

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



**Annual Report  
2003/2004**

Association  
for International  
Cancer Research

**Limited by Guarantee**

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# **CHAIRMAN'S REPORT**

## **GENERAL**

The most significant event in the past year actually took place after 30 September 2004, the end of our reporting year, but it is of such importance that it is fitting that it should be included in this report. The announcement by the Scottish Executive that it will introduce a Bill banning smoking in all public places in Scotland means that a major step has been taken in combating one of the major causes of cancer in Scotland. Proposals for a comparable Bill in England and Wales are not so black and white, with various exemptions offering the smoking lobby opportunities to circumvent the intentions of the Bill, but even so the prospect of such legislation is encouraging.

The Scottish Executive is to be commended for its courage in tackling the smoking problem head on, in such a way that there is real hope that a significant reduction in smoking levels might indeed be achieved. The main argument against smoking, its effect on health, and in particular as a cause of cancer, was won many years ago, but the global tobacco industry has waged a well-funded campaign to keep global sales of tobacco products at highly profitable levels. Arguments about “the nanny state” and about government moves to force people to reduce or give up their smoking habits do not hold water when set against the insidious subversion of children and young people by those already hooked on nicotine, aided and abetted by a cynical industry whose only interest is profit, even when at the expense of people’s health, and, ultimately, lives.

It would be odd if a charity dedicated to raising funds to support research into the causes of cancer, and the development of better means of diagnosing and treating the disease, were not to lend its whole-hearted support to the Scottish Executive’s far-sighted and brave action, and we have no hesitation whatsoever in voicing that support. We have in the past criticised the Scottish Executive (and the Westminster government) for not doing enough to support scientific research into the causes of cancer, and we will continue to do so, but it is only fair to give credit where credit is due, and applaud this initiative which promises to do so much for public health and welfare.

## **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**

By the end of September 2004 the Spotlight Appeal had raised £4,159,497 on top of the £1,000,000 that AICR had set aside to start off the Prostate Fund. In the five years that it has been running, the Spotlight Appeal has sent out a number of mailings designed to raise funds. One of the most successful campaigns has been the Sponsorship Campaign, where donors were invited to give support to specific projects at varying levels from £100 to £1,000. The first two of these projects have now reached completion, funded largely from the sponsorship raised through the campaign. The completed projects, by Dr Mike Threadgill of the University of Bath, and Dr Craig Robson of the University of Newcastle were successful in their aims, and have made a significant contribution to the increasing level of research into prostate cancer. Both

researchers have built on the success of these projects, and have secured funding to take their research further.

Two other projects are well under way, supported by the funds raised through the sponsorship campaign. Dr Charlotte Bevan at Imperial College London is studying why advanced prostate tumours become androgen-independent, and Dr Cecile Martin at the University of Edinburgh is investigating the role of the CYP7B gene in prostate cancer.

Overall, 19 projects have been funded through the AICR Prostate Fund since we started the Appeal, and the balance of the Fund will enable us to continue funding new projects for many years to come.

## **GENERAL CANCER RESEARCH FUNDING**

The Prostate Fund has made a very real difference to research into that disease, and has encouraged increasing numbers of high quality applications for funding. However, it represents only a very small part of AICR's overall funding portfolio, covered by the heading 'General Cancer Research Funding'. This is open to applications in any area of cancer, and from researchers in any country in the world.

In 2003/04 AICR awarded grants to 81 general cancer projects, 3 prostate cancer projects, and one Fellowship. This amounted to a first year total of £3.4 million, and a full term commitment of £9.2 million.

## **AICR FELLOWSHIP**

The AICR Cancer Research Fellowship scheme is designed to support outstanding young investigators and provide them with an opportunity to establish an independent research group. One fellowship is awarded each year, providing up to a million pounds of funding over a six-year period. This year, our Fellowship Panel interviewed the best four applicants and awarded the fellowship to Dr Eric So of Stanford University in the USA. Dr So, a graduate of The University of Hong Kong, is the recipient of several prestigious awards in the United States. The AICR Fellowship will allow Dr So to establish his own research group at The Institute of Cancer Research (ICR) in Sutton, and has enabled him to work at the ICR in the face of some competitive counter-offers from the United States. It is refreshing to note this example of a reverse 'brain-drain' when so often we hear of British scientists being tempted to America by better salaries and facilities. The Scientific Report below contains an outline of the work to be carried out by Dr So.

