

CHILDREN with LEUKAEMIA around Britain

KEY

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 Research facilities

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 Research projects

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 Welfare projects

1 Dr Rob Mairs, University of Glasgow. Determination of the mutagenicity in murine haemopoietic progenitors of extremely low frequency electromagnetic fields and ionising radiation using microsatellite analysis.

2 Paul O’Gorman Leukaemia Research Centre, University of Glasgow (due to open 2008).

3 Minimal residual disease study, Royal Hospital for Sick Children, Glasgow.

4 Young Oncology Unit, Christie Hospital, Manchester.

5 Paul O’Gorman Blood Laboratory, Wolfson Molecular Imaging Centre, University of Manchester.

6 Paul O’Gorman Molecular Diagnostic Laboratory, The Paterson Institute, Christie Hospital, Manchester.

7 DNA sequencer, Cancer Immunogenetics Laboratory, University of Manchester.

8 Dr Malcolm Taylor, University of Manchester. The role of HLA genes in protection from childhood leukaemia.

9 Dr Ketel Patel, MRC Laboratory of Molecular Biology, Cambridge. Identification and characterisation of novel genes that function in the Fanconi anaemia tumour suppressor pathway.

10 Alasdair Philips, Cambridge. An exploration of the possible causes of childhood leukaemia and other cancers.

11 Paul O’Gorman Laboratory, Coghill Research Laboratories, Gwent.

12 Paul O’Gorman Building, Bristol Royal Hospital for Children.

13 Professor Denis Henshaw, Human Radiation Effects Group, University of Bristol. Programme funding – studies into environmental risk factors for childhood leukaemia.

14 Minimal residual disease study, University of Bristol.

15 Dr Craig Donaldson, University of the West of England. A study of human NKT cells in stem cell transplant recipients.

16 Professor Eric Wright, University of Dundee Medical School. Investigations of microenvironmentally-mediated damage as a promotional factor in childhood leukaemia.

17 Northern Institute of Cancer Research, Paul O’Gorman Building, University of Newcastle upon Tyne.

18 Dr Tefik Dorak, University of Newcastle upon Tyne. Genes influencing body iron content and childhood leukaemia risk.

19 Professor Andrew Hall, University of Newcastle upon Tyne. Drug resistance in children with acute lymphoblastic leukaemia.

20 Dr Gordon Strathdee, University of Newcastle upon Tyne. Functional relevance of loss of HOX gene expression in childhood leukaemia.

21 Dr Richard Feltbower, University of Leeds. Does population mixing measure infectious exposure at the community level?

22 Minimal residual disease study, Sheffield Children’s Hospital.

23 Childhood Cancer and Leukaemia Group, Leicester. Clinical trial infrastructure support.

24 Leukaemia CARE, Paediatric Patient Conference, Birmingham Children’s Hospital.

25 Paul O’Gorman Patient Hotel, Great Ormond Street Hospital for Children, London.

26 Paul O’Gorman Leukaemia Research Centre, Institute of Child Health, London.

27 Institute of Cancer Sciences, Paul O’Gorman Building, University College London.

28 Expansion of Haematology and Oncology Services, Great Ormond Street Hospital, London.

29 Paul O’Gorman Laboratory of Cellular Therapeutics, Royal Free Hospital, London.

30 Dr Owen Williams. Paul O’Gorman Leukaemia Research Centre, Institute of Child Health, London. The role of MLL in the molecular pathogenesis of infant and childhood leukaemia.

31 Minimal residual disease study, Barts and Royal London Hospital, London.

32 Paul’s House, University College London Hospital (due to open in 2008).

33 Professor Mel Greaves, Institute of Cancer Research, London. Collateral DNA damage as an indicator of prior aetiological exposures in infant leukaemia.

34 Professor Chris Boshoff, University College London Cancer Institute. Childhood cancer programme funding: 1) Shoc2 in Ras-driven leukomogenesis; 2) Micro-metastatic sarcoma models; and 3) High content cell screening for signaling pathways.

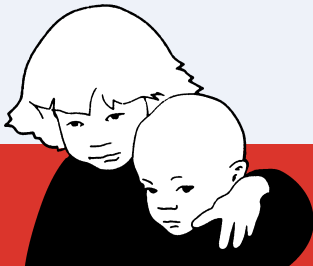
35 The Variety Club of Great Britain, London. Paediatric Nursing Award Scheme, training grants to 28 nurses across the UK.

36 Dr Mike Murphy, Childhood Cancer Research Group, University of Oxford. Programme funding - studies into risk factors for childhood leukaemia.

37 Dr Mark Lowdell, Paul O’Gorman Laboratory of Cellular Therapeutics, Royal Free Hospital. Project funding. TaNK project.



Annual Report & Accounts 2007





Foreword by the chairman

2007 was our 20th year.

The past two decades have seen vast growth and achievement for the charity, making huge progress in the fight against leukaemia.

Since the beginning of the new millennium, much has changed. In 1999 we were still fighting the UK's biggest child killer disease - today treatment has so advanced that more children than ever survive.

But one thing hasn't changed. We are still fighting the UK's most common childhood cancer and despite our best efforts we still do not understand what causes children to develop the disease.

That's why an increasing proportion of our expenditure will be focused on advancing our understanding of the causes and the potential for the prevention of childhood leukaemia.

We receive no government funding and rely on the public for support.

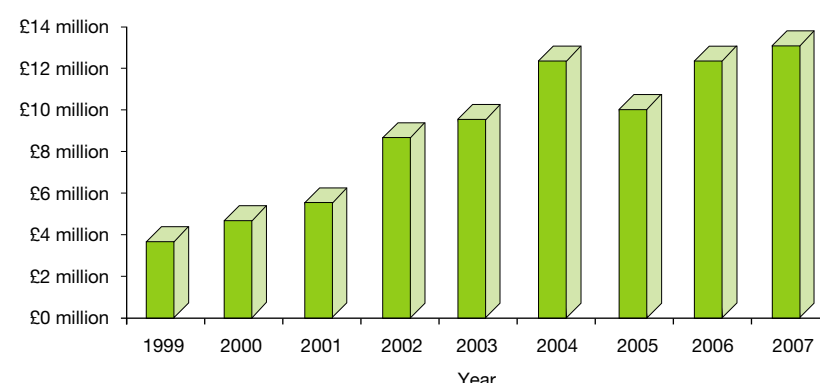
We are no less determined today than we were 20 years ago. We want all children diagnosed with this killer disease to be cured and for the cure to be effected with minimum disruption to their lives.

Ultimately our aim is to understand what causes children to develop the disease, so that the increasing incidence of childhood leukaemia can be halted and reversed.

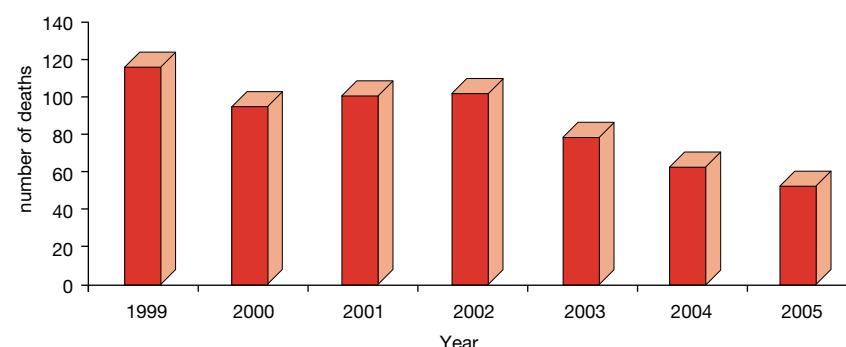
Eddie O'Gorman

Eddie O'Gorman
Chairman of the Trustees

CHILDREN with LEUKAEMIA Annual total income



Leukaemia deaths in children aged 0 to 14 years in England and Wales



Source: Office for National Statistics (ONS).
Figures for 2006 and 2007 are not yet available and figures for Scotland and Northern Ireland are not available from the ONS.



Our commitment comes from the heart

The charity began in 1988 in memory of Paul O'Gorman, who was 14 when he was diagnosed with leukaemia.

His parents Eddie and Marion were shocked by the news. They were told, however, that his chances of survival were excellent as a suitable donor had been found for a bone marrow transplant.

While waiting for the operation, Paul contracted a virus and his condition deteriorated.

In the hospital, Paul observed the tremendous suffering other children with leukaemia endured and how they managed to cope with great courage and determination.

Paul, pictured above, with his sister Jean, succumbed to the disease in February 1987, just nine weeks after his initial diagnosis.

Before his death, Paul begged his parents to help other children with leukaemia in the hope that some day a cure would be found.

His sister Jean immediately began a fundraising campaign to honour the promise to Paul but tragedy would strike the O'Gorman family again.

Just nine months after Paul's death, and only days after the first major fundraising event, Jean died, also of cancer, in November 1987, aged 29.

Despite the loss of their beloved children, Eddie and Marion, along with family and friends, stayed committed to fulfilling Paul's wish and continuing Jean's work - to give children with leukaemia a better chance.

Just a week after Jean's death, Eddie and Marion met Diana, Princess of Wales. Saddened and moved by their double tragedy, she personally helped start this charity, which she inaugurated in January 1988.

Princess Diana's commitment did not stop there. She remained supportive of our work until her own untimely death in 1997.

The positive caring spirit of Paul and Jean and Princess Diana continues to inspire our work.

www.leukaemia.org/about-us

CHILDREN with LEUKAEMIA

Registered Charity No. 298405. Inaugurated in 1988 by Diana, Princess of Wales in memory of Jean and Paul O'Gorman



How we performed against our objectives

A year ago we set out goals for the following twelve months and on these pages we set out in summary how we have performed against each of them. These achievements are organised into groups, each headed by the wording of the relevant charitable object – the part of our constitution which sets out why we exist.

Research – pages 6 to 13 **The promotion of research into the causes, alleviation, prevention and cure of childhood leukaemia and to publish the results of such research**

In 2007, we planned further grants to fund the Minimal Residual Disease project for another year (see page 12) and to complete the funding of the Childhood Cancer Research Group's epidemiology programme – investigating the possible role of exposure to infection in childhood leukaemia risk (see pages 6 and 7). Both were funded in full and we monitored these projects alongside our existing portfolio. We also planned to grant £250,000 to the newly-formed Children's Cancer and Leukaemia Group to fund clinical trials and in the event were able to award a grant of £600,000 (see page 13).

We prepared, as planned, to launch the next grants round for research into causes and developed the content of the 2008 conference on causation of childhood leukaemia, to be held at the Institute of Child Health, with Professor Eric Wright chairing both these initiatives. We also drafted our planned review of the scientific evidence linking exposure to infection and risk of childhood leukaemia and passed it out for review in good time for launch at our 2008 conference.

We monitored progress of the building of the new Paul O'Gorman Building at University College London (see pages 8 and 9) and exceeded our plan by granting over £1 million for a new programme of research to be carried out in the new labs (see pages 10 and 11). We aimed to establish a peer review process for programme grant renewals that met the highest standards of best practice and transparency. In the event we exceeded our expectation by accomplishing not only this but also by appointing a most distinguished Scientific Advisory Committee (see pages 10 and 11) and gaining admission to the National Cancer Research Institute.

Welfare – pages 14 to 16 **The relief of children suffering with leukaemia**

In 2007, we aimed to raise a further £1 million for the expansion of the cancer wards at Great Ormond Street Hospital (see page 16), to grant £750,000 to the Paul O'Gorman Lifeline charity to fund another year of caring for children with leukaemia from Eastern Europe, to dispose of two redundant welfare facilities and to grant a further £600,000 to complete the funding needed for a new Paul's House at University College London Hospital (see page 14). Despite only selling one of the two properties we were able to meet all these grant making targets and grant an additional year's funding for Paul O'Gorman Lifeline (see page 14).

Raising awareness – page 17 **To raise public awareness and knowledge in matters relating to childhood leukaemia**

In 2007, we set out primarily to build towards our goal of securing a government ban on the building of new homes near high voltage overhead power lines.



