0 million at year-end, are all tradeable assets and can therefore quickly be converted into cash if needed.

Investment policy and performance

Our investments (excluding properties) were valued at £46.8million at 31 March 2017 (£53.8m at 31 March 2016). Bloodwise has two portfolios, the long-term main portfolio and the liquidity reserve portfolio. The main portfolio is split between Cazenove Capital Management and CCLA whilst the liquidity reserve portfolio is managed by Cazenove. At year end the value of the main portfolio was £26.0 million (£31.6m at 31 March 2016) and delivered a total return in the year of 17.4% against an objective of 5.3% (being CPI +3%).

In light of the continuing volatility in capital markets, and the reserves policy, Trustees chose to hold higher cash balances in the liquidity reserve, which at the year-end was £20.8 million (£22.2m at 31 March 2016). The liquidity reserve portfolio delivered a return of 0.9% against a target of 0.5%. These investments, together with cash held in bank current accounts and fundraised income, provide assurance that we can meet our future grant commitments when they fall due.

At Bloodwise we give careful consideration to positive social impact in the widest sense and seek to follow the guidance on ethical investment provided by the Charity Commission guidance in *CC:14 Charity and Investment matters: a guide for Trustees*. The Investment Committee, with the advice of our investment managers Cazenove and CCLA monitor the appropriateness of investments with regard to the aims and reputation of the charity, as well as potential financial performance.

We seek to avoid investment in companies or sectors undertaking a particular activity or operating in a way which may be harmful to our charity's interests. As a charity concerned with the health and wellbeing of blood cancer patients we avoid direct investment in any company where the major part of their business activity or focus is tobacco products.

We also monitor opportunities to make investments in companies or sectors which reflect our charity's values. Both investment managers have teams dedicated to socially responsible investment and their investment approaches incorporate a social, environment and ethical policy. These policies are reviewed annually by our Investment Committee.

Principal risks and uncertainties

Identifying and managing the possible and probable risks that a charity may face over its working life is a key part of effective governance. In managing risk, Trustees aim to ensure that significant risks are known and monitored, to enable informed decisions to be made and timely action to be taken. It also means that Trustees can make the most of opportunities and develop them with the confidence that any risks will be managed.

Risks are identified and given ratings from low to high according to the likelihood of their occurrence and their impact should they occur. All risks on the register are reviewed but particular attention is paid to those that are considered to have a high likelihood of occurrence and a high level of impact.

The risk register is dynamic, showing movement in risk ratings between periods as well as a traffic light system to demonstrate confidence in the control. The Audit & Risk Committee meet every four months to review all risks, making changes to the register as risks are mitigated and new ones emerge.

The Board of Trustees review the risk register in its entirety annually and specific areas of risk when required. The major risks to Bloodwise; the potential impact and probability associated with each risk; the existing internal controls and accountability for them; and the mitigating actions needed to reduce each risk have been considered by the Trustees. They are satisfied that systems and procedures are established in order to manage those risks.

The table shows risks that were agreed by the Trustees as rated high in probability of occurrence and impact, as at March 2017.

RISK	MITIGATION
Economic pressures, competition and poor delivery negatively impact on voluntary income	<ul style="list-style-type: none"> Maintaining a broad-based fundraising approach Optimising existing activities and building on under-developed opportunities Consolidation of Fundraising and Marketing and strengthening capabilities Continuing to develop and improve our website Annual budgeting and regular performance monitoring through management reporting
Non-compliance with legislation or regulation leads to penalties and/or reputational damage.	<ul style="list-style-type: none"> Regular review and monitoring of legal and regulatory environment to ensure potential risks are pro-actively managed Key risk areas are audited (either internally or using external expertise) to ensure compliance and identify improvement opportunities. Project underway to prepare for the forthcoming GDPR regulations.
Reduced income causes disruption to long-term research capacity	<ul style="list-style-type: none"> Clear and ongoing communications with grantholders about funding status Collaboration with other funding bodies to maximise value of funding available Transition funding where appropriate Development of Research Strategy alongside organisational strategy

RISK	MITIGATION
<p>Uncertainty due to senior staff changes leads to reduced effectiveness</p>	<ul style="list-style-type: none"> • Appointment of interim CEO with strong relationships across the organisation and very experienced interim Fundraising & Marketing Director • Ensuring clarity around key priorities • Regular communications to staff about organisational performance and key recruitment processes • Announcement of new CEO (due to join in September 2017) • Recruitment of new Chair to replace Pelham Allen
<p>Old IT infrastructure and systems lead to loss of data and/or inefficient work</p>	<ul style="list-style-type: none"> • Regular backups ensure data is secure • Project launched to update infrastructure and support services.
<p>Volatility in investment markets reduces ability to fund future research commitments</p>	<ul style="list-style-type: none"> • Investments split between a longer term fund and a short-term low-risk fund • Professional investment managers employed to manage the funds • Regular review by Investment Committee of performance of funds and Investment Manager alongside organisational funding requirements • Short-term fund maintained at higher level in light of economic uncertainty

Subsidiaries and related parties

Bloodwise has two wholly owned subsidiaries, Bloodwise Trading Ltd and Leukaemia & Lymphoma Research Limited.

The principal activity of Bloodwise Trading Ltd is Christmas card and sportswear retailing and the management of royalties arising from intellectual property in research and the Calendar Girls activities. A taxable profit of £0.3m (FY16 £0.2m) was donated under gift aid to Bloodwise, details of which are in note 11 to the accounts. Leukaemia & Lymphoma Research Limited is dormant.