## **SCIENTIFIC REPORT**

AICR supports fundamental research into the causes, mechanisms, diagnosis, treatment and prevention of cancer. This support is provided in two forms: research grants of up to three years duration and cancer research fellowships, which last for six years. Each year we consider applications from many different countries for research into a wide range or aspects of cancer. The process of selecting the successful applications is done by peer review, involving consideration by our Scientific Advisory Committee, with advice from external referees. During the year ending 30 September 2004, there were two rounds of research grant funding and one fellowship round, during which we considered 439 applications and awarded 82 grants and one fellowship. Below, we note just a few examples of the research that is being funded.

### The AICR Fellowship

Dr Eric So will be taking up his fellowship at the Institute of Cancer Research, in Sutton, Surrey. He will be studying how the MML protein causes blood cells to become cancerous and develop

into leukaemia cells. All cells carry coded instructions for all their activities and functions. These coded instructions are carried in the genes. When a gene is activated or expressed, it produces one or more closely-related proteins. Proteins are the workhorse molecules of the cell. Every function or activity that a cell is able to do is done by the proteins in the cell.

Some cancer cells carry a rearrangement of the genes, in which two unrelated genes are fused together. When they are activated, they produce a fusion protein – the two individual proteins, from the original genes, fused end-to-end together. In many cases of leukaemia, the MLL gene is fused to another gene. The resulting MLL fusion protein is responsible for activating other genes, which cause the cells to become cancerous. Dr So will be investigating which other genes are activated by the MLL fusion protein and what mechanisms of gene activation it uses. He will examine the genes activated by the MML fusion protein to determine if any of them play a crucial role in the cancer mechanism. Using genetic engineering techniques, he will turn off the activation of these genes in leukaemia cells, one gene at a time. This will show if there is one gene that is crucial for the cancerous state – so that turning it off causes the leukaemia cells to stop growing and dividing.

### Peutz Jeghers Syndrome

Professor Dario Alessi, of the University of Dundee, was awarded a three-year research grant to study the molecular mechanism of a condition called Peutz Jeghers Syndrome. This is an inherited condition in which a person is very likely to get a wide variety of either benign or malignant tumours. This is because these people carry a defective version of the LKB1 gene. The normal version of this gene appears to prevent cells from becoming cancerous, although how it does this is not understood. Professor Alessi will be studying the function of the LKB1 gene in normal cells, to find out how it prevents them becoming cancerous and in particular how it is involved in the biochemical pathways that they use to control their growth and behaviour.

### The Myc gene

At the European Institute for Oncology in Milan, Dr Bruno Amanti is studying a protein called Myc that is known to be involved in the cause of several different cancers. The Myc gene was discovered many years ago because it was involved in the cause of several different tumours in chickens. These were caused by viruses carrying a damaged version of the chicken Myc gene. In normal human cells, the Myc gene is only active (eg producing the Myc protein) when the cells are dividing. However, in many different types of cancer, the Myc gene is active most of the time in all the cells. This over-activity of the Myc gene is known to play an important part in the mechanism of these cancers.

With a research grant from AICR, Dr Amanti is studying the way that the Myc protein interacts with an important biochemical system – the Wnt pathway – that is involved in the way that tumours develop and spread. He has evidence that suggests that Myc is necessary for the Wnt pathway to affect cells growth and division. He now wants to find out how it has this effect.

### Prostate cancer

Another research grant was awarded to Dr Jorma Palvimo of the University of Helsinki in Finland. He is studying the mechanism by which prostate cancer cells require androgens - the male sex hormones – to grow and divide. The androgen hormones bind to a protein called the Androgen Receptor inside the cell, which then activates a number of genes, causing the cell to grow. Dr Palvimo has discovered that the Androgen Receptor needs two proteins – called Ubiquitin and SUMO – to be able to activate these genes. This is an unexpected finding because

Ubiquitin and SUMO are proteins that are involved in the cell's waste-disposal system. They mark other proteins for disposal, causing them to be broken down.

The three-year grant we have awarded will enable Dr Palvino to investigate what role these two proteins play in gene activation by the Androgen Receptor. This will help us understand more about the process that causes prostate cancer cells to grow and divide.

