

**ASSOCIATION  
FOR *INTERNATIONAL*  
CANCER *RESEARCH***



**Annual Report  
2002/2003**

Association  
for International  
Cancer Research

**Limited by Guarantee**

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Mr J Ogilvy, Professor C M Steel, Mrs M Thomson, Professor C R Wolf, Professor J A Wyke.

*Chief Executive:* Mr D M Napier

*Company Secretary:* Mr I S Lumsdaine

*Investment advisors*

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Finsbury Square  
London  
EC1Y 4UP

*Bank:* The Royal Bank of Scotland plc  
South Street  
St Andrews  
KY16 9QB

*Auditors:* Henderson Loggie  
Royal Exchange  
Dundee  
DD1 1DZ

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Give As You Earn Registered No. 1767

# CHAIRMAN'S REPORT

## GENERAL

The past year has seen the Association for International Cancer Research (AICR) continue to play an important role in enabling basic scientific research into the causes of cancer to be carried out in UK, and around the world.

Scientific research is the Oliver Twist of government funding. The appeal “please may we have more funding?” may not be met with a sound beating, but it is certainly met with a shuffling of feet, sideways glances, and a shifting of responsibility to someone else. It is a sad fact that, despite the allocation of increased resources to cancer services by the UK government and the Scottish Executive, very little is allocated to scientific research. Government and Scottish Executive spokesmen fall back on such platitudes as “funding for scientific research is carried out at UK level by bodies such as the Medical Research Council”, totally ignoring the fact that for several years now the Medical Research Council has had a policy that precludes funding for 3-year projects by individual researchers (i.e. new research) in favour of funding for “multi-discipline, multi-site collaborative projects” (i.e. research that is already well under way). This Catch-22 situation has led more than one researcher to state that “if it were not for AICR there would be nowhere to turn for funding.”

Throughout the year AICR has campaigned for more government/Scottish Executive funding for scientific research, but although we received extensive coverage in the press and on TV, no significant funding for scientific research has been forthcoming. The reality, in the Britain of the 21<sup>st</sup> Century, is that were it not for the cancer charities there would be little new scientific research into the causes of cancer carried out at all. We will continue to press for greater government commitment, but more in hope than expectation. Political expediency suggests that putting resources into a field which is unlikely to bring tangible results for perhaps 10-15 years (well beyond the political life of most current politicians) would bring no short-term political return, but might even allow a politician of a different party to reap the benefit some years down the line. Thus scientific research is a victim of political shelf-life, and is left to the cancer charities, to whom short-term results, while of course desirable, are not critical.

The past year saw the award of the first AICR Fellowship, a six-year award with generous funding to allow the best of our young scientists to establish themselves in a research career. We will offer one such Fellowship each year.

There have been some changes on the Board of Directors. After six years on the Board Professor David Brynmor Thomas found that his commitments, particularly those overseas, prevented him from devoting as much time to Association affairs as he would wish, and resigned. His place has been filled by the appointment of two further scientists to the Board. Professor Michael Steel is a distinguished research scientist at the University of St Andrews, and Professor John Wyke is the former Director of the Beatson Institute for Cancer Research, and a former Chairman of our Scientific Advisory Committee. We welcome both distinguished scientists to the Board, where their experience and advice will be of great value.

## AIMS AND OBJECTIVES

Support of the best fundamental scientific research in the world into the causes and treatment of cancer remains the prime aim, with particular attention paid to areas that are relatively underfunded, or unexplored.

Our main objective remains raising the funds that allow us to support that research.

## **PROSTATE APPEAL**

The 'Spotlight' Appeal to raise funds for research into prostate cancer has continued to be successful. In total it has now raised over £3 million, which, added to the £1 million set aside by AICR to set up the prostate fund, means that we are able to continue funding at least three new 3-year research projects each year, for the foreseeable future.

## **GENERAL CANCER RESEARCH FUNDING**

The number of applications received continues to increase, and we have been forced to apply a limit of 200 for each of the two rounds held each year. This is necessary because of the problems of finding sufficient referees for all the applications and, for the Scientific Advisory Committee, of assessing them. One result of the increased number of applications is that the overall standard of the projects funded continues to rise, and we are confident that every project funded ranks among the best in the world.

We have met our aim of increasing the amount available at each round to £1.5 million for first-year funding, and we will continue at this level until we feel able to increase it further.