Salaries

We have a structure of six salary bands and all employees with the exception of the Chief Executive are assimilated into this structure. Our pay policy is kept under regular review and we regularly benchmark our salaries and benefits to similar organisations to ensure that our remuneration is appropriate, fair and competitive.

Executive salaries

Bloodwise has a significant role to play in saving and improving the lives of patients and stopping blood cancers from happening in the first place. It is vital that we have leaders with the professional expertise and experience to ensure that we can deliver on our ambitious mission. To achieve this we must ensure that this competitive reward offering extends to our Executive Team.

The Board delegates the determination of pay policy to the Remuneration & Appointments Committee, which makes recommendations to the Board of Trustees for all salaries but are specifically responsible for setting the remuneration of the Chief Executive and Directors.

In making their decisions the committee considers sector analysis on Executive pay, organisational performance and individual director performance. An analysis of senior executive salaries is presented in note 6.

Pensions

We contribute a defined amount to individual employees' personal pension schemes, which are currently provided by AEGON. Details of pension contributions can be found in note 6.

The environment

At Bloodwise we try to consider the impact of all that we do. In the last year we were able to recycle:

- 66kg of cardboard
- 18kg of mixed paper
- 4,356kg of mixed recyclables
- 632kg of secure shredding
- 4kg of waste, which has been converted to energy and has zero emissions.

We carefully monitor our usage of all key utilities to reduce the impact on the environment and in an effort to reduce our operational costs.

Going concern

Although income was lower this year, the year-end balance sheet position is broadly consistent with long-term expectations with net current liabilities, positive unrestricted funds and positive total net assets. The rationale for this approach and the focus on cash-flow management, including our approach to net current liabilities rather than net assets, has been described on page 22.

The charity reviews its operations and financial performance on a regular basis, including use of a strategic risk model to assess different scenarios up to 5 years ahead, and is predicted to continue to generate positive net cashflow from operations for the foreseeable future. The charity also has investments split between a Main fund (for longer term returns) and a Liquidity reserve (covering estimated net cash requirements for around 24 months) all of which can be liquidated at short notice if needed. In addition the property is mortgage free and could be used to raise funds at relatively short notice.

The Trustees have reviewed our financial position and forecasts, taking into account operational plans, the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the Trustees believe that we are well placed to manage operational and financial risks successfully.

Accordingly, the Trustees consider that the Charity has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis of accounting in preparing the annual accounts.

How we work

Our charity

Legal structure and governance

Bloodwise is a company limited by guarantee and incorporated in England on 17 October 1962. Our articles of association were last amended on 2 April 2015.

Bloodwise is a registered charity in England and Wales (charity number 216032) and in Scotland (charity number SC037529).

The Trustees (see page 58) are responsible for the governance and strategy of the charity. There were 8 Trustees at 31 March 2017 who together bring a diversity of gender, skills and experience to enable the Board to operate effectively. Trustees are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

Peter Burrell and Zanna Floyd retired from the Board during the year. Pelham Allen retired from the Board and as Chair in June 2017. The Trustees are very grateful for their contribution and commitment to Bloodwise. Jane Stevens joined the board in May 2017.

The Trustees meet six times a year and delegate day-to-day responsibility for the running of the charity to the Executive Team. The Trustees also delegate specific responsibilities to various committees. The operations of the organisation are covered by the Audit & Risk; Investment; Remuneration & Appointments and Governance committees. Each of the committees is established with formal terms of reference defined by the Board.

Recruitment, induction and training of Trustees

The Governance Committee is responsible for the review of Trustee skills and the identification of skill gaps. It is the role of the Remuneration & Appointments Committee to recruit Trustees, aiming to ensure a broader mix of skills and backgrounds. The committee meets regularly to review the selection of Trustees and succession planning for both the Board and the wider organisation.

We use a range of recruitment methods to recruit Trustees, including executive search and selection and personal introduction or recommendation. On appointment new Trustees spend induction time with the Executive Team and we use site visits or visiting speakers to enable Trustees to continue learning about the work we do and its impact.

Trustees attended our regional Impact Days to engage with fundraisers, researchers, clinicians, patients, volunteers and employees.

Governance of our research and grant giving policy

The peer review process and grant making policies of research charities like Bloodwise play an important intermediary role between the funder and the grant recipient. It is an important way to ensure that research is reviewed in a competitive environment. This helps to ensure that the best research is selected to achieve our mission to save and improve the lives of blood cancer patients and to stop blood cancers happening in the first place.

As a member of the Association of Medical Research Charities (AMRC) we adhere to their principles of peer review, which are accountability, balance, independent decision making, rotation and impartiality.

Our selection process involves hundreds of experts in blood cancer research around the world, who give their time freely to evaluate grant applications. Their informed assessments are considered by our three expert committees, who make recommendations to our Board of Trustees about which applications to fund.

Research committee

Our Research Committee considers applications for basic and translational research awards. This committee also considers the recommendations of awards made by the Training and Career Development Sub-Committee. The Acting Chair of the Research Committee is Professor David Gillespie.

Training and career development sub-committee

Our Training and Career Development Sub-Committee considers applications for all of our career development awards. The committee is chaired by Professor Adele Fielding.

Clinical trials committee

Our Clinical Trials Committee considers applications for clinical trials funding. The committee is chaired by Professor Irene Roberts.