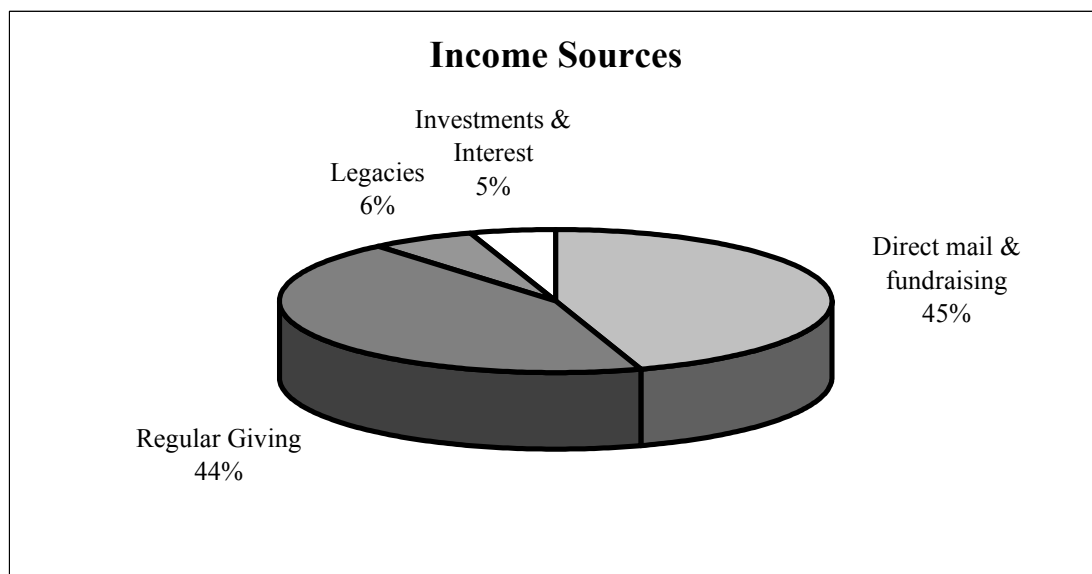
## Desmoid tumours

There are two types of tumours, known as benign and malignant. The much less dangerous benign tumours are self-limiting, because they do not invade the surrounding tissues. As they grow larger, they push against the surrounding body tissues, which eventually restrict the growth of the tumour. Malignant tumours, on the other hand, can invade the surrounding tissues, eventually spreading around the body and invading the vital organs – the normal cause of death from cancer. We have awarded a research grant to Dr Els Robanus-Maandag, of Leiden University in the Netherlands, who is studying desmoid tumours – a rare type of tumour which is half way between benign and malignant.

Dr Robanus-Maandag and his colleagues will be studying a strain of mouse which is particularly prone to getting these tumours. This is similar to the very few human families where a high risk of getting desmoid tumours is inherited. Using both this mouse and a large collection of human desmoid tumour tissue samples, the Leiden team will identify the cells that give rise to these tumours and try to discover why the tumour cells are partially malignant. This would help us understand more about what makes one type of tumour benign and relatively harmless and another malignant and potentially fatal.

## **INCOME**

Gross income in 2003-2004 was £16,696,549. The breakdown of income is shown below.



## **Direct Mail & Fundraising**

The direct mail marketplace has become very crowded in recent years, with many more charities taking up this form of fundraising, and an increasing commercial use of the medium. This has meant that AICR has had to operate in a much more competitive market, which has called for greater and more exhaustive analysis of the donorbase, and constant review of creative materials. This, in turn, has led to increased costs. Despite this, direct mail income represents a major part of AICR's revenue stream, and the results achieved are still significantly better than the industry average.

Other fundraising activities include the payroll giving scheme, which generated over £120,000, and the London Marathon, which raised more than £56,000 in 2004.

## Regular Giving

The regular giving income stream consists of standing orders taken out pre-2002, including some which are still covenanted (the covenant system ended in 2000 with the introduction of Gift Aid, but existing covenants were permitted to continue), and direct debits taken out since 2002. With tax reclaimed through the Gift Aid programme, regular giving income reached £7.4 million in 2003-04. This is comparable to the income generated through direct mail and fundraising activities, which means that we have now achieved the aim set by the Board of Directors in 1994 to reduce the reliance on a single source of income (direct mail) by introducing other income sources to match it.

We are very conscious that our ability to support as much research as we do is thanks to the support of the hundreds of thousands of people throughout the UK who help us through the direct mail and regular giving programmes. Without their generous support AICR could never have grown to the point where it is now one of the most significant and unique funders of scientific research into the causes of cancer in the country, if not the world.