With our support, both Dr Howard Stoate MP's cross party inquiry on electric and magnetic fields (EMFs) and childhood leukaemia and the Stakeholders' Advisory Group on ELF EMF (SAGE) (see page 17) published hugely influential reports and prompted Government to refer the matter to the Health Protection Agency. We also aimed to continue to represent the interests of children with leukaemia and their families by providing a voice on other relevant issues and we worked in partnership with our fellow members of the Cancer Campaign Group and as a member of the less common cancers group, Cancer 52. We also launched our new website as planned in April 2007 and maintained and developed the content with visitor numbers growing each quarter.

Fundraising – pages 18 to 21

None of this could be achieved without fundraising – our highest annual income ever was achieved through sound planning and the generosity and effort of countless supporters throughout the UK and beyond.

We planned to build the number of runners we recruit and support for marathons and we did so – increasing our income from this source to over £3 million for the first time (see page 19). We continued to promote committed giving to existing supporters increasing revenues by 16%. We added a further 60,000 to the number of children to have completed one of our longstanding Children's Challenges (see page 15).

The charity's own programme of fundraising events was also once again sold out, complemented by a growing body of individuals and organisations now fundraising on our behalf (see page 21).

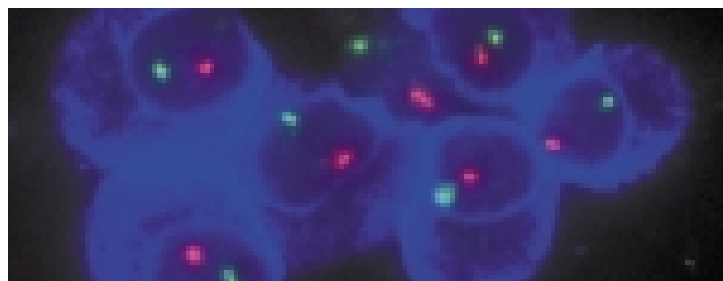
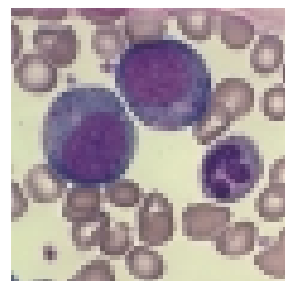
Beyond our main strands of support, our new corporate partnership team rapidly expanded company support for our work (see page 20) and by mid year we succeeded in our goal of appointing a dedicated trust fundraiser to grow our income from foundations. And for the long term we made our first moves to promote legacy giving, not only to our existing supporters but also to the wider public as an additional means of supporting the charity.

As you read through this annual report you will find in the bottom left hand corner of each page our objective for the year 2008. We expect our supporters to hold us to account for the return we achieve on their investment in us, whether it is of time or money.

You can keep up to date with our progress throughout the year at www.leukaemia.org.

www.leukaemia.org/what-we-do





Exploring every possible avenue



Dr Mike Murphy

From the outside it looks like just a nondescript office above a small parade of shops in a quiet street in Oxford.

But these humble surroundings contain a priceless resource that may hold the key to understanding why childhood leukaemia has been on the increase for the past 100 years.

The offices are home to the Childhood Cancer Research Group (CCRG) and the largest registry of childhood cancers, including leukaemias, in the world.

The details of more than 70,000 children who have been treated in the UK over the last 40 years are held here, on computer and also in long lines of grey filing cabinets.

It is a painstaking process, but these details enable researchers to build up a database that can be used by scientists trying to unravel the enigma of leukaemia.

"It's a boring job that no one really wants to do," Dr Mike Murphy explains, "but everyone acknowledges how important it is to have this kind of database."

This cancer registry contains fairly basic information such as the child's diagnosis, the treatment and the eventual outcome.

This synopsis of the illness means that researchers are able to determine quickly which kinds of treatment work best over a long period of time.

But the CCRG is also poring over the information on the registry to find patterns and trends, as leukaemia in children is found to cluster often in certain geographical locations.

It was this team at Oxford that first showed the association between how near a baby's first home was to overhead power lines and increased risk of childhood leukaemia. So significant are the implications for where we build new homes in the UK that they are undertaking further research that might help us pinpoint more precisely safe distances and exposure levels.

Dr Murphy's team are also further investigating links with radiation from nuclear power

stations, following recent work in Germany showing that under-fives who live close to nuclear installations were at a greater risk of developing cancer.

The CCRG will use the database to determine if a similar trend exists in the UK.

They are not just looking for geographical factors however. They are to cross-reference their database with items of public record, such as birth certificates.

They are investigating 20,000 cases of childhood cancer, including leukaemia, over the last 20 years to see if there is a link between birth weight and childhood leukaemia.

One of the many theories surrounding the causes of leukaemia and cancer in children is that some unborn children may be exposed to higher levels of growth factors in the womb.

Every child needs growth factors to grow, but too much could lead to higher birth weights and possibly to the kind

of genetic mutation that leads to cancer months or years later. Dr Murphy believes there could be a link between birth weight and the incidence of cancer, including leukaemia, with those children born above average weight more likely to be at a greater risk.

Research from Sweden suggests this may be the case, as twins are generally born 1kg lighter than single children, and twins have been shown to have a lower risk of cancer, including leukaemia.

Dr Murphy said: "It is very complicated, but we are interested in seeing if there is a lower risk of childhood cancers, including leukaemia, among those children who had a relatively low birth weight."

The CCRG is determined to leave no stone unturned. They are hoping to cross-reference their immense database with the pre-natal notes of mothers whose children later fell ill, to see what kind of illnesses these mothers might have had during pregnancy.

And they are also investigating whether there is any mileage in testing the pin-pricks of blood that are taken at birth from every child born in the UK and then stored. They hope these blood samples, known as Guthrie blood spots, might contain information about what diseases and infections the child's mother had been exposed to.

This kind of slow, laborious work is vital to unravel the complex reasons behind the growth of leukaemia in children. We believe this work at Oxford University is hugely important, and since 2006 we have committed £811,878.

Dr Malcolm Taylor

Chemotherapy is a very blunt instrument to treat leukaemia. It makes the child ill, weak and prone to infection.

We are funding research into whether it might be possible to use the child's own immune system to eliminate leukaemia at an early stage, before it becomes full blown.

Dr Malcolm Taylor of the University of Manchester is exploring ways of using the body's own immune system to produce a vaccine against childhood leukaemia.

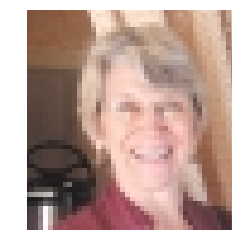
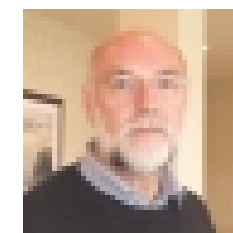
Dr Taylor believes molecules on the white blood cells of certain

children may be associated with protection from leukaemia.

Dr Taylor said: "I am hoping that the result of my work will be the development of a vaccine that enables a child's immune system to recognise and destroy the cells that may develop into leukaemia."

"If we can use this to prevent children from ever developing leukaemia, this will save all of the pain and suffering. I'm sure that you will agree that will have achieved something amazing."

Since 2006 we have granted Dr Taylor £129,063 to support his work.



Professor Patricia Buffler

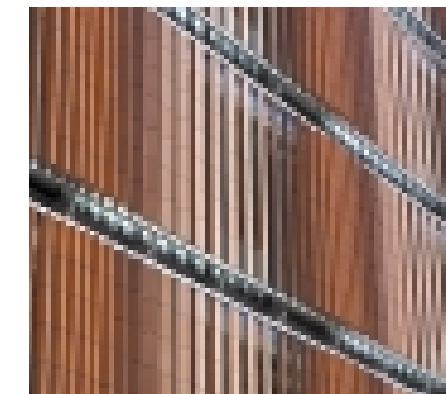
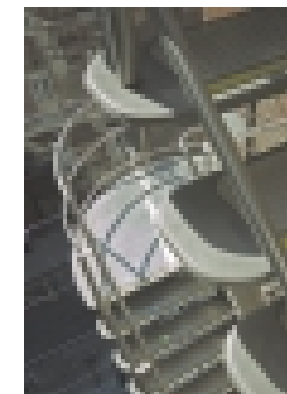
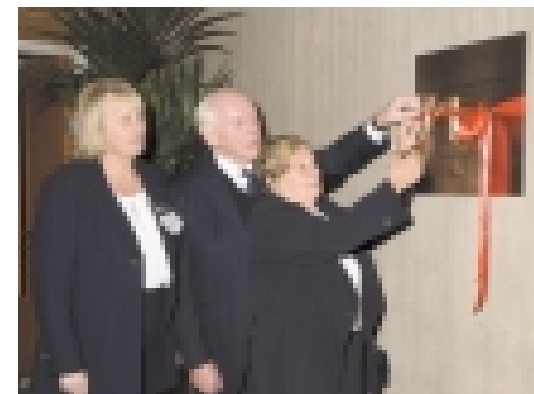
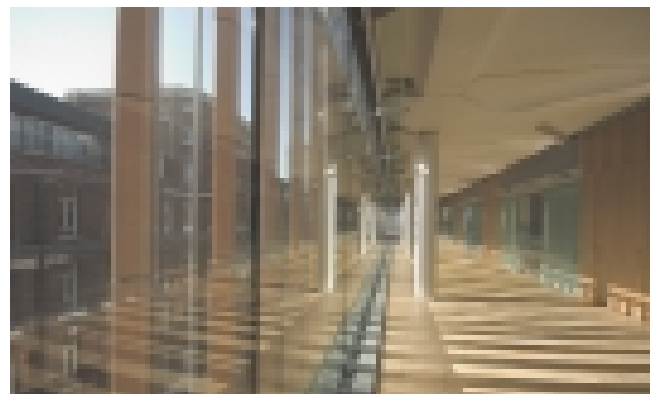
In almost all cases of childhood leukaemia, an unborn child's genes have mutated in the womb to leave them susceptible to the disease later in life.

Factors such as parental smoking, exposure to vehicle emissions and exposure to pesticides are possible factors that may cause these genetic mutations.

Professor Patricia Buffler of the University of California Berkeley is investigating whether these children have a particular type of genetic make-up that leaves them susceptible in the very first place. And, using the high quality data from the Northern California Childhood Leukaemia Study, she is looking at whether the mother's genes contain the information that starts the whole domino effect. So far we have supported this research with £110,666.

www.leukaemia.org/what-we-do/fund-research





Spectacular new centre for world-class scientists

Our understanding of cancer, including leukaemia, is advancing year by year. As a result, the biology involved is becoming more and more sophisticated.

Today's researchers need state-of-the-art laboratory environments if they are to continue making progress.

That is why we provided £2 million towards the spectacular new building at University College London (UCL) which has become home to the UCL Cancer Institute.

And in recognition of the charity's long-standing support of the project, UCL has named the new building after Paul O'Gorman.

It was opened in September 2007, and became the eighth research facility in the UK to carry Paul's name. The new

Paul O'Gorman Building was designed by the world-renowned architects, Grimshaw, who were responsible for the Eden Project in Cornwall, and the Eurostar Terminal at Waterloo Station.

The new structure has been sympathetically incorporated into the historic buildings around it. Inside the building, the facilities are second-to-none. On each floor there are rows of fully air-conditioned laboratories, with separate areas at the front of the building for scientists to write up their findings. The work areas are sterile and enclosed where they have to be, and light and airy everywhere else.

The mission to attract some of the world's leading researchers to the Institute is well underway.

Ultimately the Paul O'Gorman Building will be home to more

than 350 cancer scientists, part of whose research will be investigating childhood leukaemia.

Professor Chris Boshoff, who is Director of the UCL Cancer Institute, said: "Haemato-oncology research will be one of the major themes in the new Institute, along with the study of other cancers in adolescents and young adults. Research will also focus on the causes and treatment of leukaemia in both children and in teenagers."

UCL are confident that the Institute will make great progress in its new home. Professor Ed Byrne, Dean of the UCL Faculty of Biomedical Sciences, said: "We have every expectation that the research conducted here will lead to significant advances within the field of cancer research."

www.leukaemia.org/what-we-do/fund-research



Research at the cutting edge

Our commitment to the Paul O’Gorman Building at University College London did not end with last year’s official opening.