Our application process

Step 1: The application

Applicants outline the objectives of their research in detail, highlighting how they plan to achieve them and how their research will benefit patients with blood cancer. Applicants for clinical trials must also submit a draft trial protocol. This describes what treatments patients entered onto this trial will receive, and when.

Step 2: Peer review

All applications for all categories of award are sent to expert referees worldwide for evaluation. Up to six referees will be consulted for individual applications. We check all potential external peer reviewers for any potential conflict of interest with an application, before we ask for their opinion on it.

Step 3: Committee meeting

All applications, together with the reviewer's reports, are considered by every member of the designated committee. Committee members are excluded from consideration of applications where they have a conflict of interests. The committee meetings allow the members to discuss the merits of each application submitted in that round. Each application is scored according to key criteria, then recommendations are made for funding to the Board of Trustees.

Step 4: Board of Trustees

All recommendations for awards are reported to our Board of Trustees, who make the final decision on which applications will be approved for funding.

Our reputation for high quality research and patient impact depends very much on the expertise, dedication and commitment of the volunteer members of our research committees. We are hugely grateful for the advice that we receive from this community, which enables us to be accountable for saving and improving the lives of patients with every pound that we receive.

Public benefit

In reviewing our aims and objectives and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees ensure that the activities undertaken are in line with the charitable objectives and aims of Bloodwise. Although our activities are specifically inspired and motivated by the needs of blood cancer patients, our understanding of blood cancer often leads the way to enhancing understanding of other cancers and diseases. Public benefit is achieved through saving and improving the lives of patients.

Our employees and volunteers

The tremendous progress that we continue to make for patients is only possible thanks to the dedication and hard work of very many people including our volunteers, supporters and employees.

Volunteers operate at every level and throughout Bloodwise. Our Trustees share ultimate responsibility for governing our charity and directing how it is managed and run.

We have regular volunteers who support our work at our offices around the country and without whom we would not be able to conduct some of the activities we do, especially sports events. In addition we have an Ambassador scheme where people who are willing to share their experience of Bloodwise and blood cancer represent our charity throughout the UK.

Our voluntary Branches and Fundraising Groups continue to raise awareness and money for Bloodwise and provide support for families affected by blood cancer.

We employ 94 people and are committed to supporting their learning and development needs as well as making our reward and recognition policies as fair as possible. The size of our organisation can limit the opportunity for vertical progression and therefore we aim to offer breadth of experience across different areas of the charity.

We never forget our patients and their families, who are at the heart of all that we do.

Trustees' indemnity

The Company purchased and maintained throughout the financial year Trustees' liability insurance in respect of itself and its Trustees.

Independent auditor

Deloitte LLP have expressed their willingness to continue to act as auditor.

The Trustees' report, including the strategic report, was approved by the Board of Trustees on 28 June 2017.

Signed by order of the Trustees

(incorporating information to be reported in the Strategic report as well as the Directors' report as per the requirements of the Companies Act)



Jonathan Cox, Company Secretary
28 June 2017



Jeremy Bird, Interim Chair
28 June 2017

Statement of Trustees' responsibilities

The Trustees (who are also directors of Bloodwise for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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

Independent Auditor's Report to the Trustees and Members of Bloodwise for the year ended 31 March 2017

We have audited the financial statements of Bloodwise for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement, the Accounting Policies and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and the 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.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, 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.

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 group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 March 2017 and of the group's incoming resources and application of resources, including the group's 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 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).

Independent Auditor's Report to the Trustees and Members of Bloodwise for the year ended 31 March 2017 (continued)

Opinion 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 Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Trustees' Annual Report.

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 parent 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 parent charitable company's financial statements are not in agreement with the accounting records or returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.



Reza Motazed FCA

(Senior statutory auditor) for and on behalf of Deloitte LLP, Statutory Auditor, London, United Kingdom

30 June 2017

Deloitte LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

Consolidated statement of financial activities for the year ended 31 March 2017

Incorporating the income and expenditure account

	Notes	2017 Restricted funds	2017 Unrestricted funds	2017 Total funds	2016 Total funds
		£'000	£'000	£'000	£'000
INCOME FROM:	2				
Donations and legacies		1,365	12,725	14,090	14,851
Other trading activities		-	624	624	778
Investments		-	969	969	1,027
Other sources		-	288	288	194
TOTAL INCOME		1,365	14,606	15,971	16,850
EXPENDITURE ON:	3				
Raising funds					
Raising donations and legacies		-	5,517	5,517	5,994
Other trading activities		-	251	251	304
Investment management costs		-	106	106	130
Other expenditure		-	44	44	44
		-	5,918	5,918	6,472
Charitable activities	3				
Research		2,020	12,151	14,171	18,190
Deferred funding		-	(651)	(651)	(3,736)
Unspent funds at completion of grant		-	(983)	(983)	(2,416)
Patient benefit activities		-	1,687	1,687	2,286
		2,020	12,204	14,224	14,324
TOTAL EXPENDITURE		2,020	18,122	20,142	20,796

Consolidated statement of financial activities for the year ended 31 March 2017 (continued)

Incorporating the income and expenditure account

	Notes	2017 Restricted funds	2017 Unrestricted funds	2017 Total funds	2016 Total funds
		£'000	£'000	£'000	£'000
Net expenditure before investment gains	5	(655)	(3,516)	(4,171)	(3,946)
Net gains on investments	7	-	4,594	4,594	1,507
Net income / (expenditure) for the year		(655)	1,078	423	(2,439)
Transfer between funds	19	821	(821)	-	-
NET MOVEMENT IN FUNDS		166	257	423	(2,439)
RECONCILIATION OF FUNDS:					
Total funds brought forward		20	7,359	7,379	9,818
Total funds carried forward	18	186	7,616	7,802	7,379

All amounts relate to the continuing activities of the group.