## Trusts

The past few years have been difficult for many grant-awarding trusts, as a consequence of the fall in share values, and income from Trusts has not risen as much as we would have hoped. A total of £79,601 was raised in the year from charitable trusts, to whom we are very grateful. Our applications to trusts have not been helped by the apparent strength of our reserves. “Why give grants to a charity that has some £10 million in reserves?”, is the not unreasonable response of some trustees. The introduction of new SORP regulations requiring charities to show the full life commitment of grants awarded might help to put this problem in perspective. The audited accounts for 2003-04 show reserves of £10,542,850, offset by the commitment to complete funding of grants already awarded of £17,622,557. While the intention is to fund each year’s grants commitments from revenue, the reserves policy is designed to ensure that, in the face of a catastrophic collapse in revenue, we could fund the remaining grants to their conclusion.

## Legacies

Legacy income was £1,031,410. 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 2003-2004:

|                   |                   |                   |
|-------------------|-------------------|-------------------|
| Mrs B M Bell      | Mrs D M Gaunt     | Mr R Marsay       |
| Mrs M Bostock     | Miss D M Greaves  | Miss M M Martin   |
| Mr D A C Braggins | Miss E J Greenway | Mrs P M Maxworthy |
| Mr J S Bridle     | Mr A J Heald      | Miss E M Megson   |
| Ms E Caine        | Mr Z T Herdzik    | Mr W More         |
| Mr M J Carter     | Mrs C I Heron     | Mr A Nairn        |
| Miss V R Carter   | Mrs M J Hicks     | Mr L G Norman     |
| Mrs D E Clarkson  | Mrs I U Jackson   | Mrs E Parker      |
| Major N A Cox     | Mr C S Johnson    | Mr A W Parson     |
| Mr W Crowe        | Mr W G Jones      | Mrs B H L Ryall   |
| Mr F W M Crowther | Mrs E Kay         | Mrs D Sager       |
| Mr G W Cullum     | Mrs P Kelly       | Mr W D Stephens   |
| Mr I J Currie     | Mr D F Knott      | Miss R B Stovin   |
| Mr R H Davis      | Mr L W T Lane     | Mrs L M Taylor    |
| Mrs A F Delany    | Mrs C Leigh       | Miss E H Thompson |

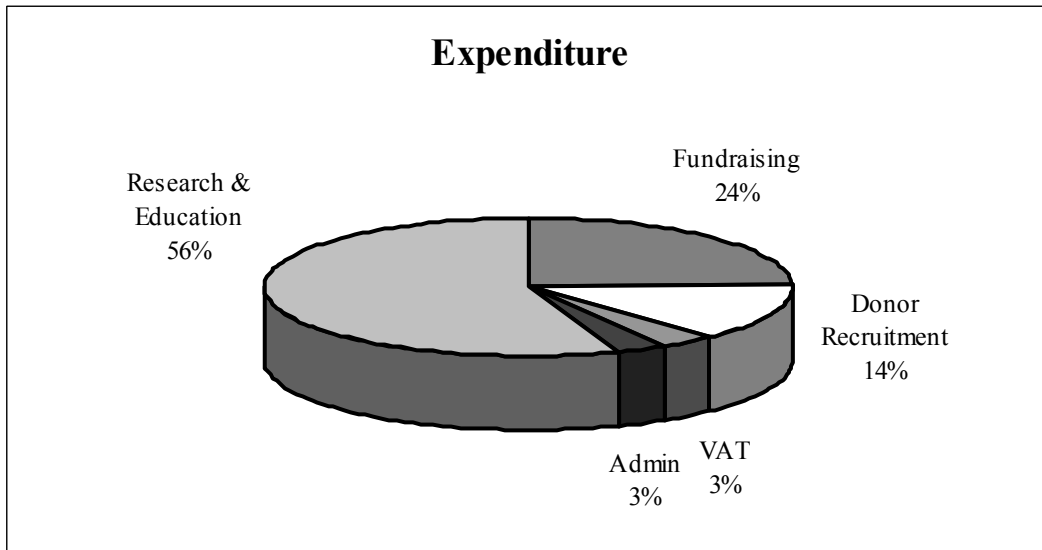
Mr A L C Drew  
 Mrs S M Fairbairns  
 Miss A D Filliter  
 Mrs W Follos  
 Mrs C Fraser

Mr F W Leigh  
 Mr D H Macalister Hall  
 Mr C R MacClure  
 Mrs M Maidstone  
 Miss P K Margerison

Mr M J H Wager  
 Mrs K M Watson  
 Mrs M Wood  
 Mrs F Young

**EXPENDITURE**

The breakdown of expenditure is given below.