We believe this spectacular new facility should house one of the world’s finest teams of researchers.

UCL Cancer Institute’s director Professor Chris Boshoff wants to ensure the work undertaken in the new building makes a real difference to our understanding and ability to treat various different types of cancer.

So we have committed a total of £1,006,808 towards three different strands of scientific research at the Institute. Our Scientific Advisory Committee believes the innovative work that is underway at the Cancer Institute could bring significant benefits to

those children diagnosed with leukaemia in years to come.

The money is being used on these different projects:

Dr Pablo Rodriguez-Viciana has been recruited from California to lead research into a gene that is implicated in around 50% of all cancers, including leukaemias. This *ras* oncogene is vital to growth in a foetus, but if triggered later in life can lead to cancer. It is found in normal cells where it works like a switch to relay messages. In many types of cancer, *ras* is mutated so that it is permanently switched on, leading to uncontrolled growth.

Dr Rodriguez-Viciana has discovered a certain protein – called Shoc2 – that can interact with the *ras* signalling system and return growth to normal.



The hope is to develop selective less toxic drugs that can stop cancer in its tracks, without the need for chemotherapy.

Professor Poul Sorensen is one of the world’s leading experts on a particular type of cancer called sarcomas. He has discovered the genetic abnormality which can lead to an especially aggressive type of sarcoma in children, but he needs to understand better how this happens. He also wants to investigate why the cancer spreads around the body in some children, but not in others.

Our money has also gone towards purchasing an RNAi library, which is a cutting edge resource that contains all the genes in the human body. It stores these genes in 90,000 vials, which can then be used in experiments to work out ways of disabling those

genes that are triggering the unstoppable growth that leads to cancer.

This programme of research was the first to be reviewed under the auspices of our new Scientific Advisory Committee, which is chaired by Professor Victor Hoffbrand.

We have been a member of the Association of Medical Research Charities (AMRC) since 2004. We operate a transparent, scientific grant-making process and we have always been able to call upon the expertise of our scientific advisory panellists.

Our new Scientific Advisory Committee now meets twice yearly to help the trustees direct our growing scientific research expenditure to where it will have the greatest impact.

Our Scientific Advisory Committee

Prof. Victor Hoffbrand
DM, FRCP, FRCPATH,
DSc (Chairman)
Consultant
haematologist,
Royal Free Hospital,
London.
Co-author of many
key haematology
texts including
Postgraduate
Haematology,
Essential
Haematology and The
Atlas of Clinical
Haematology.

Prof. Jillian Birch
BSc, MSc, PhD
Epidemiologist,
University of
Manchester and
Royal Manchester
Children’s Hospital.
Professor Birch is
involved in
development of
research programmes
on cancer in children,
teenagers and young
adults at national and
international level.

Prof. Alan Burnett
MD ChB, FRCP,
FRCPATH, FMedSci
Professor of
Haematology, head
of department and
Honorary Consultant
Haematologist,
University Hospital of
Wales, Cardiff.
Professor Burnett is
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oncology Task Force
of the British
Committee for
Standards in
Haematology.

Dr Brenda Gibson
MB ChB, FRCP,
FRCPATH, FRCPCH
Consultant Paediatric
Haematologist, Royal
Hospital for Sick
Children, Glasgow.
Dr Gibson is currently
the President of the
British Society for
Haematology.
Dr Gibson has
contributed to several
books, including
‘Cancer in Children:
Clinical Management’.

Dr Nick Goulden
MB ChB, MRCP,
FRCPATH, PhD
Clinician, Great
Ormond Street
Hospital and Institute
of Child Health.
Dr Goulden is the
chief investigator of
the next UK ALL trial,
ALL 2009. He is also
a member of the
Childhood Cancer
and Leukaemia
Group and the
European Study
Group on MRD.

Prof. Mel Greaves
PhD, MRCP,
FMedSci, FRS
Professor of Cell
Biology, Aetiology of
Childhood Leukaemia
Team, Institute of
Cancer Research,
London.
Professor Greaves is
the author of several
books, including
‘Cancer. The
Evolutionary Legacy’,
and the recipient of
international awards
such as the King
Faisal International
Prize for Medicine.

Prof. Alan Preece
BSc, PhD, MinstRP,
FIPEM, CPhys
Professor Emeritus,
University of Bristol.
Professor Preece has
worked on a wide
range of cancer-
related studies from
diagnostic tests for
cancer to therapies
using ionising and
non-ionising radiation
and currently is
researching micro-
wave imaging of
cancer.

Prof. Irene Roberts
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and serves on the
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prestigious British
Journal of
Haematology.

Prof. Poul Sorensen
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Director Division of
Tumour Genetics,
Johal Chair in
Childhood Cancer
Research.
Professor,
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Pathology and
Paediatrics, Senior
Scientist BC Cancer
Research Institute
and member of the
Society for Paediatric
Pathology, Childhood
Cancer Group.

Prof. Eric Wright
PhD, FRCPATH, FRSE
Professor of
Experimental
Haematology Division
of Pathology &
Neuroscience,
Research Dean at
Dundee’s Ninewells
Hospital and Medical
School and member
of the Radiation and
Cancer Biology
Committee of the
British Institute of
Radiology.

www.leukaemia.org/what-we-do/fund-research





Treating the patient, not just the disease



Dr Nick Goulden

When a child is diagnosed with leukaemia, the first step is to destroy the majority of the leukaemia cells in the bone marrow with chemotherapy.

When the level of cancer cells in the marrow falls below an accepted level, the child is said to have achieved remission.

However, every child will have some leukaemia cells left in their bones – their minimal residual disease (MRD) – and the amount varies from one child to the next. Often they are undetectable under a microscope. It may even be less than one leukaemia cell in 10,000 normal cells.

A new procedure has been developed which enables scientists to measure accurately the level of MRD in a child's bone marrow, which is a good indicator of the risk of the child suffering a relapse. Scientists in Bristol, Glasgow, London and Sheffield led by Dr Nick Goulden of Great Ormond

Street Hospital can now measure the level of MRD in bone marrow in children with acute lymphoblastic leukaemia (ALL).

Today a child's dose of chemotherapy depends on their age. Dr Goulden and his colleagues Dr Jeremy Hancock of the University of Bristol and Professor Ajay Vora of Sheffield Children's Hospital are establishing whether relapse can be avoided in children with a high level of MRD after the first stage of treatment by intensifying their chemotherapy.

They believe children with a lower level of MRD can receive reduced doses of chemotherapy, to minimise the risk of potentially dangerous side-effects without compromising the chances of a cure.

Dr Goulden said: "We are trying to treat the patient, not just the disease."

Four laboratories are part of a national clinical trial. All children diagnosed with ALL are being asked to participate. Samples are collected from the children at diagnosis and again at key points in treatment.

The trial has been running for five years and more than 1,600 patients have been tested.

So far, it is running smoothly. Some patients have received reduced chemotherapy, and those at higher risk have been given extended treatments.

In the future Dr Goulden believes those at risk of relapse will be given a bone marrow transplant sooner in their treatment, increasing the likelihood of its success.

The team are adapting the MRD test so it can be applied to other childhood cancers.

We have so far invested £2.7 million in this groundbreaking research.

We hope the cost will be taken on by the NHS when the trial finishes in 2009.



Ben's story

Ben Smith was seven when he was diagnosed with acute lymphoblastic leukaemia in March 2007.

Ben's mum Anita said: "Ben has been amazing throughout and is a true inspiration to us all. There have been some scares along the way but generally he copes well with the treatment, is rarely sick and goes to school on days he isn't being treated."

"We still have such a long way to go and life is often stressful and exhausting. Once we reach the maintenance blocks of chemo it will be the time to keep fingers and toes crossed as Ben is at a high risk of relapse. We just hope and pray it won't come back."

Bethan's story

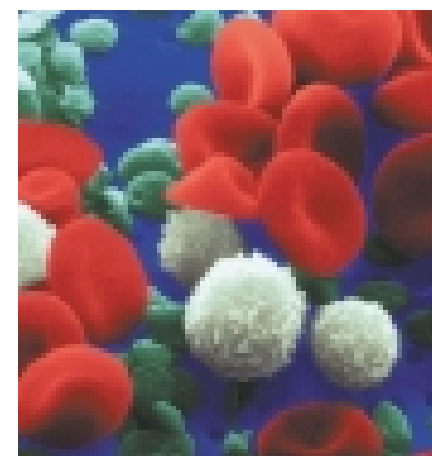
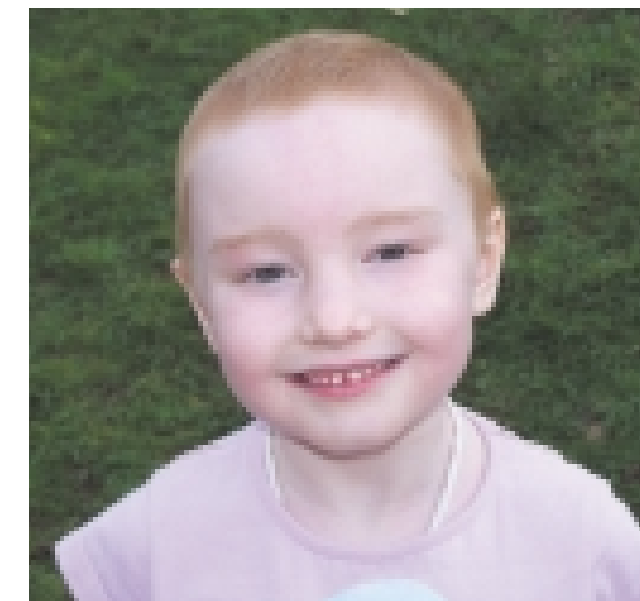
Bethan Ayliff was four years old when she was diagnosed with acute lymphoblastic leukaemia.

The chemotherapy was agony but after five weeks of treatment Bethan went into remission and, as the treatments decreased in intensity, she started to get back to her old self.

Although she achieved remission, the test of her minimal residual disease (MRD) revealed she was susceptible to relapse. Her doctors decided that she must complete the full two years of treatment as a precaution.

Bethan is five now and making great progress a year into her treatment.

She started primary school last September and, although she misses school occasionally, she is carrying on as normal and enjoying herself.



Children's Cancer and Leukaemia Group

With various scientists undertaking different research all over Britain, it is vital there is someone to make sure the work is coordinated and cost effective.

In 2006 the Children's Cancer and Leukaemia Group (CCLG) was formed, merging two professional bodies to create one single, coherent structure.

The Group's main remit is the coordination of national and international clinical trials.

We have joined forces with Cancer Research UK, Leukaemia Research, the Department of Health and the Medical Research Council to support data collection and trial management from 21 centres. Our commitment in 2007 was £600,000.

www.leukaemia.org/what-we-do/fund-research



A haven for families in crisis

For parents with children undergoing treatment for leukaemia, one of the biggest problems is keeping the family together.

Children can be admitted for months at a time for harsh chemotherapy, which puts an enormous strain on their families. Parents naturally want to remain near their child but can be forced either to pay for expensive accommodation, or face a long daily commute. Families are separated for long periods; finances are stretched to the limit. This just adds to the emotional stress of watching your child undergoing harrowing treatment, and the uncertainty over the future.

We believe it is vital to give families practical support during these immensely tough times.

So we have granted £1.1 million towards the cost of Paul's House, a new home-from-home for families of children being treated at University College London Hospital (UCLH), pictured right.

Working alongside children's cancer charity CLIC Sargent we hope the accommodation will keep families together during periods of treatment and reduce day-to-day difficulties.



With 15 spacious family rooms, it will offer somewhere for the whole family to stay for as long as necessary. They can relax and get a good night's sleep, but are still close by if their child needs them in the night.

Saving lives, one at a time

Today in the UK four out of five children diagnosed with leukaemia will survive. However, this is not the case for children with the disease in poorer countries. For them, the diagnosis is nearly always a death sentence.