The group has no recognised gains and losses other than those included in the results above.

Balance Sheets as at 31 March 2017

	Notes	GROUP		BLOODWISE	
		2017	2016	2017	2016
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	8	7,572	7,609	7,572	7,609
Investment property	9	-	2,852	-	2,852
Investments	10	25,992	31,612	25,992	31,612
Investment in subsidiary company	11	-	-	76	76
		33,564	42,073	33,640	42,149
CURRENT ASSETS					
Stocks		87	100	53	52
Debtors	12	939	1,047	1,149	1,175
Investments	10	20,760	22,237	20,760	22,237
Cash at bank and in hand		1,926	960	1,613	781
		23,712	24,344	23,575	24,245
LIABILITIES					
Creditors: Amounts falling due within one year	13	(31,425)	(29,894)	(31,364)	(29,871)
NET CURRENT LIABILITIES					
		(7,713)	(5,550)	(7,789)	(5,626)
TOTAL ASSETS LESS CURRENT LIABILITIES					
		25,851	36,523	25,851	36,523
CREDITORS					
Amounts falling due after more than one year	14	(18,049)	(29,144)	(18,049)	(29,144)
TOTAL NET ASSETS					
		7,802	7,379	7,802	7,379

Balance Sheets as at 31 March 2017 (continued)

	Notes	GROUP		BLOODWISE	
		2017	2016	2017	2016
		£'000	£'000	£'000	£'000
THE FUNDS OF THE CHARITY:	17				
Unrestricted funds		7,616	7,359	7,616	7,359
Restricted funds		186	20	186	20
TOTAL FUNDS	19	7,802	7,379	7,802	7,379

The surplus for the parent charity for the year is £423,000 (2016: £(2,439,000))

The financial statements were approved, authorised for issue and signed on behalf of the Trustees on 28 June 2017 by:



Jeremy Bird
Interim Chair



Glen Lucken
Honorary Treasurer

The notes on pages 40 to 57 form part of these financial statements.
Company registered Number: 738089

Consolidated statement of cash flows for the year ended 31 March 2017

		2017	2016
	Notes	£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash used in operating activities	(a)	(14,486)	(13,709)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends, interest and rents from investments	(b)	969	1,027
Purchase of property, plant and equipment		(60)	(255)
Proceeds from the sale of investments		23,942	20,111
Proceeds from the sale of investment properties		2,852	-
Purchase of investments		(9,435)	(18,534)
Net cash provided by investing activities		18,268	2,349
Change in cash and cash equivalents in the year		3,782	(11,360)
Cash and cash equivalents at beginning of the year		16,423	27,783
Cash and cash equivalents at the end of the year		20,205	16,423
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		1,926	960
Cash held as part of investment portfolio		18,279	15,463
Cash and cash equivalents		20,205	16,423

Consolidated statement of cash flows for the year ended 31 March 2017 (continued)

	2017	2016
	£'000	£'000

NOTES TO THE CASH FLOW STATEMENT:

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

Net income/(expenditure) for the year	423	(2,439)
Adjustments for:		
Depreciation charges	97	84
Gains on investments	(4,594)	(1,507)
Dividends, interest and rents from investments	(969)	(1,027)
Decrease in stocks	13	141
Decrease in debtors	108	463
Decrease in creditors	(9,564)	(9,424)
Net cash used in operating activities	(14,486)	(13,709)

(b) Dividends, interest and rents from investments:

Listed investment income	968	991
Interest received	1	1
Rental income	-	35
	969	1,027

Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention modified to include the revaluation of investments and in accordance with the Companies Act 2006, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared on the going concern basis as described in the Report of Trustees on page 26.

As permitted by section 408 of the Companies Act 2006 and defined in Section 24 of the Charities SORP, no separate Statement of Financial Activities has been prepared in respect of Bloodwise, the parent company.

Basis of consolidation

Group financial statements have been prepared in respect of the charity and its wholly owned subsidiary undertaking, Bloodwise Trading Ltd. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 11.

Income

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

Legacy income is brought into the accounts when entitlement has been established and the receipt of income is probable. Sufficient evidence for entitlement is deemed to be when notice of impending distribution has been received as at 31 March and the funds can be quantified with sufficient accuracy.

Income from voluntary Branches and donations from other voluntary fundraising sources are brought into the accounts when received at head office.

Donations are shown gross except for small fundraising events run by volunteers where monies are received at head office net of expenses.

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Please refer to the Trustees' Annual Report for more information about their contribution (page 30).

Bloodwise Trading Ltd income is included when receivable, excluding VAT.

Expenditure

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

Expenditure on raising funds comprises costs associated with attracting voluntary income and costs of other income generation, for example costs of goods sold and other costs associated with Bloodwise Trading Ltd.

Purchase costs and net proceeds of disposal of investments include the direct costs of investing and disposing respectively.

Expenditure on charitable activities includes expenditure associated with their performance and comprises direct expenses including grant awards and staff costs as well as support costs attributable to these activities.