Research and education covers the funding of over 210 projects in 19 countries, and publications and reports designed to inform target audiences of our work in supporting some of the best cancer research in the world.

Fundraising covers the direct mail programme, payroll giving costs, and in-house activities such as the London Marathon.

Donor recruitment covers investment in the acquisition of new donors committing to make regular monthly, quarterly or annual payments by direct debit. Such investment programmes are not cheap, but the development of a core base of committed givers provides an ongoing and predictable source of income that, in the long term, far outweighs the investment in recruiting. It has become our custom to illustrate this by referring to donors recruited in July 1999, the year our programme started. The cost of recruiting those donors was £101,114. At the time this report was prepared this group of donors had paid a total of £692,196 (including Gift Aid tax reclaimed) giving a cost/income ratio of 0.15, or a return on investment of 6.85:1. Returns such as this demonstrate quite vividly how investment in the donor recruitment programme is repaid many times over during the giving life of the donorbase.

Administration costs cover the work done at Madras House to administer the regular giving programme, from receipt of donor forms and capture of the data on them to the twice-monthly running of direct debit files. Thanks to modern technology these complex activities are carried out with the minimum of fuss and maximum of efficiency.

Irrecoverable VAT has long been a bane of our life. The VAT paid on fundraising and donor recruitment equates to some 12 projects that could have been funded but were not.

We have raised this matter with the Scottish Executive in the hope that it in turn will present a well-argued case to the Chancellor to help grant-awarding charities, particularly as the sums allocated by either government to fundamental scientific research into the causes of cancer are derisory. If the government will not allocate significant resources to scientific research then let it help those of us who will. Removal of VAT on fundraising and donor recruitment activities would be a very positive way of helping us to help them!

## **SCIENTIFIC ADVISORY COMMITTEE**

The work load on our busy Scientific Advisory Committee continues to grow, and we are constantly trying to refine our Grants Application procedures to ease the burden. The main source of the problem is AICR's success in funding high quality research, and the growing awareness in the global scientific community of AICR's presence as one of the world's significant funders of scientific research. AICR is quite unique in its approach to funding, with no barriers to applications other than the three criteria of quality of science, relevance to cancer, and non-duplication of work done elsewhere. This has led to an ever-increasing number of applications.

Over the past few years we have tried different methods of easing the load on the Committee. These usually involved artificially imposed restrictions on the number of applications handled by imposing a time period for submission and quotas for the number of applications to be processed. We were only too aware that any quota system was inherently unfair, in that all applications meeting the quota criteria (submission in a given time period before the numerical limit was reached) would be processed, including some of lesser quality, while all those which failed to meet the quota criteria, including some of very high quality, would be rejected.

In an attempt to be fair to all applicants we are now testing a new procedure, whereby all applications received in the specified time period will be accepted. Applications will be allocated to specified members of the Committee according to area of expertise, and an initial triage will be carried out by the Committee to identify those which, for reasons including lesser scientific quality, faulty methodology, or non-relevance to cancer, can be eliminated at that stage. This, we hope, will bring the numbers down to a manageable level, which can then go through the peer review process and assessment at one of the two Grants Allocation Meetings held each year.

The new system is not perfect, and some may complain that it is unfair, but it is an honest attempt to solve a growing problem and to be fair to all applicants. To put it in perspective, we are currently processing 297 applications for the March 2005 Grants Allocation Meeting. Experience has shown that the maximum number we can handle at a Meeting is 150, and out of those only around 30 can expect to win funding. The main area of debate over quality inevitably lies in the best 50-60 applications. The remainder have no realistic hope of achieving funding. The majority of those can be identified at an early stage, and it is those applications that will be weeded out at the triage stage.

The part played by the Scientific Advisory Committee in this process is vital. Without the dedication and hard work of the members of the Committee the whole application process would grind to a halt, and we would be unable to meet our remit. The Committee members are not paid for their work, but do it voluntarily. We are aware of the tremendous contribution that they make, and have made over the past ten years, to the ever-growing reputation of AICR in the scientific world. We are extremely grateful to them for their work.