Less affluent countries just do not have the facilities or the budgets available to provide treatment and children are dying of a disease which may be curable.

Paul O'Gorman Lifeline has been running for 12 years, to fund treatment for impoverished, leukaemic children in Eastern Europe and Central Asia.

The medical costs of treating a single child in a Western hospital may be as much as £85,000.

Travel and accommodation expenses can push this up to

well over £90,000. Last year we gave £1.5 million and over the last 12 years we have given £4.8 million.

In 2007 Lifeline helped 121 children who might otherwise have died. They are also involved in establishing stem cell transplant centres in St Petersburg (Russia) and Kiev (Ukraine).

One amazing party

We try to bring some fun to children whose young lives are not as carefree as they should be.

Every year since we began we have held a wonderful children's summer party, known as the Amazing Great Children's Party.

In July 2007 we invited around 6,000 deserving children. Some of them are leukaemia patients who are well enough for a day out. Many bring along their brothers and sisters, and to make sure it really is the most enormous party we also invite children whose lives have been made difficult by illness, disability or problems in the family.

With the help and support of many volunteers and sponsors, the children have the best day possible, complete with marvellous magicians, fantastic face-painters, fabulous food, rollicking rides and a star-studded stage show.



Children's challenges

Since our Children's Marathon Challenge was launched in 2002, we have been overwhelmed by the fabulous efforts of the schools, guides units, scout sections and youth groups across the country who have taken part. In 2005 we introduced a new event: Cheeky Monkey's Marathon Challenge. Just like the Children's Marathon Challenge, children can do any activity based around the number 26 (the number of whole miles in a marathon) – just so long as it's a little bit cheeky and lots of fun!

So far almost 600,000 children have completed their challenge, raising sponsorship from family and friends totalling a staggering £9 million for their schools and groups and for CHILDREN with LEUKAEMIA. As well as making a vital contribution to our research work, the event has helped to raise awareness and understanding of childhood leukaemia amongst school children across the country, which is so important to children suffering from the disease.

www.leukaemia.org/what-we-do/fund-welfare



Vital upgrade is underway

One of the busiest hospitals treating children with leukaemia in the UK is Great Ormond Street Hospital for Children in London.

The cancer unit there treats one in every 10 children diagnosed with cancer in the UK, and they see every child under the age of one year from the South of England who has been diagnosed with cancer.

Roughly half of these children have leukaemia.

The department however faces new challenges. In 2006 they were told that the children's cancer, including leukaemia, services at Barts and the London NHS Trust were to close.

As a result, the team at Great Ormond Street faced a 61% increase in the number of cancer patients referred to them.

What was required was a complete overhaul of the two wards where the in-patients are treated, and a new day care unit.

One of our biggest undertakings is to pay for half the £4.9 million cost of updating and expanding these wards.

And at the end of 2007 we had granted £2 million of the £2.4 million we have promised. This will allow more children to receive the very best treatment in the very best surroundings.

The first phase of the work was almost completed by the end of 2007.

The second phase is the creation of a new 17-bed in-patient oncology ward, to complement the 20 beds currently available.

The expansion of services will also benefit the hospital's research programme at the Institute of Child Health.

The increased number of patients will enable them to progress their research into the prevention and cure of leukaemia.



Power to the people?

We are members of, and part fund, a Government advisory group called SAGE (Stakeholder Advisory Group on Extremely Low Frequency (ELF) EMF). Other participants in SAGE include representatives of the Government, electricity companies, academics and campaigners. SAGE issued a report in April 2007, making recommendations to Government on practical precautionary measures to reduce EMF exposure.

In July 2007, a group of five MPs (the Cross-Party Inquiry into Childhood Leukaemia and EMF) also published their report. The Chairman of the Inquiry, Dr Howard Stoate MP, along with Dr Ian Gibson MP, Sandra Gidley MP, Nick Hurd MP and Michael Connarty MP, recommended that the Government introduce a ban on building new homes and schools within at least 60 metres of the highest voltage power lines to protect children from an increased risk of leukaemia.

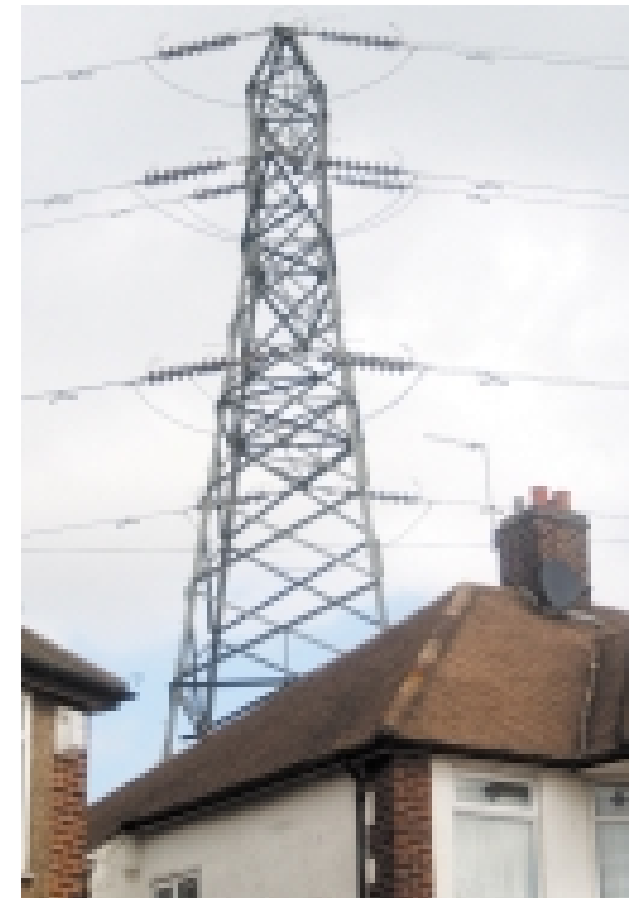
In the same month, an Early Day Motion tabled by the members of the Cross-Party Inquiry was signed by 76 MPs. It also called for a building moratorium.

The Department of Health referred the SAGE report to the Health Protection Agency (HPA). In October 2007, the HPA issued guidance on the SAGE Report and on the Cross-Party Inquiry Report.

The HPA recommended that the Government draw the attention of local authority planning departments 'to the evidence for a possible small increase in childhood leukaemia' from houses and schools near high voltage power lines.

We will carry on campaigning to ensure that the Government brings forward substantive measures to protect children from an increased risk of leukaemia.

In 2008, we will seek to ensure that momentum is not lost by aiming to get amendments put down to the Energy Bill, the Planning Bill and the Housing and Regeneration Bill and by continuing to ensure that questions are raised in parliament.



One of the possible causes of childhood leukaemia is long-term exposure to electricity from sources such as high voltage power lines. Electric fields and magnetic fields are created by the generation and transmission of electricity and are known together as electric and magnetic fields (EMF).

Exposure to EMF above a certain level has been shown to damage living cells. At much lower levels, it has been associated with a higher risk of leukaemia in children. A scientific study by Dr Gerald Draper in 2005 reported that children living within 200 metres of high voltage power lines were nearly twice as likely to develop leukaemia.

We believe it is vital that we act on the results of research such as this. At the moment there is little protection against this risk for children in Britain but we believe there should be. We have been working in Parliament to encourage Government to introduce measures to protect children's health. Since 2005, we have been campaigning for a ban on the building of homes and schools very close to high voltage power lines and much progress was made in 2007.

www.leukaemia.org/what-we-do/campaigning



Thanks a million!

Our army of supporters is growing. Hundreds of thousands of people supported the charity in 2007, from all walks of life, from children to great-grandparents, from all over the UK. Together they raised millions of pounds to support our life-saving work.

And we are coming up with more and more ways for people to become involved. We have a range of activities and fundraising schemes that can be tailored to suit everyone.

We have one of the largest teams of runners in the Flora London Marathon, and that provides the inspiration for some of our children's fundraising ideas.

Throughout the year we host events and parties that allow people to do something they enjoy, while at the same time raising money for our cause.

Groups and individuals are forever dreaming up new ways to raise funds, whether it is climbing a mountain, or dressing up in silly clothes, or perhaps even both.

We also have long-standing relationships with celebrities, who are only too happy to give their time to help out. And we enjoy mutually beneficial partnerships with businesses, both big and small. Every single penny raised is important to us. And we want to give heartfelt thanks to every single person who gives their support.



Every single donation we receive, no matter how big or small, helps us to do more

More than a third of our income is generated by postal appeals, and the total in 2007 amounted to £5.6 million.

These appeals would not be possible without the help of many celebrity friends, and we greatly appreciate their support.

In 2007 our Summer and Christmas Grand Draws were headed by Bruce Forsyth and Des O'Connor, while our Spring and Amazing Great Children's Party appeals were headed by Kevin Whately and Phillip Schofield.

Heartfelt thanks to everyone in our Mr Men and Little Miss Team for raising a record-breaking £3 million in 2007

Nearly a quarter of our income is generated by runners who so generously choose to support our cause.

In 2007, we fielded our largest team yet in the Flora London Marathon, with more than 1,275 runners who broke our record by raising £2.2 million. Each sported their distinctive Mr Happy and Mr Tickle running vests, only made possible by the generous support we receive from Chorion plc. We also fielded the largest UK charity team ever to take part in the ING New York City Marathon, with 350 runners raising another record-breaking amount of £400,000 for the event.

In addition, we continue to grow our participation in other running events such as the BUPA Great North Run, where we had a team of over 1,250 runners raising in excess of £400,000 and the Hydro Active Women's Challenge with our team of 300 ladies.

Our running vests have also been sported by hundreds of runners taking part in additional events, ranging from 3k fun runs to ultra-marathons, both nationally and internationally.

We are enormously proud of all our runners and extremely grateful for their commitment and determination as well as the generosity and enthusiasm of their supporters.



www.leukaemia.org/what-you-can-do





Corporate partners

Our commitment to improving the treatment and understanding of childhood leukaemia is shared by thousands of corporate supporters and hundreds of thousands of their customers.

In 2007 we joined forces with the Hilton in the Community Foundation to ask Hilton Hotel guests across the UK to pay an extra pound on their bills to support our work.

The campaign, which was headed by our trustee, TV star Linda Robson and three-year-old leukaemia survivor Louisa Buttery, is targeting to raise well over £100,000 towards our 2008 corporate fundraising total.

Staff at the Bank of Ireland UK Global Markets offices raised £36,000 in 2007 with their 'London to Belfast Challenge'. Two teams took turns on static bikes and rowing machines to cover the 470 mile distance between the London, Bristol and Belfast offices.

PricewaterhouseCoopers' Plumtree Court office took part in a number of fundraising events in 2007. Most notably a brave team of 12 cyclists rode from London to Paris. In total over £17,000 was raised in the year.

Small Luxury Hotels of the World is an exclusive collection of over 400 independent luxury hotels in 65 countries around the world. They have provided countless free nights for prizes at our fundraising events, and in 2007 these raised almost £15,000.

We were delighted to receive a £10,000 donation from the Royal Bank of Scotland Group's Children's Charity Awards in association with the Daily Mail. We also continued to receive support throughout the year from various staff fundraising activities at RBS Insurance locations across the UK.

Dunelm Mill, the UK's leading independent home furnishings retailer, kindly supported us as their Charity of the Year in 2006/2007. Staff in stores nationwide took part in a variety of terrific fundraising activities, including a 'Friends and Family' evening and the sale of Mr Men and Little Miss zip pulls, raising a total of over £63,000.

JMD Specialist Insurance Services organised their second annual Quiz Party at the Tower, hosted by Jeremy Beadle, for friends and colleagues in the Insurance Industry, raising almost £39,000.

Amazing support from the public



None of the work we do would be possible without the support we receive from hundreds of thousands of people across the UK.

Individuals, groups and companies go to incredible lengths to raise funds for our work.

Swimmers Dave and Anita Moore, Kristi-Anna Moore, Vickie Palmer and Rory Jewell in the space of two weeks in the summer swam a total of 52 miles in 107 different swimming pools across the UK. They travelled from Inverness to Land's End and raised over £10,000.