Research, training and educational grants are included in the Statement of Financial Activities (SoFA) when detailed costs are approved by the Board of Trustees. Clinical trials grants are included in the SoFA when approved by the Board of Trustees and once the ethical approval of the final protocol is obtained.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include information technology, human resources, facilities and back office costs, governance, finance and depreciation. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.

Irrecoverable VAT is written off when the expenditure to which it relates is incurred and is recorded as part of that expense.

Branch accounting

The 118 voluntary Branches and voluntary Fundraising Groups across the UK raise money for Bloodwise from a variety of local activities and sources with minimal cost expenditure and submit accounts annually to head office. The Branches' net assets, being primarily cash not remitted to head office by 31 March 2017, have not been consolidated in these accounts and these have been estimated at £189,000 (2016: £165,000).

Pension contributions

Pension contributions payable under a defined contribution scheme are charged to the SoFA in the accounting period to which they relate.

Funds

Unrestricted general funds are available for charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

Full details of funds are shown in note 17.

Taxation

As a registered charity, income and gains are exempt from corporation tax to the extent they are applied to its charitable objectives. The trading subsidiary has not incurred a tax charge since all its profits are gifted to the charity.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land and items of equipment costing below £10,000, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

• Freehold buildings	50 years
• Refurbishment costs	5 years
• Software development costs	5 years
• Equipment	2 years
• Vehicles	4 years

Investments

Investments are included at market value at the balance sheet date which gives rise to unrealised gains and losses at the end of the financial period, which are included in the SoFA. The investment property is included at Fair Value based on the value achieved through the sale which occurred near the start of the financial year.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost.

Stocks

Stocks are stated at the lower of cost and estimated selling prices less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Financial instruments

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and cash in hand includes cash which is immediately available. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the accounts for the year ended 31 March 2017

1 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 ANALYSIS OF INCOME FROM:

	2017	2016
	£'000	£'000
a) Donations and legacies		
Voluntary income	8,274	9,815
Legacies	5,816	5,036
	14,090	14,851
b) Other trading activities		
Event entry fees	286	366
Retail trading	212	271
Other trading activities	126	141
	624	778
c) Investments		
UK listed equities	401	561
Non-UK listed equities	199	115
Fixed interest stocks	225	315
Other funds	143	-
Rental income	-	35
Interest received	1	1
	969	1,027

Notes to the accounts for the year ended 31 March 2017 (continued)

3 ANALYSIS OF EXPENDITURE ON:

	Research grants	Staff	Direct costs	Support costs (Note 4)	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Raising donations and legacies	-	2,503	2,462	552	5,517	5,994
Other trading activities	-	-	251	-	251	304
Investment management costs	-	-	106	-	106	130
Other expenditure	-	-	44	-	44	44
Charitable activities						
Research	13,295	420	362	94	14,171	18,190
Deferred funding	(651)	-	-	-	(651)	(3,736)
Unspent funds at completion of grant	(983)	-	-	-	(983)	(2,416)
Patient benefit activities	-	1,007	457	223	1,687	2,286
Total	11,661	3,930	3,682	869	20,142	20,796

Direct costs are those costs associated with providing the activity such as fundraising materials, advertising, postage and stationery, venue and travel expenses.

Staff costs and allocated central support staff costs are allocated on the basis of a combination of time spent on each activity and headcount.

Notes to the accounts for the year ended 31 March 2017 (continued)

4 ANALYSIS OF SUPPORT COSTS

2017	Information technology	Human resources	Facilities	Governance, finance & depreciation	Total 2017
	£'000	£'000	£'000	£'000	£'000
Raising donations and legacies	126	227	101	98	552
Research	21	38	17	18	94
Patient benefit activities	50	90	40	43	223
Total	197	355	158	159	869

2016	Information technology	Human resources	Facilities	Governance, finance & depreciation	Total 2016
	£'000	£'000	£'000	£'000	£'000
Raising donations and legacies	116	192	109	118	535
Research	13	21	12	15	61
Patient benefit activities	43	71	40	52	206
Total	172	284	161	185	802

Governance costs include auditor's remuneration, relevant legal and professional fees and Trustees' expenses.

Support costs are allocated on a basis consistent with the use of resources, primarily headcount.

Notes to the accounts for the year ended 31 March 2017 (continued)

5 NET EXPENDITURE FOR THE YEAR

	2017	2016
	£'000	£'000
Net expenditure is stated after charging:		
Depreciation of owned assets	97	84
Auditor's remuneration	28	24

6 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2017	2016
	No.	No.
The average monthly number of employees by function was:		
Raising funds	54	70
Charitable activities	26	28
Support	18	14
	98	112

	2017	2016
	£'000	£'000
Their aggregate remuneration comprised:		
Salaries	3,445	3,836
Social security costs	320	370
Pension costs	165	176
	3,930	4,382

Notes to the accounts for the year ended 31 March 2017 (continued)

6 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

	2017	2016
	No.	No.
The number of employees whose emoluments, excluding national insurance contributions and pension contributions but including benefits in kind, were in excess of £60,000 was:		
£60,001–£70,000	1	1
£80,001–£90,000	2	1
£90,001–£100,000	2	2
£120,001–£130,000	-	1

Severance payments of £67,750 were made in the year.

The key management personnel of the charity are listed on page 59. The total remuneration (including pension contributions) of the key management personnel of the Charity for the year totalled £427,000 (2016: £583,000).