Members of the Committee in 2003-2004 are shown on the next page.

|                               |  |
|-------------------------------|--|
| Professor Margaret Frame      | CRUK, Beatson Laboratories, Glasgow (Chairman)     |
| Professor Manuela Baccarini   | Vienna Biocenter, Austria                          |
| Professor Fedor Berditchevski | University of Birmingham                           |
| 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 Scientific Consultant (ex-officio)            |

## GRANTS

As at 30 September 2004 AICR funded projects in the following establishments:

### United Kingdom:

|                                      |   |
|--------------------------------------|---|
| University of Aberdeen               | Imperial College, London                |
| University of Dundee                 | Institute of Cancer Research, London    |
| University of Edinburgh              | Institute of Child Health, London       |
| Beatson Institute, Glasgow           | King's College, London                  |
| Glasgow University Veterinary School | CRUK, London Research Institute         |
| University of Glasgow                | Ludwig Institute, London                |
| University of St Andrews             | National Institute for Medical Research |
| University of Strathclyde            | Queen Mary & Westfield College, London  |
| Aston University, Birmingham         | St George's Hospital, London            |
| University of Birmingham             | University College, London              |
| University of Bath                   | CRUK, Paterson Institute, Manchester    |
| University of Bradford               | University of Manchester                |
| University of Sussex, Brighton       | University of Newcastle-upon-Tyne       |
| University of Bristol                | University of Oxford                    |
| Brunel University                    | Marie Curie Research Institute, Oxted   |
| Babraham Institute, Cambridge        | University of Reading                   |

Medical Research Council, Cambridge  
University of Cambridge  
University of Kent, Canterbury  
University of Durham  
University of East Anglia, Norwich  
University of Exeter  
University of Leeds  
University of Leicester  
University of Liverpool  
John Moore's University, Liverpool  
University of London  
Hammersmith Hospital, London

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  
Queen's University, Belfast  
Cardiff University  
University of Wales CM, Cardiff

### Overseas:

#### **Australia**

University of Queensland, Brisbane  
Garvan Institute, Sydney  
Peter MacCallum Cancer Institute, Melbourne  
Austin Research Institute

#### **Belgium**

Catholic University of Leuven  
Free University of Brussels  
VIB, Ghent University

#### **Canada**

University of Toronto

#### **Denmark**

Copenhagen University Hospital  
Danish Cancer Society

#### **Eire**

Trinity College, University of Dublin  
University College, Dublin

#### **Finland**

University of Helsinki

#### **France**

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

#### **Germany**

Medizinische Hochschule Hannover  
EMBL Heidelberg  
National Cancer Institute, Heidelberg

#### **Italy**

European Institute of Oncology, Milan  
European Molecular Biology Laboratory  
IFOM, Milan  
Laboratoire Nazionale CIB  
Mario Negri Institute  
San Raffaele Research Institute  
University Amedeo Avogadro, Piedmonte  
University of Torino

#### **Netherlands**

Netherlands Cancer Institute, Amsterdam  
University of Leiden Medical Centre  
University of Maastricht  
Erasmus MC, Josephine Nefkens Institute  
Erasmus University, Rotterdam  
University Medical Centre, Utrecht

#### **Portugal**

National Health Institute 'Dr Ricardo Jorge'  
University of Porto

#### **Spain**

CSIC, Granada  
Campus de Cantoblanco, Madrid  
IIB, Madrid  
University of Madrid  
Univ of the Basque Country School of Med

#### **Sweden**

University of Gothenburg  
University of Lund  
University of Uppsala

#### **Switzerland**

University of Bern  
University Hospital Geneva

Forschungszentrum Karlsruhe  
Justus-Liebig University, Giessen  
University of Marburg  
University of Tuebingen  
Medical University of Ulm

**Greece**

Biomedical Sciences Research Centre  
University of Crete  
University of Crete Medical School  
University of Patras

**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

University of Zurich

**USA**

University of North Carolina, Chapel Hill  
Cleveland Clinic Foundation  
Dana Farber Cancer Institute  
Harvard Medical School  
Skirball Institute, New York  
Stanford University  
University of Texas, San Antonio  
Washington University

**STAFF**

An organisation is only as good as the staff members who run it. We are very fortunate in the quality of staff at Madras House. For the work processed the numbers are small, and it is only through making best use of available technology, and the willingness of staff members to use and develop that technology that we are able to cope with the heavy and steady workload.