Sales director John Clougherty took up boxing as part of the Square Up In The City event in London and raised over £5,000.

Student James Fraser got on his bike to raise more than £2,000 by cycling 7,544 miles from London to Beijing.

We are also greatly indebted to groups such as SACA, who chose us to be the beneficiary of their annual Birmingham to London cycle race, which has so far raised over £24,000.

Grandmother Linda Jones trekked to Machu Picchu in Peru to raise over £3,000.

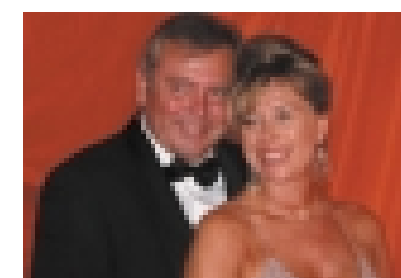
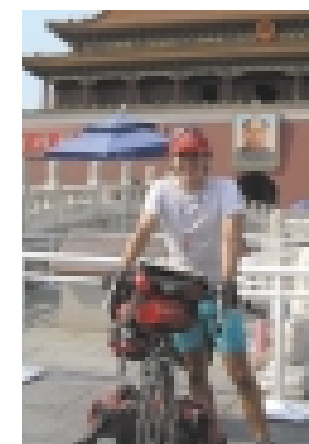
We also benefit from a range of highly successful fundraising events throughout the year.

The biggest night of 2007 was the Paul O'Gorman Banquet and Ball in November, when Madness entertained an audience of 1,100 partygoers. Altogether the night raised £311,000.

Jeremy Beadle hosted his Quiz Party in April, which sadly proved to be his last, and the fantastic event raised £133,000.

With the help of our dedicated Opera at Syon Committee, we also held two opera evenings in the Great Conservatory at Syon House in West London, which raised £87,000 and the Captains' Cup golf tournament at Wentworth, hosted by former Ryder Cup captain Bernard Gallacher, which raised £80,000.

In February, at Sandown Park Race Course, our dedicated supporter, Caroline Randerson held her 19th annual ball raising £37,000. Together, with her husband Martin, Caroline has now raised over £400,000 for the charity. In 2008, Caroline plans to hold her 20th annual ball in Marbella, Spain.



www.leukaemia.org/what-you-can-do

CHILDREN with LEUKAEMIA

Registered Charity No. 298405. Inaugurated in 1988 by Diana, Princess of Wales in memory of Jean and Paul O'Gorman



Structure, governance and management

Governing documents

These accounts are for CHILDREN with LEUKAEMIA and its subsidiaries, the Foundation for Children with Leukaemia (the Foundation), the Children with Leukaemia Charitable Trust and Helping Children with Leukaemia Limited. CHILDREN with LEUKAEMIA is the registered working name of Children with Cancer UK, the reporting charity.

CHILDREN with LEUKAEMIA is a company limited by guarantee and operates under its Memorandum and Articles of Association dated 11th November 2003 as amended by special or written resolutions, dated 30th November 2004, 22nd December 2006 and 12th May 2007. On 14th May 2007 the reporting charity changed its name from Children with Leukaemia UK to Children with Cancer UK. The Foundation operates under its Trust Deed (dated 4th January 1988) and Variation of Trust Deed (dated 10th December 2003).

Objects

The objects of CHILDREN with LEUKAEMIA, as set out in the governing documents at the start of the year were:

- i) the relief of children suffering with leukaemia;
- ii) to raise public awareness and knowledge in matters relating to childhood leukaemia;
- iii) the promotion of research into the causes, alleviation, prevention and cure of childhood leukaemia and to publish the results of such research.

The objects were amended by written resolution on 12th May 2007 and the new objects from that date onward are shown below:

- i) to promote the relief of children and young people suffering from leukaemia or any other form of cancer (and allied disorders) and of their families;
- ii) to raise public awareness and knowledge in matters relating to leukaemia or any other form of cancer (and allied disorders) affecting children and young people;
- iii) to promote research into the causes, alleviation, prevention, treatment and cure of leukaemia or any other form of cancer (and allied disorders) affecting children and young people and to publish the useful results of such research.

Trustee Board

The governing body of the reporting charity is the Trustee Board, which has a current total of six members. It meets at least three times a year together with the Chief Executive and Deputy Chief Executive.

Trustee appointment and induction

There were no new appointments to the Trustee Board in 2007 (no new appointments in 2006). The policy with respect to the size and make-up of the Board was revised slightly during 2007 and now is to keep the size of the Board small to enable effective decision-making. Selection of Trustees is made based on vacancies arising, sympathy with the objects of the Charity and the additional skills and experience that potential new Trustees are able to offer. Under the Articles of Association, Trustees are appointed by a majority vote of the members (who are all the current Trustees) by ordinary resolution.

Each new Trustee receives the Charity Commission publication ‘The Essential Trustee: What you need to know’ as well as the most recent published annual report. The Chief Executive offers an induction day to all Trustees which provides full information about the operations of the Charity.

Management

The Trustees exercise executive responsibility for the governance of the Charity and through the Chairman supervise the management of the Charity by the Chief Executive and the staff team. The Chairman and Chief Executive also task the Board with decision-making on some strategic management issues as appropriate.

In order to remain in harmony with the procedures of the National Cancer Research Institute and the Association of Medical Research Charities, the Trustee Board established a new Scientific Advisory Committee, a panel of scientific advisers, under new terms of reference (see www.leukaemia.org/about-us/our-scientific-advisors). The Trustee Board must refer to the Scientific Advisory Committee for advice on relevant areas and follow their advice during decision-making. Staff are also expected to call upon the expertise of the Scientific Advisory Committee, before making recommendations to Trustees.

Risk and internal control

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reassurance that:

- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the Charity or for publication is reliable; and
- the Charity complies with relevant laws and regulations.

As part of the Charity’s risk management process the Trustees acknowledge their responsibility for the Charity’s system of internal control and reviewing its effectiveness. It is also recognised by the Trustees that such a system is designed to manage rather than eliminate the risk of failure to achieve the Charity’s objectives and can only provide reasonable, not absolute, reassurance against material misstatement or loss.

The Trustees keep under regular review the major risks that could affect their achievement of the Charity’s objectives. It is the Trustees’ policy that a substantive annual risk assessment takes place and that wherever possible, different experts examine the issues each year. It is anticipated that this will usually entail the use of one firm from the Charity’s roster of professional advisers whether legal or accountancy and that the fresh perspectives brought each year will add considerable value in identifying potential exposure not previously apparent to the staff and Trustees.

Risk reviews were carried out in 2004 by the Charity’s internal auditors, Sayer Vincent, in 2005 by the Charity’s external auditors, Deloitte, and in 2006 and 2007 by the Charity’s legal advisers, Stone King. An ongoing risk register is being maintained to help identify potential risks which could have a critical impact and to enable further risk management to be introduced.

Related Parties

During 2007, an internal conflicts of interest register was set up based on declaration of interests forms completed by all trustees and senior management. Trustee meeting policy is that where trustees have an interest in the matter under discussion, they will absent themselves from these discussions and decisions.

Reserves

The Trustees have adopted a reserves policy which they consider appropriate to ensure the continued ability of the Charity to meet its objectives. The Trustees have reviewed their reserves policy during the course of the year and agreed to continue to aim to find a balance between maximising charitable work and the need for preparation for contingencies. Consideration was given to assessing the risk, probability and likely impact on the Charity’s ability to meet its financial obligations and reduce expenditure following any short-term decline in income.

The Charity has a very low ongoing cost base. The Trustees feel it is sufficient to maintain an unrestricted reserve of between two and four months of the annual total expenditure with an aim to be in the middle of the range. Free reserves at 31st December 2007, equal to the total of unrestricted funds excluding tangible fixed assets, amounted to £3.2m (2006: £2.9m), which represents 13 weeks of unrestricted resources expended during 2007 (2006: 14 weeks) and therefore meets the policy requirement.

Investments

The Memorandum of Association allows the Charity to deposit or invest funds in any manner but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification.

The Charity recognises that it must have enough resources to carry out its present and future activities effectively. Therefore the Trustees have agreed to hold sufficient cash levels, invested only on short term deposit, to meet fluctuating needs. It is felt that this amount of cash should be in line with the level of reserves.

Cash balances generally are increasing over time since more funds are being kept available to meet longer term grant commitments. The Trustees are keen to ensure that these funds are not exposed to any risk since this cash value has already been promised to grant holders. They would like to maximise real returns, so resources in excess of the level of reserves may be invested as cash for such fixed terms as are deemed optimal from time to time in relation to cash flow requirement and short and medium term interest rates prevailing at the time.

Grant making policy

It is the Trustees’ policy to maximise the proportion of its charitable output that is achieved through grant making.

- **Welfare grants**
New welfare facilities are initiated only through third parties under grant funding. There is no open application process for welfare grants and no welfare grants are given to individuals. The staff of the Charity proactively work with the Trustees to determine which organisations should be supported. The Charity worked closely with Paul O’Gorman Lifeline and CLIC Sargent during 2007.

- **Research grants**
An increasing proportion of the Charity’s output is achieved through scientific and medical research. Capital funding for scientific institutions is now being decreased as a proportion of the Charity’s total output in favour of revenue funding for research.

Project funding in these areas is directed in two ways:

1. Research into treatment
The Charity works in partnership with Leukaemia Research, Great Ormond Street Hospital Children’s Charity, University College London, Cancer Research UK and other institutions giving grants in support of the parts of their programmes which are relevant to the Charity’s objects.

2. Research into prevention and causes
In 2005, the Charity was accepted as a member of the Association of Medical Research Charities and in 2007 it was accepted as a member of the National Cancer Research Institute. The Charity advertises worldwide for project applications which are then subject to peer review and assessment by the Charity’s expert research grants committee before the Trustees determine which projects to support.

It is also the Trustees’ policy to support directly a number of long-term programmes of research at UK institutions in areas which are of wide-ranging importance in relation to childhood leukaemia. The childhood cancer research programme co-ordinated by Professor Boshoff at University College London was added to this roster of programmes during the year.

Statement of Trustees’ responsibilities for the financial statements

UK company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity’s incoming resources and application of resources during the year and of its state of affairs at the end of the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees as directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the company and the group and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company’s auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Approved by the Board and signed on its behalf on 8th May 2008 by

Eddie O'Gorman

Eddie O’Gorman
Chairman of Trustees



Information about the Charity

CHILDREN with LEUKAEMIA is the registered working name of Children with Cancer UK. The Charity was set up in memory of Paul O’Gorman who died on 6th February 1987 and his sister Jean, who died on 3rd November 1987. The Charity was inaugurated by Diana, Princess of Wales on 12th January 1988 at Mill Hill County High School where Paul had been a pupil.