It will be noted that the total amount allocated to research in 2002-2003 actually fell from the previous year. This is because we made a major increase in funding in 1999, rising from £4.3 million in 1998 to £7.4 million in 1999. The projects which made up this increase ended in 2002 and we were faced with the option of applying all the funds released to the next round, (thereby perpetuating the situation where there would be a massive injection of funds once every three years) or spreading the increase over the succeeding years. We chose the latter course, and by increasing the amount available at each round to £1.5 million (£3 million per year) we will soon bring overall funding levels back to the 2002 level, but on a more stable basis. Thereafter, it is our intention to increase funding further in line with increased net income.

## **DONOR RECRUITMENT AND FUNDRAISING**

There has been much publicity over the past year about recruiting regular giving donors by face-to-face methods, either on the High Street or by knocking on doors. Much of the publicity has been ill-informed and the criticisms unfounded. There is no doubt that many people do not approve of this form of raising funds, but this can be said of any fundraising activity. The fact is that face-to-face recruitment, which is a legitimate activity, is highly successful, and has allowed many charities to increase the scope of their activities through increased income.

AICR started its first face-to-face programme in 1999. We seek to use only competent recruiting agencies, and provide training aimed at ensuring that potential donors are approached courteously and given correct information. We now run a number of different programmes (to reduce our vulnerability to a single source of income) and are building up a substantial base of donors who make regular (monthly, quarterly or annual) payments by direct debit. The success of the programme can best be illustrated by comparing our regular giving income before and after we started face-to-face recruiting. In 1998, when our regular giving base had been built up over the years through our direct mail programme, we received around £50,000 per month from covenants, standing orders, and the tax claims on covenanted income. In 2003 we received around £500,000 per month from standing orders, direct debits, and the tax reclaimed through the Gift Aid scheme. That the programme has been spectacularly successful is undeniable.

While donor recruitment is in progress the programme has unavoidable costs. Fees are paid to the recruiting agencies on the basis of donors recruited, and the cost of the fees is not recouped until the donor has made a finite number of payments. The start of any face-to-face campaign will see an unavoidable net loss for perhaps a year, after which the net income will increase

steadily. When a campaign ends, most of the donors recruited in that campaign will continue to make payments and generate increasing net income which in time will greatly exceed the original costs. While campaigns are running, however, their costs will make up a large part of the overall expenditure of the charity.

The ideal situation would be one in which significant numbers of donors were recruited, whose regular payments were sufficient to meet the funding requirements of the charity. Theoretically, all further recruitment could stop, and there would be no expenditure involved, only net income. Unfortunately, such a situation is hypothetical. The reality is that there is a steady, but we hope small, attrition when donors stop paying for one reason or another. The practical way forward, then, is to run recruitment programmes until the number of donors reaches a predetermined level that is sufficient to meet the funding needs of the charity, and then to scale down recruitment to a level that will make up for any attrition.

AICR is currently running recruitment programmes to build our donor base to a target figure of 100,000. Once that figure has been reached we will cut back on recruitment to a level that will keep the donor numbers constant, or perhaps have just a modest increase. At that stage the income will significantly outweigh the expenditure on recruitment. Until then, however, we will continue to have relatively high donor recruitment costs. We hope to achieve our target figure within two to three years.

We draw a distinction between the terms 'fundraising' and 'donor recruitment' when it comes to expenditure. We see fundraising as activities that generate income on a one-off basis; for example, in response to one of our direct mail campaigns, or one of our raffles. The cost/income ratio is easily calculated once all the responses have been received. Fundraising, therefore, involves a finite cost set against finite income. Donor recruitment, on the other hand, involves paying a fee up front for donors recruited who will start to make monthly, quarterly or annual payments on a regular basis. The cost/income ratio cannot be determined until the donor stops the direct debit, but as long as payments are received, the ratio will continue to reduce. The cost/income ratio for a donor recruitment programme cannot be determined until the last donor has stopped paying. Obviously, when recruiting donors we try to impress on them that to be effective they should keep paying for a number of years. Donor recruitment therefore involves a one-off payment to generate a continuing source of income.

## **SCIENTIFIC REPORT**

The number of applications submitted to AICR continues to increase faster than the funds we have available to support research, which means that the scientific quality of the cancer research we are able to support remains high. All available evidence indicates that we are now funding research of a higher quality than ever before.

The trends in the types of research projects submitted to us, and those we fund, have reflected the international trends in fundamental cancer research. There has been a noticeable increase in the number of applications dealing with apoptosis (cell suicide) and cell cycle control in recent years. This reflects the growing understanding of the importance of these two aspects of cell biology in the mechanisms of cancer.