After the 2003-04 audit we said goodbye to Mr Ian Lumsdaine, our Accountant and Company Secretary. Since he took on the task in 1995 Mr Lumsdaine has painstakingly overseen and supervised the accounts, and has taken the Association through ten end-of-year audits, with a total income over that period of more than £105 million. In all that time there has not been an unexplained discrepancy, or an auditors' comment that reflected adversely on the way in which the accounts were run. We are indebted to Mr Lumsdaine, and wish him all the best in his retirement. His place has been taken by Mr Douglas Gunstone, to whom we offer a warm welcome.

We have established one new post, that of Donor Development Manager. While we believe that we have established communications with all our donors, and keep them informed of the Association's activities through the thrice-yearly Newsletter, we have been conscious that there is even more we could have done to keep in touch with them and keep them committed to supporting cancer research. We have appointed Mrs Geraldine Docherty in this role, and welcome her to Madras House. Mrs Docherty is also responsible for developing relationships with donors making donations in memory of loved ones.

To our established staff members we owe a great debt. In the front office, Mrs Jane Wilson, Miss Claire Wood and Miss Karen Whittaker provide the first point of contact with the public, deal with donor correspondence, the London Marathon, payroll giving, covenant payments, and most importantly, the daily scanning of new donor forms and the capture of data from them to provide the export files that will set up new donor records.

Mrs Sarah Rushforth and Mrs Annika Naismith run the programs that set up new records with the data capture files produced the previous day. Having set up the records, including details of new direct debits, they produce the letters of confirmation that go to each donor. In addition, they set up new donor records from data captured during telephone campaigns, and process all the donor payments that could not be entered automatically for one reason or another.

Mrs Aileen Bullen, assisted by Andrew Kidd (employed on a temporary basis) processes all new direct debits, setting them up with the parent banks, entering corrections and cancellations notified by the banks, and running the twice-monthly payment files.

Legacies and income from charitable trusts are administered most effectively by Mr Tony Cross, whose diligence and thorough understanding of the subject ensures that every last penny bequeathed to the Association is recovered.

Mr Jack Cumming has done a splendid job in managing all the IT resources, ensuring that they run smoothly, uninterrupted by viruses or worms. He keeps a constant watch on developments in e-mail and the internet to make certain that AICR is exposed to as low a risk as possible from malicious interference with our data. He is also developing the website and on-line fundraising activities.

The Grants Department is becoming ever busier as AICR's reputation as a funder of scientific research spreads throughout the global scientific community. The increasing number of applications has been mentioned earlier in the report. This has caused an increased workload in the Department, and we are indebted to the hard work and dedication of the staff for handling it. The Grants Administrator, Mr Alan Gilchrist, has long experience in the job, which is of great benefit to the Department, but unfortunately he has been off work for much of the period through illness. We wish him all the best, and a speedy recovery. In his absence the work has been carried out by Miss Linsey Cargill and Miss Lisa Crielly, who have done an excellent job in seeing that the routine processing of claims, the receipt and subsequent processing of grant application forms, and the preparation and administration of the Grants Allocation Meetings are all done efficiently and well. Linsey Cargill in particular has taken on the main burden, and deserves every credit for the manner in which she has accepted responsibility.

Mention must be made of the work of Mrs Joan Paxton, who is involved in nearly every aspect of Madras House. Her supervision of routine tasks, allocation of work, counselling and advice to staff members, and cheerful and positive demeanour are largely responsible for the efficient and happy atmosphere in Madras House. She is a tower of strength.

Although he is not based in Madras House, it is only right to highlight the work of our Scientific Consultant, Dr Mark Matfield. For the past seventeen years he has produced and edited our Newsletter, "Progress", which is acknowledged as an informative, educational and easily read account of AICR's activities. Dr Matfield also acts as secretary to the Scientific Advisory Committee at the twice-yearly Grants Allocation Meetings, and provides scientific advice to the wholly non-scientific staff in Madras House.

Finally, our Chief Executive, Derek Napier, remains totally committed, enthusiastic and energetic. AICR is greatly indebted to him for his extraordinary competence and leadership.

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

The summarised accounts for 2003/04 and financial record for the years 1999/00 – 2003/04 are shown overleaf.