Trustees

Trustees of the reporting charity, CHILDREN with LEUKAEMIA, who served during the year were:

Eddie O’Gorman (Chairman)
The Earl Cadogan DL
Professor Denis Henshaw
Sandra Mileham
Baroness Morgan of Drefelin (resigned 23rd January 2007 on appointment to HM Government)
Marion O’Gorman
Linda Robson

Chief Executive

Edward Copisarow

Registered Charity Number

298405

Registered Company Number

4960054

Principal office

51 Great Ormond Street, London WC1N 3JQ

Solicitors

Stone King LLP
28 Ely Place, London EC1N 6TD

Bates Wells Braithwaite
2-6 Cannon Street, London EC4M 6YH

Nabarro Nathanson
Lacon House, Theobald’s Road, London WC1X 8RW

External auditors

Deloitte & Touche LLP
Hill House, 1 Little New Street, London EC4A 3TR

Internal auditors

Sayer Vincent
8 Angel Gate, 326 City Road, London, EC1V 2SJ

Bankers

National Westminster Bank plc
30 North Audley Street, London W1A 4UQ

CHILDREN with LEUKAEMIA
51 Great Ormond Street, London WC1N 3JQ
Tel: 020 7404 0808
Fax: 020 7404 3666
Email: info@leukaemia.org
www.leukaemia.org

Scientific Advisory Committee

Prof. A. V. Hoffbrand, DM, FRCP, FRCPATH, DSc (Chairman)
Prof. J. M. Birch, BSc, MSc, PhD
Prof. A. K. Burnett, MD ChB, FRCP, FRCPATH, FMedSci
Dr B. E. Gibson, MB ChB, FRCP, FRCPATH, FRCPCH
Dr N. J. Goulden, MB ChB, MRCP, FRCPATH, PhD
Prof. M. F. Greaves, PhD, MRCP, FMedSci, FRS
Prof. A. W. Preece, BSc, PhD, MinstRP, FIPEM, CPhys
Prof. I. A. G. Roberts, MD, FRCP, FRCPATH, FRCPCH, DRCOG
Prof. P. Sorensen, MD, PhD, FRCP
Prof. E. G. Wright, PhD, FRCPATH, FRSE

Amazing Great Children’s Party

Hugo Amaya-Torres (Chairman)

Celebrity Friends

Russ Abbot • Debbie Arnold • Jane Asher • Colin Baker
Floella Benjamin • David Berglas • Rodney Bewes
Christopher Biggins • Cilla Black • Brenda Blethyn
Patricia Brake • Sir Richard Branson • Johnny Briggs
Tim Brooke-Taylor • Faith Brown • June Brown
Frank Bruno • Max Bygraves • Sir Michael Caine
Brian Cant • Jasper Carrott • Frank Carson
Christopher Cazenove • George Cole • Graham Cole
Joan Collins • Phil Collins • Jess Conrad
John Conteh • Ronnie Corbett • Bernard Cribbins
Roger Daltrey • Paul Daniels • Jim Davidson
Dickie Davies • Sharron Davies • Roger de Courcy
Dame Judi Dench • Declan Donnelly • Jason Donovan
Glynn Edwards • Bruce Forsyth • Peter Gilmore
Reg Gutteridge • Haruhisa Handa • Ainsley Harriott
Barry Hearn • Bob Holness • Bob Hoskins • Jane How
Michael Howe • Nerys Hughes • David Janson
Sir David Jason • Gorden Kaye • Kevin Keegan
Diane Keen • Henry Kelly • Felicity Kendal
Sarah Kennedy • Eddie Kidd • Burt Kwouk
Bonnie Langford • Eddie Large • George Layton
Rosemary Leach • Rula Lenska • Lennox Lewis
Gary Lineker • Joanna Lumley • Linda Lusardi
Sandy Lyle • Sir Paul McCartney • Sir Trevor McDonald
Debbie McGee • Anthony McPartlin • Philip Madoc
Ruth Madoc • Ron Moody • Garfield Morgan
Patrick Mower • Des O’Connor • Tom O’Connor
Bill Oddie • Richard O’Sullivan • Nick Owen
Nicholas Parsons • Su Pollard • Robert Powell
Pauline Quirke • Claire Rayner Sir Steve Redgrave
Angharad Rees • Anneka Rice • Jonathan Ross
Tessa Sanderson • Gerald Scarfe • Phillip Schofield
Pat Sharp • Ivor Spencer • Michaela Strachan
Eric Sykes • Chris Tarrant • Angela Thorne
David Vine • Dennis Waterman • Kevin Whately
June Whitfield • Simon Williams • Gary Wilmot
Frank Windsor • Terry Wogan • Susannah York
Paul Young

Independent auditors' report

Independent auditors’ report to the members of Children with Cancer UK

We have audited the group and parent charitable company financial statements (the “financial statements”) of Children with Cancer UK for the year ended 31 December 2007 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated cash flow statement and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company’s members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditors’ 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 and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of the charity for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees’ Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you whether in our opinion the information given in the Trustees’ Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees’ remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report as described in the contents section, and consider

whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group’s and charitable company’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group’s and the parent charitable company’s affairs as at 8 May 2008 and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees’ Report is consistent with the financial statements.

Deloitte & Touche LLP

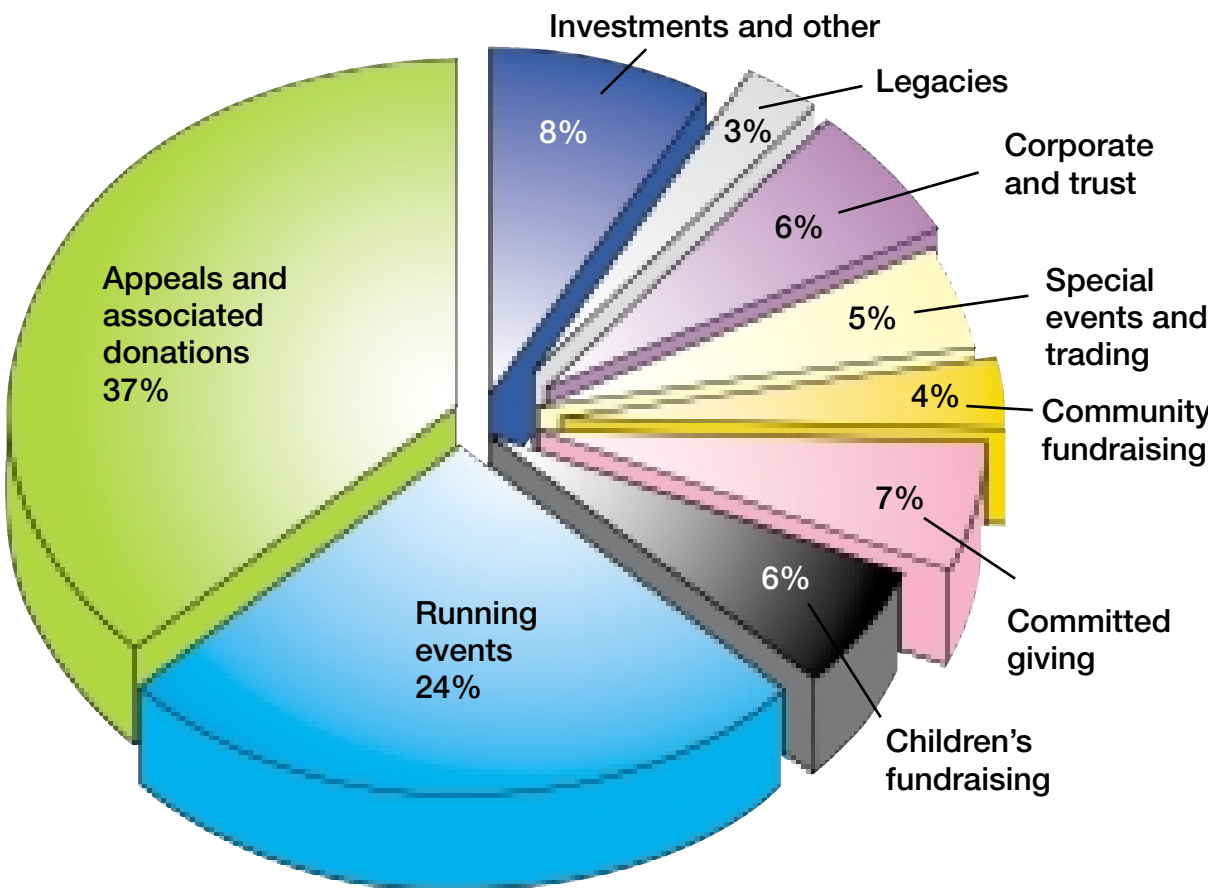
Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London
8 May 2008



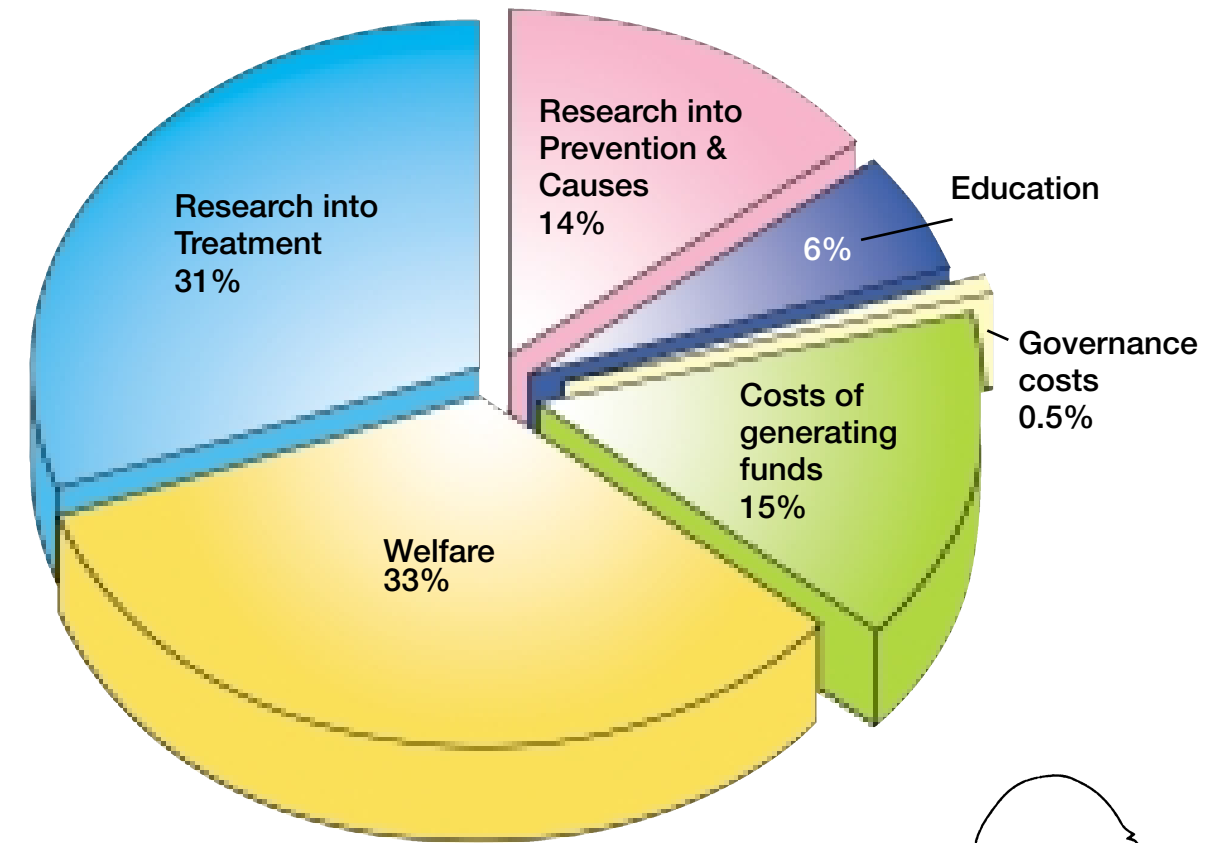
Consolidated statement of financial activities for the year ended 31 December 2007 (incorporating income and expenditure account)					
	Note	Total restricted funds £	Total unrestricted funds £	Total 2007 £	Total 2006 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Appeals and associated donations		-	4,864,010	4,864,010	4,562,867
Committed giving		-	955,217	955,217	821,756
Schools and children's groups fundraising		-	768,918	768,918	1,146,847
Running events		-	3,171,244	3,171,244	2,711,243
Community fundraising		-	489,764	489,764	457,605
Corporate and trust donations	14	308,500	498,706	807,206	750,399
Legacies		-	425,871	425,871	317,863
Other	2	-	600,000	600,000	700,000
		<u>308,500</u>	<u>11,773,730</u>	<u>12,082,230</u>	<u>11,468,580</u>
Activities for generating funds					
Special events and trading		-	674,731	674,731	670,339
Investment income					
		-	351,441	351,441	216,602
Other incoming resources					
		-	6,852	6,852	62,769
Total incoming resources		<u>308,500</u>	<u>12,806,754</u>	<u>13,115,254</u>	<u>12,418,290</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income		-	1,729,849	1,729,849	1,457,159
Costs of special events and trading		-	205,348	205,348	178,601
Charitable activities					
Research into Prevention & Causes		6,000	1,742,912	1,748,912	2,430,425
Research into Treatment		302,000	3,641,986	3,943,986	3,178,568
Welfare		-	4,279,529	4,279,529	2,875,663
Education		-	841,181	841,181	736,394
Governance costs					
		-	64,038	64,038	54,870
Total resources expended	3, 14	<u>308,000</u>	<u>12,504,843</u>	<u>12,812,843</u>	<u>10,911,680</u>
Net incoming resources before transfers		500	301,911	302,411	1,506,610
Gross transfers between funds	14	<u>(500)</u>	<u>500</u>	<u>-</u>	<u>-</u>
Net movement in funds		-	302,411	302,411	1,506,610
Funds at the start of the year		-	3,581,805	3,581,805	2,075,195
Funds at the end of the year		<u>-</u>	<u>3,884,216</u>	<u>3,884,216</u>	<u>3,581,805</u>

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
Movements in funds are disclosed in note 14 to the financial statements.
The notes on pages 29 to 31 form part of these financial statements.