There continues to be an increase in the research we support into intracellular signalling (the internal control mechanisms within cells). A good example of this type of project is the one-year pilot grant awarded to Dr Neil Perkins at the University of Dundee, to investigate the function of SNIP1. This protein was identified because it binds to Smad proteins. Smad proteins are transcription activators – i.e. when activated themselves, they activate certain genes. Cells respond to a particular event or stimulation by turning on or off certain genes and there are many

signalling pathways in the cell that start with a protein that detects an event and end with the activation (or de-activation) of particular genes. The Smad proteins are part of one such signalling pathway which is affected in certain cancers. Thus, SNIP1 may be involved in this aspect of cancer cell regulation. The research being conducted by Dr Perkins will help us understand if and how it is involved.

We also continue to fund a number of projects examining angiogenesis – the growth of new blood vessels. Almost as soon as a tumour starts to grow, it needs a blood supply to provide the tumour cells with oxygen and nutrients and to remove carbon dioxide and waste products. Without a new blood supply, a tumour would be unable to grow to more than about one millimetre across. Tumour cells produce and release small, hormone-like molecules. However, unlike hormones, which can act right across the body, these ‘growth factors’ are only short-acting. Some of those released by tumours specifically stimulate the growth of the cells that make up blood vessels and stimulate them to grow in the direction of the tumour.

Recently, we awarded a grant to Professor Christer Betsholtz of the University of Goteborg in Sweden who is investigating the cells at the tip of new blood vessels as they grow their way towards a tumour. These cells have special qualities which allow them to guide the rest of the growing blood vessel in the same direction. By increasing our understanding of this process, this research may help develop methods to block off the blood supply of developing tumours, preventing them from growing large enough to be harmful.

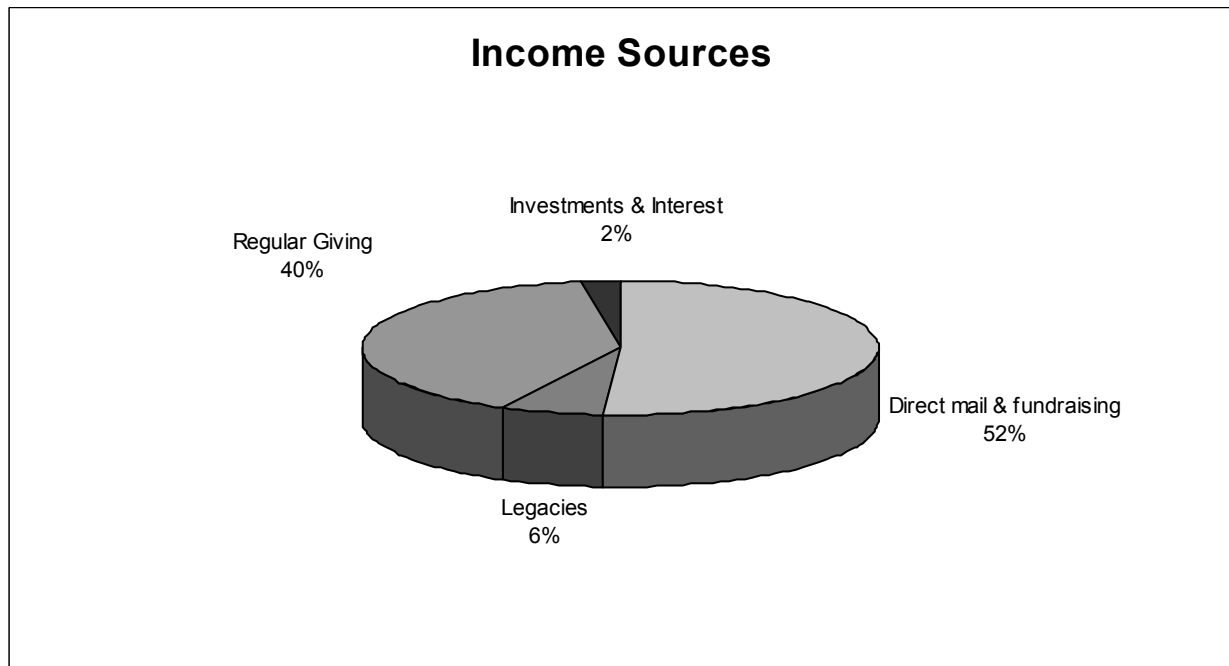
AICR has always supported applied research, particularly research aimed at developing new anti-cancer drugs. A recent example of this is the grant awarded to Dr Susan Matthews of Trinity College Dublin. One of the main problems with drugs designed to kill cancer cells is that they also kill the normal, healthy cells in the body, which causes serious side-effects. Finding a way to target the drugs specifically to the cancer cells is one of the holy grails of cancer research. Dr Matthews is trying to utilise the fact that many types of cancer cells have different molecules on their surface. Some of these can bind sugar molecules and carry them into the cell. Dr Matthews is chemically synthesising drug molecules’ links to sugar molecules and testing them on cancer cells to find out if they will take them up in a way that normal cells will not. If this project is successful it could lead to significant improvements in the drug treatment of several types of cancer.