Trustees' remuneration

No Trustees received remuneration during the current or prior year. Three Trustees (2016: six Trustees) claimed (or had paid on their behalf) travelling, accommodation and entertaining expenses totalling £682 (FY16: £3,604).

7 ANALYSIS OF NET GAINS ON INVESTMENTS

	2017	2016
	£'000	£'000
Gain on property investment	-	2,683
Net investment gains / (losses) on managed funds	4,594	(1,176)
	4,594	1,507

Notes to the accounts for the year ended 31 March 2017 (continued)

8 TANGIBLE ASSETS – GROUP AND BLOODWISE

	Freehold land & buildings	Fixtures, equipment & vehicles	Total
	£'000	£'000	£'000
Cost			
At 1 April 2016	7,325	1,008	8,333
Additions	-	60	60
At 31 March 2017	7,325	1,068	8,393
Depreciation			
At 1 April 2016	-	724	724
Charge for the year	63	34	97
At 31 March 2017	63	758	821
Net Book Value			
At 31 March 2017	7,262	310	7,572
At 31 March 2016	7,325	284	7,609

Notes to the accounts for the year ended 31 March 2017 (continued)

9 INVESTMENT PROPERTY – GROUP AND BLOODWISE

The investment property at Great Ormond Street was valued at £2,852,000 in FY16 on the basis of evidence arising from the sale of the property completed shortly after the year end. The property was sold on 11th May 2017 for £2,852,000.

Notes to the accounts for the year ended 31 March 2017 (continued)

10 INVESTMENTS – GROUP AND BLOODWISE

	2017	2016
	£'000	£'000
Market value of investments at 1 April	38,386	41,139
Additions at cost	9,435	18,534
Disposal proceeds	(23,942)	(20,111)
Net investment gains/(losses)	4,594	(1,176)
Market value of investments at 31 March	28,473	38,386
Cash held as part of investment portfolio	18,279	15,463
Total with investment managers	46,752	53,849

Investments comprise the following:

Listed UK equities	5,296	7,153
Listed UK fixed interest and government stocks	5,393	11,481
Listed non-UK equities	4,990	8,481
Listed non-UK fixed interest stocks	822	1,697
Other funds	11,972	9,574
Total investments	28,473	38,386
Cost of investments	18,487	34,488
Investment revaluation reserve (difference between market value and cost)	9,986	3,898

Investment fund split:

Main fund	25,992	31,612
Liquidity reserve	20,760	22,237
	46,752	53,849

Notes to the accounts for the year ended 31 March 2017 (continued)

11 INVESTMENT IN SUBSIDIARY COMPANIES – BLOODWISE

The company owns the entire issued ordinary share capital of Bloodwise Trading Limited, incorporated and registered in the United Kingdom, company number 01316717, whose principal activities are the sale of Christmas cards and gifts and the management of royalties arising from research and other intellectual property to raise funds for Bloodwise. The key financial information of Bloodwise Trading Ltd is as follows:

	2017	2016
	£'000	£'000
Turnover	581	545
Bank interest received	1	1
	582	546
Cost of sales and direct expenses	(237)	(259)
Distribution costs	(47)	(61)
Overhead expenses	(10)	(27)
Donated to Bloodwise under Gift Aid	(288)	(199)
Movement in shareholders' funds	-	-
Share capital	76	76
Retained profit / (loss)	-	-
Shareholders' funds represented by net assets	76	76

The company owns the entire issued ordinary share capital of Leukaemia & Lymphoma Research Limited, a dormant company, incorporated and registered in the United Kingdom, company number 09418388.

Leukaemia & Lymphoma Research Limited is exempt under section 394A of the Companies Act.

The registered office for Leukaemia & Lymphoma Research Limited and Bloodwise Trading Limited is 39-40 Eagle Street, London WC1R 4TH.

Notes to the accounts for the year ended 31 March 2017 (continued)

12 DEBTORS – Amounts receivable in one year

	GROUP		BLOODWISE	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors	236	33	199	-
Other debtors	62	105	62	105
Due from subsidiary undertaking	-	-	349	236
Prepayments and accrued income	641	909	539	834
	939	1,047	1,149	1,175

Prepayments and accrued income includes accrued income in respect of legacies receivable of £376,000 (2016: £473,000). Legacies that have been notified and were quantifiable on or before 31 March 2017, but which have not been received or accrued by the date the accounts were signed, were estimated to be £3,815,000 (2016: £1,815,000).

13 CREDITORS – Amounts falling due within one year

	GROUP		BLOODWISE	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Accruals for grants payable (note 15)	30,692	29,174	30,692	29,174
Accruals and deferred income	333	221	306	217
Taxation and social security	120	125	88	106
Other creditors	280	374	278	374
	31,425	29,894	31,364	29,871

14 CREDITORS – Amounts falling due after more than one year

	GROUP AND BLOODWISE	
	2017	2016
	£'000	£'000
Accruals for grants payable (note 15)	18,049	29,144

Notes to the accounts for the year ended 31 March 2017 (continued)

15 MOVEMENT IN AND ANALYSIS OF RESEARCH COMMITMENTS – GROUP AND BLOODWISE

	2017		2016	
	£'000	£'000	£'000	£'000
Balance at 1 April		58,318		67,748
Grants approved by the Board of Trustees during the year (note 16)	13,196		17,189	
Decrease in grant discounting adjustment	99		71	
Research support costs	876		930	
Deferred funding	(651)		(3,736)	
Total research expenditure	13,520		14,454	
Unspent funds at completion of grant	(983)		(2,416)	
Research support costs	(876)		(930)	
		11,661		11,108
		69,979		78,856
Less: Paid during the year		(21,238)		(20,538)
Balance at 31 March		48,741		58,318
Due within one year (note 13)		30,692		29,174
Due after more than one year (note 14)		18,049		29,144
		48,741		58,318

Total research commitments of £48,741,000 (2016: £58,318,000) are amounts approved by the Board of Trustees on or before 31 March 2017 for spend over the next three years.