Incoming resources



Resources expended



Balance sheet as at 31 December 2007					
		2007		2006	
	Note	Group £	Charity £	Group £	Charity £
Fixed assets					
Tangible assets	7	669,667	669,667	697,667	697,667
Investments	8	3,500,000	3,500,100	3,200,000	3,200,100
		<u>4,169,667</u>	<u>4,169,767</u>	<u>3,897,667</u>	<u>3,897,767</u>
Current assets					
Debtors and prepayments	10	1,191,702	1,191,703	1,247,478	1,248,500
Investments	8	3,230,581	3,230,581	1,900,000	1,900,000
Cash at bank and in hand		817,220	815,098	648,041	645,919
Creditors: amounts falling due within one year					
Grants	11	(2,989,683)	(2,989,683)	(1,696,425)	(1,696,425)
Other	12	(335,343)	(334,322)	(455,296)	(455,296)
		<u>1,914,477</u>	<u>1,913,377</u>	<u>1,643,798</u>	<u>1,642,698</u>
Net current assets					
		<u>6,084,144</u>	<u>6,083,144</u>	<u>5,541,465</u>	<u>5,540,465</u>
Total assets less current liabilities					
Creditors: amounts falling due after more than one year					
Grants	11	(2,199,929)	(2,199,929)	(1,959,660)	(1,959,660)
		<u>3,884,215</u>	<u>3,883,215</u>	<u>3,581,805</u>	<u>3,580,805</u>
Net assets					
		<u><u>3,884,215</u></u>	<u><u>3,883,215</u></u>	<u><u>3,581,805</u></u>	<u><u>3,580,805</u></u>
Represented by:					
Unrestricted funds	13	<u><u>3,884,215</u></u>	<u><u>3,883,215</u></u>	<u><u>3,581,805</u></u>	<u><u>3,580,805</u></u>

The notes on pages 29 to 31 form part of the financial statements.
Approved and signed on behalf of the Trustees on 8th May 2008.

The Earl Cadogan
Trustee

Eddie O’Gorman
Trustee

Consolidated cash flow statement for the year ended 31 December 2007

	Note	2007 £	2006 £
Net cash inflow from operating activities			
Investment income	a)	883,319	859,101
Proceeds from disposal of fixed assets		351,441	216,602
Proceeds from disposal of fixed assets		565,000	-
Management of liquid resources - increase in current asset investments		(1,630,581)	(1,250,000)
		<u>169,179</u>	<u>(174,297)</u>
Increase / (Decrease) in cash			
	b)	<u>169,179</u>	<u>(174,297)</u>

Notes to the Cash flow Statement

a) Reconciliation of changes in resources to net cash inflow from operating activities		2007 £	2006 £
Net incoming resources		302,411	1,506,610
Investment income		(351,441)	(216,602)
Depreciation charge for the year		46,000	2,333
Loss on disposal of tangible fixed assets		17,000	-
(Increase) / Decrease in debtors		55,776	(515,258)
Increase in creditors		1,413,573	782,018
Donation of tangible fixed assets		(600,000)	(700,000)
Net cash inflow from operating activities		<u>883,319</u>	<u>859,101</u>
b) Analysis of net funds			
	1 January 2007 £	Cashflow £	31 December 2007 £
Cash at bank and in hand	648,041	169,179	817,220

Notes to the financial statements for the year ended 31 December 2007

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

(a) Accounting conventions

The financial statements are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, published in March 2005 in all material respects and are prepared under the historical cost convention.

(b) Group status and basis of consolidation

Children with Cancer UK trading as CHILDREN with LEUKAEMIA is the ultimate parent company. It has 3 subsidiaries detailed in note 8 where all 3 balance sheets are shown. Children with Cancer UK changed its name from Children with Leukaemia UK on 14 May 2007. On 20 December 2007, the merger between Children with Cancer UK and the Foundation was registered on the Mergers Register operated by the Charity Commission. The consolidated financial statements incorporate the results of CHILDREN with LEUKAEMIA and its 3 subsidiaries using the line by line basis.

(c) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

(d) Incoming resources

Income is recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty. In accordance with this policy, legacies are included when the Charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified. Voluntary income in the form of donations, proceeds of appeals and other fundraising activities are recognised upon receipt.

(e) Resources expended and basis of allocation of costs

All expenditure is accounted for on an accruals basis and the majority is directly attributable to specific activities. Other indirect costs are apportioned to activities in accordance with staff activity and an assessment of where the resources have been applied. Grants to third parties are included in the SOFA when approved by the Trustees when a constructive obligation exists, notwithstanding that they may be paid in future accounting periods. Support costs include the direct expenditure and overhead costs relating to the appeals and fundraising functions. They also include the allocation of costs incurred to support and co-

ordinate fundraising activities. These costs are allocated across the categories of charitable expenditure and the basis of this cost allocation has been explained in note 4 to the accounts. Governance costs are the costs incurred to manage the Charity in compliance with constitutional and statutory requirements.

(f) Taxation

CHILDREN with LEUKAEMIA, as a registered charity, is exempt from taxation of income falling within Section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that this is applied to its charitable objectives. No tax charge has arisen in the year.

(g) Tangible fixed assets

Tangible fixed assets costing more than £10,000 are capitalised and included at cost including any incidental costs of acquisition, or, where donated, are included at valuation at the date that ownership is acquired. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:
Freehold property 4% straight line
Fixtures and fittings 15% straight line

(h) Pension scheme

Permanent employees are entitled to join the Grouped Stakeholder Pension Plan provided by Bank of Scotland which was established on 14 September 2001. In 2007, the Charity made a contribution of 12% of salary per month to any personal or stakeholder pension scheme selected by all employees serving for more than three months who elected to take advantage of this benefit. Pension costs are accounted for on an accruals basis.

2. Voluntary income - other	2007 £	2006 £
Green Hedges property	600,000	-
Paul O’Gorman House	-	700,000
	<u>600,000</u>	<u>700,000</u>
	=====	=====

The Green Hedges property was donated to CHILDREN with LEUKAEMIA by the Venik Trust on 3rd April 2007.

Paul O’Gorman House was granted to the special Trustees of the Royal Free Hospital in 2003 for purposes within the charitable objects of CHILDREN with LEUKAEMIA. Because of a reorganisation of NHS healthcare in London, the building could no longer be used for these purposes from 2006 and as a consequence, the special Trustees of the Royal Free Hospital determined to return the building to CHILDREN with LEUKAEMIA on 22 November 2006.

3. Total resources expended		Research into Prevention & Causes	Research into Treatment	Welfare	Education	Governance	Cost of generating voluntary income	Costs of special events and trading	2007 Total	2006 Total
	Note	£	£	£	£	£	£	£	£	£
Staff costs	15	80,185	89,890	217,261	388,414	17,075	207,068	23,404	1,023,297	811,811
Direct charitable spend		1,668,727	3,854,096	4,062,268	452,767	-	-	-	10,037,858	8,590,351
Printing, postage & stationery		-	-	-	-	-	718,419	7,791	726,210	540,349
Function and venue costs		-	-	-	-	-	789,686	174,153	963,839	905,470
Other expenditure		-	-	-	-	-	14,676	-	14,676	8,829
Audit fee		-	-	-	-	28,850	-	-	28,850	25,850
Other office costs		-	-	-	-	18,113	-	-	18,113	29,020
		<u>1,748,912</u>	<u>3,943,986</u>	<u>4,279,529</u>	<u>841,181</u>	<u>64,038</u>	<u>1,729,849</u>	<u>205,348</u>	<u>12,812,843</u>	<u>10,911,680</u>
		=====	=====	=====	=====	=====	=====	=====	=====	=====

4. Support costs		Research into Prevention & Causes	Research into Treatment	Welfare	Education	Governance	Cost of generating voluntary income	2007 Total	2006 Total
		£	£	£	£	£	£	£	£
Support costs are allocated to the activities as follows:									
Central services		8,649	9,056	25,028	37,829	10,003	25,198	115,763	98,387
Operational management		6,426	3,941	17,864	112,444	-	9,008	149,683	149,120
		<u>15,075</u>	<u>12,997</u>	<u>42,892</u>	<u>150,273</u>	<u>10,003</u>	<u>34,206</u>	<u>265,446</u>	<u>247,507</u>
		=====	=====	=====	=====	=====	=====	=====	=====

Central office overheads are allocated on a per person basis to staff in the office. The time spent by each staff member on every activity of the charity is allocated on a month by month basis throughout the year. Overheads and staff costs are then allocated to the various charitable activities based on this staff time basis.

5. Costs of charitable activities

	Activities undertaken directly	Grant funding of activities	Support costs	2007 Total	2006 Total
	£	£	£	£	£
Research into Prevention & Causes	1,128,348	605,489	15,075	1,748,912	2,430,425
Research into Treatment	1,094,726	2,836,263	12,997	3,943,986	3,178,568
Welfare	2,075,358	2,161,279	42,892	4,279,529	2,875,663
Education	690,908	-	150,273	841,181	736,394
	<u>4,989,340</u>	<u>5,603,031</u>	<u>221,237</u>	<u>10,813,608</u>	<u>9,221,050</u>
	=====	=====	=====	=====	=====

6. Results of the parent charity

	2007 £	2006 £
Total incoming resources	13,104,532	12,418,290
Total resources expended	12,802,121	10,911,680
	<u>302,411</u>	<u>1,506,610</u>
	=====	=====



Financial information

7. Tangible fixed assets	Freehold land and buildings
Valuation	£
Balance at 1 January 2007	700,000
Additions	600,000
Disposals	(600,000)
	<hr/>
Balance at 31 December 2007	700,000
	=====
Accumulated depreciation	
Balance at 1 January 2007	2,333
Charge for year	46,000
Disposals	(18,000)
	<hr/>
Balance at 31 December 2007	30,333
	=====
Net book value	
At 1 January 2007	697,667
	<hr/>
At 31 December 2007	669,667
	=====

8. Investments
During 2007, the Charity has reclassified part of the current assets investments balance as fixed asset investments. £3,500,000 (2006: £3,200,000) has been reclassified because it was felt that this better reflected the purpose of holding this cash.

Investment in subsidiary
CHILDREN with LEUKAEMIA is the sole Trustee of the Foundation for Children with Leukaemia (the Foundation) and the Children with Leukaemia Charitable Trust (the Trust), both unincorporated charities, and holds 100% of the share capital of Helping Children with Leukaemia Limited (HCwL), a company registered in Englnd and Wales, number 2807553. HCwL commenced trading during 2007 after being dormant for many years. Neither the Foundation nor the Trust traded during the year. The value of the share capital owned in HCwL is £100.