## ACCOUNTS

| <b>Income and Expenditure</b>                | 2003/04           | 2002/03           | 2001/02           |
|--|-------------------|-------------------|-------------------|
| for the year ended<br>30-September-2004      |                   |                   |                   |
| Donations                                    | 15,215,516        | 14,562,051        | 13,655,017        |
| Legacies                                     | 1,031,410         | 1,036,495         | 1,108,030         |
| <b>Total Voluntary Income</b>                | <b>16,246,926</b> | <b>15,598,546</b> | <b>14,763,047</b> |
| Investment and other income                  | 416,948           | 379,966           | 379,384           |
| Gain/(Loss) on investments                   | 32,675            | 18,399            | (4,582)           |
| <b>Total Income</b>                          | <b>16,696,549</b> | <b>15,996,911</b> | <b>15,137,849</b> |
| Less expenditure                             |                   |                   |                   |
| Fundraising                                  | 3,864,094         | 3,594,643         | 3,590,809         |
| Donor Recruitment                            | 2,454,693         | 3,444,074         | 1,199,981         |
| Administration                               | 480,457           | 491,922           | 438,700           |
| <b>Net Income</b>                            | <b>9,897,305</b>  | <b>8,447,873</b>  | <b>9,908,359</b>  |
| Less   |                   |                   |                   |
| Research expenditure                         | 7,943,780         | 6,768,244         | 7,237,460         |
| Education expenditure                        | 454,274           | 664,585           | 831,861           |
| Support costs                                | 112,379           | 87,746            | 134,980           |
| <b>Total surplus/deficit for year</b>        | <b>1,386,872</b>  | <b>945,697</b>    | <b>1,704,058</b>  |
| Unrealised gains/losses on<br>Investments    | 428,900           | 450,085           | (1,312,515)       |
| <b>Total surplus/deficit for year</b>        | <b>1,815,772</b>  | <b>1,395,782</b>  | <b>391,543</b>    |
| <b>Balance sheet</b>                         | 2003/04           | 2002/03           | 2001/02           |
| As at 30 September 2004                      |                   |                   |                   |
| <b>FIXED ASSETS</b>                          |                   |                   |                   |
| Tangible assets                              | 648,513           | 637,164           | 672,559           |
| Listed investments                           | 5,956,966         | 5,512,050         | 4,693,464         |
| <b>Net current assets</b>                    | <b>6,605,479</b>  | <b>6,149,214</b>  | <b>5,366,023</b>  |
| <b>CURRENT ASSETS</b>                        |                   |                   |                   |
| Debtors                                      | 1,516,243         | 1,651,093         | 1,178,904         |
| Short term bank deposits                     | 7,439,559         | 5,475,306         | 5,156,112         |
| Cash at bank and in hand                     | 445               | 1,041             | 4,961             |
| <b>Net current assets</b>                    | <b>8,956,247</b>  | <b>7,127,440</b>  | <b>6,339,977</b>  |
| <b>CREDITORS</b>                             |                   |                   |                   |
| Amounts falling due within<br>one year       | 5,018,876         | 4,549,576         | 4,374,704         |
| <b>Net current assets</b>                    | <b>3,937,371</b>  | <b>2,577,864</b>  | <b>1,965,273</b>  |
| <b>Total assets less current liabilities</b> | <b>10,542,850</b> | <b>8,727,078</b>  | <b>7,331,296</b>  |

**Financial record**for the five years  
to 30 September 2004

|                                   | 2003/04 | 2002/03 | 2001/02 | 2000/01 | 1999/00 |
|-----------------------------------|---------|---------|---------|---------|---------|
|                                   |         | £000    | £000    | £000    | £000    |
| TOTAL INCOME                      | 16,697  | 15,997  | 15,137  | 14,275  | 11,758  |
| Appeals and administration costs  | 6,799   | 7,531   | 5,229   | 4,057   | 6,041   |
| Research/education expenditure    | 8,510   | 7,520   | 8,204   | 7,615   | 7,407   |
| Operating surplus/(deficit)       | 1,387   | 946     | 1,704   | 2,603   | (1,690) |
| Unrealised investment gain/(loss) | 429     | 450     | (1,313) | (1,222) | 205     |
| Total surplus/(deficit)           | 1,816   | 1,396   | 391     | 1,381   | (1,485) |
| <br>                              |         |         |         |         |         |
| Tangible assets                   | 649     | 637     | 673     | 309     | 314     |
| Investments                       | 5957    | 5,512   | 4,693   | 4,629   | 5,438   |
| Net current (liabilities)/assets  | 3937    | 2,578   | 1,965   | 2,002   | (193)   |
| Balance carried forward           | 10543   | 8,727   | 7,331   | 6,940   | 5,559   |

John Matthews  
Chairman  
Board of Directors