Our Spotlight Appeal continues to raise significant amounts of funding for research into prostate cancer and we have funded quite a few grants from this source. One of particular interest was the grant awarded to Professor Andrew Cato of the Karlsruhe research centre in Germany. Both normal prostate cells and most prostate cancer cells can only grow in the presence of androgens - the male sex hormones. The main drug treatments for prostate cancer work by blocking the effect of androgens on the cancer cells. However, in advanced prostate cancer, the cells lose their requirement for androgens and become able to grow and divide without these hormones. As a result, the available drugs no longer work for advanced prostate cancer.

To understand why advanced prostate cancer cells no longer depend on androgens, we need to understand how these hormones control the growth of normal cells. Professor Cato is studying a particular molecule in the cell, called Bag-1L, which plays an important role in the mechanism that androgens use to control cells. If Bag-1L proves to be part of the changes that happen in advanced prostate cancer, it could become the focus of research aimed at developing a new treatment for these cancers.

## INCOME

Gross income in 2002-2003 was £15,996,911. The breakdown of income is shown below.



### Direct Mail & Fundraising

Our direct mail programme continues to be successful in an increasingly competitive market. AICR was one of the first charities to use direct mail and we have long experience in this form of fundraising. Today, many other charities have entered the direct mail market and it has become even harder to build a cost-effective donorbase. That AICR has such a large and productive donorbase is thanks to the innovative and ever-evolving programme run for us by DMS of Cheltenham.

### Regular Income

Regular giving income has continued to grow, and we see this as a major source of income for the foreseeable future. We have a solid base of donors recruited through direct mail, many of whom have been making monthly payments by standing order since the early days of the direct mail programme. We still have a number of donors with covenants, on which tax can be reclaimed. Since the replacement of covenants by gift aid in April 2000, we have encouraged covenant payers to convert to gift aid by signing a declaration allowing us to claim tax on all their donations, and many of the original covenanters have done this.

Donors recruited through the face-to-face programmes were originally signed up to pay by standing order, and we still have a large number of these. Many of these donors have signed gift aid declarations, and we are able to recover tax on these payments.

For the past two years we have recruited new donors who make regular payments by direct debit. Direct debits are much more efficient, and, although it means more work in Madras House, it gives us greater control over the payments made each month, and a better ability to respond to donors' wishes. Standing order payments are controlled by the individual bank branches, and errors in payments are difficult to correct, apart from being very time-consuming.

Donors wishing to amend or cancel standing orders often pass these requests to AICR. We in turn request the donors to pass their instructions to their banks, as the banks will only accept instructions to amend or cancel standing orders from the customer, and will ignore any requests from us. With direct debits, however, we can make immediate alterations to the mandate, including cancellation, on receipt of the donor's instruction. As we generate the demand for payment to the banks, it is much easier for us to keep the twice-monthly direct debit payment requests totally up to date and correct.

### Trusts

Due largely to the relative weakness of the stock market over the past twelve months, trust income has fallen. Trusts relying on income from investments had less money to disburse, and consequently we have found it harder to secure income from this source. We hope that, as the market improves, and investment income recovers, Trusts will become readier to respond to applications for support.

### Legacies

Legacy income was £1,036,495. We are extremely grateful to the many supporters who have shown their commitment to the fight against cancer by leaving bequests to the Association, in particular to the following donors, whose bequests were received in 2002-2003:

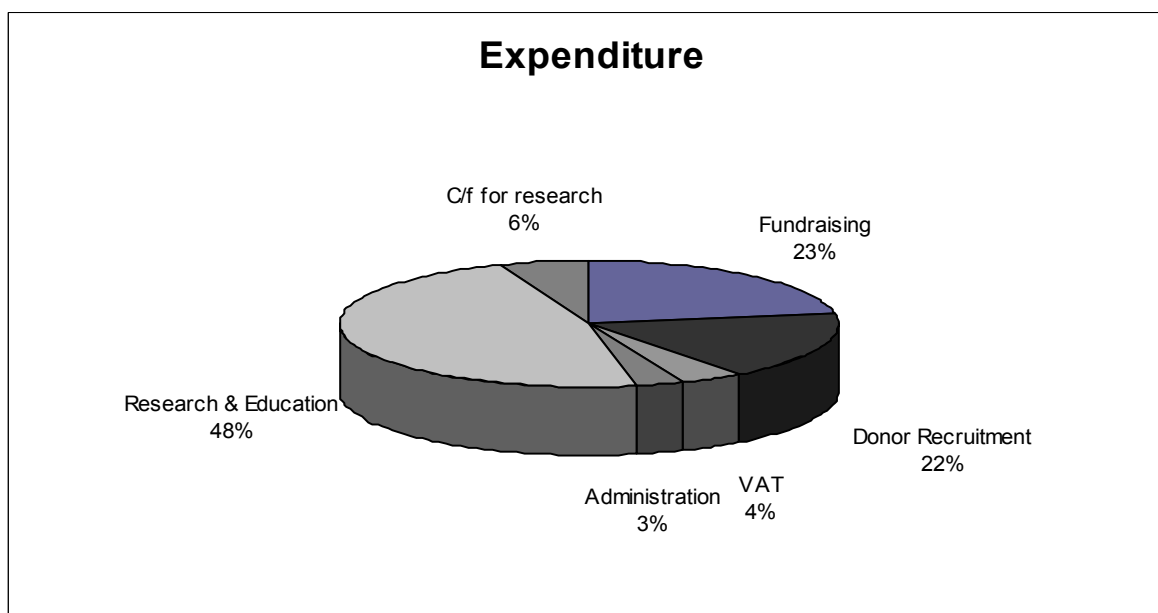
Mrs H A Alvarez
Mr L H Ardley
Miss V I Baker
Mrs V G Barnes
Mr C J Blamire
Maj A M Borg-Cardona
Mr T G Brady
Mr W L Branter
Mr J R Brown
Mrs M Caish
Mr K M Cameron
Mrs E M Capp
Mrs E M Carberry
Miss G G Clarke
Mrs O G Cole
Mrs V F Cook
Mrs A K Coppard
Miss D A Corke
Mrs S R Cox
Mrs J A Cross
Mr A A H Crossley
Mr J J Daunt
Mrs N Davison

Mrs W M N Deuchars
Mrs E M Ellis
Mrs M Fawcett
Mrs J Forster
Mrs V Fullbrook
Mr T E Girdlestone
Mr R Golightly
Mr B G Green
Mrs L S Green
Mr R H Hale
Miss M Hope-Baldwin
Mr A H Hudson
Mr A S T Jones
Miss N E Jones
Mrs D Kay
Mr K J V Lee
Miss I Levy
Mrs E B Lister
Mr W E Martin
Mrs H H McGinis
Miss A G Moir
Mrs V Moore
Mrs K B Morgan

Mrs R Parker
Mrs L A B Parritt
Dr A J Pearce
Mrs M J Pfanhauser
Mrs H M E Price
Mr W E H Price
Ms G B Reed
Miss A S Robertson
Mr T B U Rothwell
Miss E M Rushgrove
Mrs E M Russell
Mr J D Sempill
Mr G R Stanaway
Mr A G Stevenson
Mr J M Storey
Mr C V Taylor
Mr A H Teasdale
Mr D B Thomas
Miss E V Tinsley
Mrs M R Watkins
Miss P S E Wicks
Mrs E M Willis
Mrs Y R Witrick

## EXPENDITURE

The breakdown of expenditure is given below.



Research and Education covers grant awards for scientific research projects, publication of our widely read Newsletter, “Progress”, and support for scientific seminars and conferences. The reduction in the overall amount allocated to research and education compared to the previous year came about through the ending in 2001-2002 of projects financed in 1999-2000. In 1999 we significantly increased the number of applications funded in order to allocate more of our available funds to research. In 2000 and 2001 the amounts allocated returned to the historical levels prior to 1999. This allowed us to maintain the increased level of funding, but not increase it further. When the larger number of projects ended in the year 2001-2002 we were faced with the option of allocating the full amount released, thereby perpetuating the situation where every third year would see an artificial peak in awards, or increasing the amount allocated at each succeeding Grants Allocation Meeting in order to build up steadily to the cumulative number of awards seen in the period 1999-2002. We decided that we would adopt the latter approach, and have increased the amount awarded at each of the two Grants Allocation Meetings to £1.5 million for first year costs. At a rate of £3 million per year first-year costs for new awards it will not take us long to reach and surpass the levels enjoyed over the past three years.

Administration costs are kept low through running the Association very cost-effectively from our single office in St Andrews. The cost for the year was £491,922.

Fundraising and donor recruitment costs are kept under close review.