Research support costs comprise related staff costs, direct costs and allocated central support costs.

Notes to the accounts for the year ended 31 March 2017 (continued)

15 MOVEMENT IN AND ANALYSIS OF RESEARCH COMMITMENTS – GROUP AND BLOODWISE (continued)

	AMOUNTS DUE FOR RECOGNITION IN THE YEAR TO 31 MARCH			
	TOTAL	2018	2019	2020
	£'000	£'000	£'000	£'000
Deferred funding commitments (not provided for in the accounts)	11,922	7,535	3,736	651

Deferred funding commitments

Grants are awarded in two phases, on a three years plus two years basis. Deferred funding of £651,000 (2016: £3,736,000) represents the latter phase, and is in respect of funding due after more than one year and within 5 years for grants approved by the Board of Trustees during the year that are subject to conditions being met.

These potential commitments are subject to a progress review prior to confirmation of the commitment. The review will consider whether the programme has made sufficient progress at the 3-year review point to warrant additional investment. Funding for these additional commitments where confirmed will be provided out of the normal operations of the charity or reserves as appropriate.

Notes to the accounts for the year ended 31 March 2017 (continued)

16 GRANTS APPROVED IN THE YEAR, SHOWN BY INSTITUTION – GROUP AND BLOODWISE

	2017	2016
	£'000	£'000
Addenbrookes Hospital Cambridge	51	-
Cardiff University	527	997
Derriford Hospital Plymouth	66	-
CRUK Manchester Institute	-	525
Imperial College London	253	549
Institute of Cancer Research, London	536	-
King's College Hospital NHS Foundation Trust, London	156	-
King's College London	448	275
Newcastle University	335	-
Newcastle Upon Tyne Hospital NHS Foundation	-	168
Nottingham University	141	-
Nottingham University Hospital	7	-
Oxford University Hospitals NHS Trust	136	-
Queen Elizabeth Hospital, Birmingham	156	-
Queen Mary University London	155	-
Queen's University Belfast	128	202
Royal Liverpool University Hospital	65	-
St James's University Hospital, Leeds	104	65
University College London Hospital	156	-
University College London	2,696	472
University of Birmingham	872	586
University of Cambridge	1,557	3,151
University of Edinburgh	-	142
University of Glasgow	168	510
University of Leeds	-	233
University of Leicester	129	91
University of Liverpool	-	246
University of Manchester	755	232
University of Newcastle	508	3,011
University of Oxford	1,507	223
University of Sheffield	-	689

Notes to the accounts for the year ended 31 March 2017 (continued)

16 GRANTS APPROVED IN THE YEAR, SHOWN BY INSTITUTION – GROUP AND BLOODWISE (CONTINUED)

	2017	2016
	£'000	£'000
University of Southampton	603	436
University of Sussex	-	245
University of York	-	3,469
	12,215	16,517
Supplements to existing grants	455	210
Leukaemia & Lymphoma Society US	77	181
Wellcome Trust – Open Access, London	195	104
CRUK Centre for Drug Development, London	254	177
Grants approved by the Board of Trustees during the year (note 15)	13,196	17,189
Decrease in grant discounting adjustment	99	71
	13,295	17,260

Grant commitments for awards with expected payments exceeding twelve months have been discounted using market rates for cash matching the term of the liabilities with rates between 0.6% - 0.7%.

Notes to the accounts for the year ended March 2017

17 ANALYSIS OF FUNDS - GROUP

	2017	2016
	£'000	£'000
Investments revaluation reserve	9,986	6,581
Fixed asset property revaluation reserve	5,730	5,730
General funds	(8,100)	(4,952)
Total unrestricted funds	7,616	7,359
Restricted funds	186	20
Total funds	(7,802)	(7,379)

Investments revaluation reserve in 2016 includes investment property at Great Ormond Street, valued at £2,852,000 as at 31st March 2016. Great Ormond Street was sold at no gain or loss in FY17.

18 ANALYSIS OF NET ASSETS BY FUNDS - GROUP

2017	Tangible Assets	Investment properties	Investments	Net Current (Liabilities) /Assets	Long Term Liabilities	Net Assets
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	7,572	-	25,499	(7,406)	(18,049)	7,616
Restricted funds	-	-	493	(307)	-	186
Total funds	7,572	-	25,992	(7,713)	(18,049)	7,802

2016	Tangible Assets	Investment properties	Investments	Net Current (Liabilities) /Assets	Long Term Liabilities	Net Assets
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	7,609	2,852	30,464	(4,422)	(29,144)	7,359
Restricted funds	-	-	1,148	(1,128)	-	20
Total funds	7,609	2,852	31,612	(5,550)	(29,144)	7,379