Whatever the method used to raise funds, the charity should be able to show that its money is spent prudently, with a favourable cost/income ratio over the life of the programme. Taking a snapshot of cost/income at a random point in a programme does not give a true idea of the programme life return on investment. For example, donors recruited in June 1999 cost £101,114 in recruitment fees. By September 1999 AICR had received £16,181 in payments, giving an end of year cost/income ratio of 6.25. By October 2003 these donors had paid £332,507 to AICR giving a cost/income ratio of 0.30. As each year goes by that ratio will

decrease correspondingly. Only when the last donor stops paying, many years in the future, can the lifetime cost/income ratio be determined, and by that stage it will be insignificant.

VAT. Despite continuing pressure on politicians, charities continue to be liable for VAT on much of their expenditure. £680,286 was paid to HM Customs and Excise in VAT during 2002-2003, a sum that could have allowed us to fund a further seventeen projects.

### **SCIENTIFIC ADVISORY COMMITTEE**

The number of applications received has increased steadily, to the point where we had to process some 240 applications at each meeting. With a finite number of Committee members, and as importantly, referees, it was reluctantly decided that we would apply a limit to the number of applications considered. A limit of 200 has now been set, but even that number threatened to overstretch the hard-worked Committee. We therefore took the decision to enlarge the Scientific Advisory Committee to twenty. This decision gave us two main benefits – with a larger Committee the load on individual members was eased, and the increased numbers allowed us to bring on the Committee scientists with particular specialisations that now enable us to cover most areas of research. We are extremely grateful to all members for their work on the Committee, and in ensuring that the science funded is among the best in the world.

Members of the Committee for 2003-2004 are:

Professor E Wright	University of Dundee (outgoing Chairman)
Professor Margaret Frame	CRUK, Beatson Laboratories, Glasgow (Chairman)
Professor Manuela Baccharini	Vienna Biocenter, Austria
Dr D Blakey	Astra Zeneca, Alderley Park
Professor A Boobis	Imperial College of Science, Technology & Medicine
Professor G Christofori	University of Basel, Switzerland
Dr P Clarke	University of Dundee
Dr O Delattre	Institut Curie, France
Dr P Di Fiore	European Institute of Oncology, Milan
Professor M Eilers	Philipps-Universitat Marburg, Germany
Professor T Elliott	University of Southampton
Professor D Gillespie	The Beatson Institute for Cancer Research, Glasgow
Professor R J Griffin	University of Newcastle upon Tyne
Professor Xin Lu	Imperial College, London
Professor S J Martin	The Smurfit Institute, Ireland
Professor Maria Masucci	Karolinska Institutet, Sweden
Professor J Neil	University of Glasgow
Professor I Stratford	University of Manchester
Dr D C Van Gent	Erasmus University, Rotterdam
Professor E Van Obberghen	INSERM, Nice
Professor G Williams	University College London
Dr R Wilson	Belfast City Hospital
Professor C R Wolf	Biomedical Research Centre, Dundee (ex-officio)
Dr Mark Matfield	AICR Science Consultant (ex-officio)

## GRANTS

As at 30 September 2003 AICR funded projects in the following establishments:

### United Kingdom:

University of Aberdeen  
University of Dundee  
University of Edinburgh  
Beatson Institute, Glasgow  
Glasgow University Veterinary School  
University of Glasgow  
University of Strathclyde  
Aston University, Birmingham  
University of Birmingham  
University of Bath  
University of Bradford  
University of Sussex, Brighton  
University of Bristol  
Brunel University  
Babraham Institute, Cambridge  
Medical Research Council, Cambridge  
University of Cambridge  
Addenbrooke's NHS Trust, Cambridge  
University of Kent, Canterbury  
University of Durham  
University of East Anglia, Norwich  
Keele University, Stoke-on-Trent  
University of Leeds  
University of Leicester  
University of Liverpool  
John Moore's University, Liverpool  
Birkbeck College, London

Imperial College, London  
Institute of Cancer Research, London  
King's College, London  
Ludwig Institute, London  
National Institute for Medical Research  
St George's Hospital, London  
University College, London  
UMIST, Manchester  
University of Manchester  
University of Newcastle-upon-Tyne  
Gray Cancer Institute, Northwood  
University of Oxford  
Marie Curie Research Institute, Oxted  
University of Reading  
University of Salford  
University of Sheffield  
CRUK, South Mimms  
University of Southampton  
University of Surrey  
Institute of Cancer Research, Sutton  
University of Warwick  
University of the West of England  
University of York  
Queen's University, Belfast  
Cardiff University  
University of Wales  
University of Wales College of Medicine