19 RECONCILIATION OF MOVEMENTS IN FUNDS – GROUP

2017	Balance 1 April 2016	Incoming resources	Resources expended	Transfers	Net gain on investment	Balance 31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	7,359	14,606	(18,122)	(821)	4,594	7,616
Restricted funds	20	1,365	(2,020)	821	-	186
Total funds	7,379	15,971	(20,142)	-	4,594	7,802

2016	Balance 1 April 2015	Incoming resources	Resources expended	Transfers	Net gain on investment	Balance 31 March 2016
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	9,818	16,203	(20,768)	599	1,507	7,359
Restricted funds	-	647	(28)	(599)	-	20
Total funds	9,818	16,850	(20,796)	-	1,507	7,379

Transfers between restricted and unrestricted funds relate to income raised in respect of commitments made and recognised by the charity in a prior period. This ensures that restricted income is correctly matched to the charitable expenditure to which it relates.

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities has been included in respect of Bloodwise. The movement in funds during the year that has been recognised in the financial statements of Bloodwise is an increase of £423,000.

20 PENSION CONTRIBUTIONS

Bloodwise operates a scheme to contribute a defined amount to individual employees' personal pension schemes. The assets of the various schemes are held separately from those of Bloodwise in independently administered funds.

The total cost of these schemes was £165,000 (2016: £176,000). Outstanding contributions included within other creditors at the balance sheet date were £24,000 (2016: £29,000).

21 RELATED PARTY TRANSACTIONS

All transactions between the charity and subsidiary, Bloodwise Trading Limited, are eliminated on consolidation.

No trustee received payment for professional or other services supplied to the charity during the year (2016: £nil).

Total donations received without conditions from Trustees during the year was £29,245 (2016: £10,093). No donations were received from other related parties in the year (2016: £nil).

Patron and Trustees

Royal Patron

His Royal Highness The Duke of Kent KG

President

Sir Ian Botham OBE

Scotland President

Sam Heughan

Honorary Presidents

Richard Delderfield

Angela Knowles

Ken Lomas MBE

Board of Trustees

NAME	AUDIT & RISK COMMITTEE	REMUNERATION & APPOINTMENTS COMMITTEE	INVESTMENT COMMITTEE	GOVERNANCE COMMITTEE
Pelham Allen (Chair)	*	*	*	*
Jeremy Bird (Vice-Chair)	*	*		*
Glen Lucken (Honorary Treasurer)	*		*	
Maria Clarke		*		
Simon Guild	*			
Charlie Metcalfe	*		*	
Michael Prescott	*			
John Reeve				*

* As at year-end

Pelham Allen resigned on 2 June 2017.

Jeremy Bird is currently Interim Chair.

Peter Burrell resigned on 28 June 2016.

Zanna Floyd resigned on 28 September 2016.

Jane Stevens was appointed to the board on 17 May 2017.

Officers and advisers

Senior management*

Diana Jupp, Acting Chief Executive

Jonathan Cox, Finance Director

Alasdair Rankin, Research Director

Lyndall Stein, Interim Director Fundraising & Marketing

Research Committee members*

Professor David Gillespie, University of Glasgow (Chair)

Dr Martin Turner, Babraham Institute, Cambridge

Professor Mark Vickers, University of Aberdeen

Professor Stefan Meyer, University of Manchester

Professor Marieke von Lindern, Sanquin Institute, The Netherlands

Professor Christian Buske, University of Ulm, Germany

Dr Mary Callanan, Universite de Grenoble, France

Clinical Trials Committee*

Professor Irene Roberts, University of Oxford (CTC Chair)

Professor Claire Harrison, Guys and St. Thomas' NHS Foundation Trust

Professor Robert Hills, Cardiff University

Dr Anna Schuh, University of Oxford

Professor Simon Rule, Derriford Combined Laboratories

Professor Stephen Devereux, King's College London

Dr Gordon Cook, University of Leeds

Training & Career Development Committee*

Professor Adele Fielding (Chair) – University College London

Dr Reuben Tooze, University of Leeds

Dr Claire Edwards, University of Oxford

Professor Chris Pepper, Cardiff University

Dr Rebecca Auer, Barts & The London Medical College

Bankers

Barclays Bank PLC. 1 Churchill Place, London E14 5HP

Auditor

Deloitte LLP, Registered Auditor

2 New Street Square, London EC4A 3BZ

Investment managers

Cazenove Capital Management Ltd with Charity Investment from Schroders, 12 Moorgate, London EC2R 6DA

CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Legal advisers

Fieldfisher, Riverbank House, 2 Swan Lane, London EC4R 3TT

Registration

Our registered name is Bloodwise.

We are registered with the Charity Commission of England and Wales (Charity number 216032) and in Scotland (Charity number SC037529) and as a company limited by guarantee (registered number 738089).

Registered office

Our registered (and principal) office is 39–40 Eagle Street, London WC1R 4TH

Our regional offices

Scotland: 111 George Street, Edinburgh, EH2 4JN

North: Newcastle University, Biomedical Research Building, Room 2.35, 2nd Floor Campus for Ageing and Vitality, Newcastle upon Tyne NE4 5PL

Midlands: Medical School, University of Birmingham, Edgbaston B15 2TT

Wales: Department of Haematology, School of Medicine, Room 182, th Floor, B–C Link, Cardiff University, Heath Park, Cardiff CF14 4X

London and South East: 39–40 Eagle Street, London WC1R 4TH

* As at year-end