### Overseas:

**Australia**  
University of Queensland, Brisbane  
Garvan Institute, Sydney  
Peter MacCallum Cancer Institute, Melbourne  
Austin Research Institute  
University of Queensland  
**Belgium**  
VIB, Ghent University  
**Canada**  
University of Toronto  
**Cyprus**  
Institute of Neurology & Genetics, Nicosia

**Hong Kong**  
Hong Kong Univ of Science & Technology  
**Israel**  
Ben Gurion University, Beer Sheva  
Institute of Technology, Haifa  
Hebrew University, Jerusalem  
Hadassah-Hebrew University Hosp, Jerusalem  
Bar-Ilan University, Ramat-Gan  
Tel-Aviv University  
**Italy**  
European Institute of Oncology, Milan  
IFOM, Milan

**Denmark**

Copenhagen University Hospital  
Danish Cancer Society

**Eire**

University College, Dublin

**France**

IGBMC, Illkirch  
IARC, Lyons  
Université Claude Bernard, Lyon  
INSERM, Nantes  
Institut Curie, Orsay  
Institut Pasteur, Paris  
UMR CNRS, Paris

**Germany**

University of Essen Medical School  
EMBL Heidelberg  
National Cancer Institute, Heidelberg  
Forschungszentrum Karlsruhe  
Justus-Liebig University, Giessen  
University of Tuebingen  
Medical University of Ulm

**Greece**

University of Crete  
University of Crete Medical School  
University of Patras

**Netherlands**

Netherlands Cancer Institute, Amsterdam  
University of Leiden  
UMC St Raboud, Njmegen  
Erasmus University, Rotterdam  
University Medical Centre, Utrecht

**Spain**

Campus de Cantoblanco, Madrid  
IIB, Madrid  
University of Madrid  
CSIC, Granada

**Sweden**

University of Gothenburg  
University of Uppsala  
University of Lund

**Switzerland**

University of Bern  
University Hospital Geneva  
University of Zurich

**USA**

University of North Carolina, Chapel Hill  
Dana Farber Cancer Institute  
Skirball Institute, New York  
University of Texas, San Antonio  
Washington University

**STAFF**

Once again we are indebted to the hard-working staff at Madras House for enabling the Association to function so efficiently from its single office. Over 220 world class 3-year projects have been supported, in 21 countries, with a staff of just thirteen, who cover every aspect of our business; answering supporters' queries; data capture and setting up of records for new donors; processing of regular payments; processing of legacy bequests; training of agency staff who recruit new donors for AICR; and updating and maintaining the AICR website.

Mrs Jane Wilson has continued to be the first point of contact for queries, by post or telephone, and she has answered most of the queries that are addressed to AICR. She has also administered those runners in the London Marathon who raise funds for AICR. Miss Claire Wood and Miss Karen Whittaker operate the sophisticated scanning process that enables us to capture details of new supporters electronically. They also administer the remaining covenant programme and the large number of supporters who donate through the Payroll Giving scheme. Mrs Sarah Rushforth and Mrs Annika Naismith process the monthly standing order payments, and use the electronic files from the data capture process to set up new donor records, including the details of direct debit payments. They also use the electronic files sent to us by our telephone agency to set up records for new donors recruited by telephone, reactivated lapsed donors, and donors who have upgraded their payments. The responsibility for ensuring that direct debit records are correct and up to date before the twice-monthly

transmission to the banks falls to Ms Aileen Bullen, whose painstaking work ensures that these transmission files are accurate and correct.

Overall supervision of all aspects of donor records, from data capture to financial transactions falls to Mrs Joan Paxton. In addition Mrs Paxton fills the role of Office Manager, overseeing the general day-to-day running of Madras House. She has also taken part in training outside agencies to ensure that they understand how AICR works and to imbue its ethos. We are extremely grateful to Mrs Paxton for her hard work, dedication and commitment.

Mr Alan Gilchrist continues to run the Grants Department, which handles an ever-increasing load of applications for funding. He organises the twice-yearly Grants Allocation Meetings at which the decisions are taken on which applications to fund. The Grants Department runs every aspect of funding, from notification of award to processing the quarterly payments. Mr Gilchrist is ably assisted by Miss Linsey Cargill, who has taken on increasing responsibility for a wider cross-section of the whole grants system, and by Miss Lisa Crieley, who is responsible for processing payments. The vast spectrum of cancer research funded and supported by AICR is dependent on this small, dedicated team.

Mr Tony Cross has proved invaluable in following up notification of legacy bequests to ensure that the proper amounts are paid. Many non-professional executors have had reason to be grateful to Mr Cross for gently and tactfully steering them down the correct road to ensure that tax exemptions, for example, are applied where applicable. Thanks to Mr Cross's painstaking work our legacy income has again exceeded £1 million.

We are delighted to welcome Mr Jack Cumming to the staff, in the role of Internet Development and IT Manager. Mr Cumming has extensive experience in website design and IT management, and has been instrumental in the complete redesign of our website. His IT experience has been put to good use in the updating of our internal network, and in crisis management when, for example, contractors working outside brought the whole of Madras House to a halt by cutting through the power cable. Once power was restored Mr Cumming spent the best part of a day rebuilding the crashed network, updating some aspects of it in the process.

We are fortunate in having had the services of Mr Ian Lumsdaine as a consultant accountant for some years now. Mr Lumsdaine's steady and accurate work has ensured that our accounting system is sound and reliable, and that the annual audit has been completed painlessly. He is a much valued member of our team.

Finally, tribute must be paid to our Chief Executive, whose ongoing crusade for government funding for scientific research into the causes of cancer is perhaps the aspect of his work most visible to the general public. His commitment, enthusiasm and hard work across all AICR's activities remain as remarkable as ever, and we are much indebted to him.

## **ACCOUNTS AND FINANCIAL RECORD FOR LAST FIVE YEARS**

The summarised accounts for 2002/03 and financial record for the years 1998/99 – 2002/03 are shown overleaf.

## ACCOUNTS

<b>Income and Expenditure</b>	2002/03	2001/02	2000/01	
for the year ended 30-September-2003	Donations	14,562,051	13,655,017	13,191,094
	Legacies	1,036,495	1,108,030	730,291
	<b>Total Voluntary Income</b>	15,598,546	14,763,047	13,921,385
	Investment and other income	379,966	379,384	368,266
	Gain/(Loss) on investments	18,399	(4,582)	(14,759)
	<b>Total Income</b>	15,996,911	15,137,849	14,274,892
	Less expenditure			
	Fundraising	3,594,643	3,590,809	3,339,232
	Donor Recruitment	3,444,074	1,199,981	286,636
	Administration	491,922	429,700	430,753
		7,530,639	5,229,490	4,056,621
	<b>Net Income</b>	8,447,873	9,908,359	10,218,271
	Less			
	Research expenditure	6,768,244	7,237,460	6,858,837
	Education expenditure	664,585	831,861	662,160
	Support costs	87,746	134,980	93,904
		7,520,575	8,204,301	7,614,901
	Operating surplus/deficit	945,697	1,704,058	2,603,370
	Unrealised gains/losses on Investments	450,085	(1,312,515)	(1,222,285)
	<b>Total surplus/deficit for year</b>	1,395,782	391,543	1,381,085
<b>Balance sheet</b>	2002/03	2001/02	2000/01	
As at 30 September 2003	<b>FIXED ASSETS</b>			
	Tangible assets	637,164	672,559	309,279
	Listed investments	5,512,050	4,693,464	4,628,745
		6,149,214	5,366,023	4,938,024
	<b>CURRENT ASSETS</b>			
	Debtors	1,651,093	1,178,904	1,409,825
	Short term bank deposits	5,475,306	5,156,112	4,558,468
	Cash at bank and in hand	1,041	4,961	856
		7,127,440	6,339,977	5,969,149
	<b>CREDITORS</b>			
	Amounts falling due within one year	4,549,576	4,374,704	3,967,420
	<b>Net current assets</b>	2,577,864	1,965,273	2,001,729
	<b>Total assets less current liabilities</b>	8,727,078	7,331,296	6,939,753

## Financial record

for the five years  
to 30 September 2003

	2002/03	2001/02	2000/01	1999/00	1998/99
	£000	£000	£000	£000	£000
TOTAL INCOME	15,997	15,137	14,275	11,758	9,013
Appeals and administration costs	7,531	5,229	4,057	6,041	5,235
Research/education expenditure	7,520	8,204	7,615	7,407	4,316
Operating surplus/(deficit)	946	1,704	2,603	(1,690)	(538)
Unrealised investment gain/(loss)	450	(1,313)	(1,222)	205	64
Total surplus/(deficit)	1,396	391	1,381	(1,485)	(474)
Tangible assets	637	673	309	314	299
Investments	5,512	4,693	4,629	5,438	6,662
Net current (liabilities)/assets	2,578	1,965	2,002	(193)	83
Balance carried forward	8,727	7,331	6,940	5,559	7,044

John Matthews  
Chairman  
Board of Directors