The balance sheets for the subsidiaries as at 31 December 2007 are as follows:			
	Foundation	Trust	HCwL
	£	£	£
Assets	1,000	-	23,352
Liabilities	-	-	(23,252)
	=====	=====	=====
Unrestricted funds	1,000	-	100
	=====	=====	=====

9. Trustees’ emoluments
The Trustees received no remuneration or expenses during the year.

10. Debtors	2007 Group	2007 Charity	2006 Group	2006 Charity
	£	£	£	£
Trade debtors	64,195	48,511	77,980	77,980
Amounts due from subsidiary undertakings	-	17,918	-	1,022
Other debtors	317,856	320,190	441,816	441,816
Accrued income	33,791	29,224	111,722	111,722
Prepayments	775,860	775,860	615,960	615,960
	<hr/>	<hr/>	<hr/>	<hr/>
	1,191,702	1,191,703	1,247,478	1,248,500
	=====	=====	=====	=====

11. Grants to third parties	2007	2006
	£	£
Outstanding liabilities at the start of the year		3,656,085
Awarded during the year:		
Research into Prevention & Causes		605,489
Research into Treatment		2,836,263
Welfare		2,161,279
		<hr/>
		5,603,031
		(4,063,438)
		(6,066)
		<hr/>
		1,539,593
		=====
Outstanding liabilities at the end of the year		3,656,085
		=====
Grants falling due within one year		2,989,683
Grants falling due after more than one year		2,199,929
		<hr/>
		5,189,612
		=====

12. Creditors: amounts falling due within one year	2007 Group	2007 Charity	2006 Group	2006 Charity
	£	£	£	£
Trade creditors	3,025	3,025	2,609	2,609
Amounts due to subsidiary undertakings	-	1,979	-	-
Taxes and social security	27,441	27,441	21,176	21,176
Accruals and deferred income	304,877	301,877	431,511	431,511
	<hr/>	<hr/>	<hr/>	<hr/>
	335,343	334,322	455,296	455,296
Grants	2,989,683	2,989,683	1,696,425	1,696,425
	<hr/>	<hr/>	<hr/>	<hr/>
	3,325,026	3,324,005	2,151,721	2,151,721
	=====	=====	=====	=====

13. Analysis of net assets between funds	2007 Group	2007 Group	2007 Group	2006 Group
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	4,169,667	-	4,169,667	697,667
Net current assets	1,914,477	-	1,914,477	4,843,798
Creditors falling due after more than one year	(2,199,929)	-	(2,199,929)	(1,959,660)
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets at the end of the year	3,884,215	-	3,884,215	3,581,805
	=====	=====	=====	=====

14. Statement of funds	At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds	-	308,500	(308,000)	(500)	-
Unrestricted funds	3,581,805	12,806,754	(12,504,843)	500	3,884,216
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	3,581,805	13,115,254	(12,812,843)	-	3,884,216
	=====	=====	=====	=====	=====

The restricted funds comprised donations from trust funds to be spent on specific projects and these were all discharged during 2007, all on grants to third parties. Of the £308,500 restricted funds received during the year, £300,000 was restricted to spend on the Childhood Cancer and Leukaemia Working Group, £5,000 was restricted to spend on the grant given to Dr Malcolm Taylor at the University of Manchester for his project on the role of HLA genes in protection from childhood leukaemia and £3,000 was restricted to spend on research into childhood leukaemia. The remaining £500 of restricted donations received in 2007 was for the purpose of funding the 2004 grant made to Dr Hugh Brady. The grant made in 2004 was £666,372 from unrestricted funds and of this grant, £370,402 was paid in cash during 2007. Therefore the £500 was transferred from restricted back to unrestricted funds in 2007.

15. Staff costs	2007	2006
	£	£
Salaries and wages	838,662	664,559
National Insurance	87,544	69,028
Pension	97,091	78,224
	<hr/>	<hr/>
	1,023,297	811,811
	=====	=====

One employee earned between £110,000 and £120,000 during the year and one employee earned between £70,000 and £80,000 during the year. (2006: one employee earned between £110,000 and £120,000). No other employee had emoluments exceeding £60,000.

The average weekly number of employees during the year, as calculated on a full time equivalent basis, was as follows:	Number of employees
	2007
	25
	2006
	19

All employees contributed to fundraising campaigns, projects and programmes and the management and administration of the Charity.

16. Capital commitments
There were no capital commitments at 31 December 2007 (2006: Nil).

17. Share Capital
CHILDREN with LEUKAEMIA is a company limited by guarantee and has no share capital. The liability of members is limited to the sum of £1 per member.

18. Control
There is no controlling party of CHILDREN with LEUKAEMIA.

19. Related parties
During the year the parent company incurred total expenditure of £15,396 on behalf of Helping Children with Leukaemia and accepted income of £1,979 on behalf of the Company. Helping Children with Leukaemia Limited made a donation under gift aid to the parent company of £1,500 during 2007. The year-end balance owed to Helping Children with Leukaemia is £1,979 (2006: £nil) and the year-end balance due from Helping Children with Leukaemia is £17,918 (2006: £1,022).

Lord Cadogan, a Trustee, is Chairman of the Board of Trustees for the Leukaemia Research Fund. The Charity gave grants of £567,853 via the Leukaemia Research Fund during 2007. Lord Cadogan did not take part in discussions concerning the decision to make these grants. No amounts were owed to or by the Leukaemia Research Fund at the year end (2006: £nil).

Professor Denis Henshaw, a Trustee, is the holder of a grant made in 2004 for £1,322,309 which is being paid out to his institution (the University of Bristol) over the years 2005 to 2008. £330,296 was owed to the University of Bristol at the year end (2006: £594,533).

Baroness Morgan, a Trustee until her resignation on 23 January 2007, was an associate of Pall Mall Consult during the year. Pall Mall Consult were retained by the Charity for public affairs and government relations work and were paid a total of £45,635 during 2007. No amounts were owed to or by Pall Mall Consult at the year end (2006: £nil).

Professor Mel Greaves was a member of the panel of scientific advisers who determined the allocation of a funding round during 2006. He received a project grant of £103,238 (to be paid to his institution, the Institute of Cancer Research) but was not present for the discussions concerning his grant proposal. £88,278 was owed to the Institute of Cancer Research at the year end (2006: £103,238).

20. Grants to third parties	Research into Prevention & Causes 2007	Research into Treatment 2007	Welfare 2007	Total 2006
	£	£	£	£
Paul O’Gorman Lifeline and the Venik Trust. Continuation of funding towards the treatment of children from Eastern Europe in specialist centres in Western Europe (2007: 24 months).			1,500,279	750,536
Professor Boshoff, University College London. Childhood cancer research programme (project 1 led by Dr Rodriguez-Viciana: Shoc2 in ras-driven leukomogenesis; project 2 led by Prof Poul Sorensen: Micrometastatic sarcoma models; project 3 led by Prof Poul Sorensen: High content cell screening for signaling pathways).	335,603	671,205		
Great Ormond Street Hospital Children's Charity. Capital funding for redevelopment and expansion of haematology/oncology facilities.		1,000,000		1,000,000
Children's Cancer and Leukaemia Group. †		600,000		
CLIC Sargent. Capital grant towards Paul’s House, Home from Home near University College London Hospital.			600,000	
UK Childhood Leukaemia Working Party. Phase III studies of MRD-based risk stratification and treatment of childhood ALL. ††		567,853		619,267
Dr Mike Murphy, Childhood Cancer Research Group, University of Oxford. Programme grant.	182,082			629,796
Dr Joseph Wiemels, University of California, San Francisco. Project funding (36 months): The Contribution of Electromagnetic Frequency Exposures to the Fallon Leukemia Cluster.	67,707			
The Variety Club of Great Britain. Towards Paediatric Nursing Award Scheme.			60,000	60,000
Childhood Leukaemia International Consortium, University of California, Berkeley. Organisation of international scientific meetings.		9,622		
Dr Malcolm Taylor, University of Manchester. Project funding extension (24 months): The role of HLA genes in protection from childhood leukaemia.		7,668		121,395
Dr M Tefvik Dorak, University of Newcastle upon Tyne. Project funding extension (24 months): Genes influencing body iron content and childhood leukaemia risk.		5,380		
Dr Brenda Gibson, International BFM Study Group. Annual meeting. †††		5,000		
Coghill Research Laboratories, Gwent. Miscellaneous research and conference expenses.		1,500		24,000
Alasdair Philips, Powerwatch. Supplementary research expenses.		1,272		
Leukaemia CARE. Pilot paediatric training day in Birmingham.			1,000	
University of Manchester. Conference attendance.	390			
University College London. Third instalment of capital grant towards new Paul O’Gorman Building to accommodate new Institute of Cancer Sciences.				500,000
Professor Andrew Hall, University of Newcastle upon Tyne. Project funding (12 months). Drug resistance in children with ALL. ††				284,086
University of Glasgow. Third instalment of capital grant towards new Paul O’Gorman Childhood Leukaemia Research Centre. ††				200,000
Dr Rob Mairs, University of Glasgow. Project funding (36 months): Determination of the mutagenicity in murine haemopoietic progenitors of extremely low frequency electromagnetic fields and ionising radiation using microsatellite analysis.				149,991
Dr Catherine Metayer, Northern California Childhood Leukemia Study, University of California. Project funding (36 months): Environmental chemical exposures in the aetiology of cytogenetic subgroups of childhood leukaemia.				115,569
Dr Anand Chokkalingam, Northern California Childhood Leukemia Study, University of California. Project funding (36 months): Variation in genes of the MHC, exposure to infections and risk of childhood ALL.				111,031
Professor Mel Greaves, Institute of Cancer Research London. Project funding (24 months): Collateral DNA damage as an indicator of prior aetiological exposures in infant leukaemia.				103,238
Dr Joao Barata, University of Lisbon. Project funding (36 months): Can TAL1 and LM02 effectively trigger T-cell acute leukaemia? Studies on the functional and molecular consequences of TAL1/LM02 over-expression in normal human haematopoietic and T-cell progenitors.				97,447
Dr Gordon Strathdee, University of Newcastle upon Tyne. Project funding (24 months): Functional relevance of loss of HOX gene expression in childhood leukaemia.				93,899
Dr Steve Selvin, Northern California Childhood Leukemia Study, University of California. Project funding (36 months): Admixture and infectious exposures in the aetiology of childhood leukaemia.				72,554
The Venik Trust. Running costs for Paul O’Gorman Respite Centre (Green Hedges).				25,000
Dr Mark Lowdell, Paul O’Gorman Laboratory of Cellular Therapeutics, Royal Free Hospital. TaNK project. (Underspend from 2006 grant reversed in 2007).		(2,795)		14,295
Leukaemia CARE. To support the running costs of Care Line.				10,000
Dr Hugh Brady, Institute of Child Health, London. Towards costs of hosting the Molecular Basis of Childhood Leukaemia Conference, March 2006.				5,000
Dr Mike Murphy, Childhood Cancer Research Group, University of Oxford. Twins paper.				2,000
Dr Malcolm Taylor, University of Manchester. Capital grant for purchase of DNA sequencer for cancer immunogenetics laboratory.				728
Dr Craig Donaldson, University of the West of England. Project funding (24 months): A study of human NKT cells in stem cell transplant recipients. (Underspend from previous grant reversed in 2006.)				(2,426)
Professor Eric Wright, University of Dundee. Towards relevant aspects of the International Workshop on Non-targeted and Non-linear Effects of Ionising Radiation, August 2006. (Underspend from 2005 grant reversed in 2006.)				(14,500)
UK Childhood Leukaemia Working Party. Underspend from 2005 grant reversed in 2006.				(284,086)
Dr Richard Feltbower, University of Leeds. Project funding (18 months): Does population mixing measure infectious exposure at the community level? (Underspend from 2005 grant reversed in 2007.)	(2,990)			
Professor Denis Henshaw, The Paul O’Gorman Childhood Leukaemia Centre, Physics Department, University of Bristol. Research into the possible environmental causes of childhood leukaemia. (Underspend from 2003 grant reversed in 2007.)		(7,745)		
Total grants to third parties	605,489	2,836,263	2,161,279	4,688,820
Spend on campaigns, projects and programmes (excluding grants)	1,143,423	1,107,723	2,118,250	
Total resources expended on charitable activities	1,748,912	3,943,986	4,279,529	

All grants are awarded to the host institution in respect of research programmes carried out by the individuals named above except for a total of £1,272 granted to Alasdair Philips which was given direct to the individual (2006: zero to individuals).

† Grant administered by Cancer Research UK (registered charity no. 1089464)
†† Grant administered by the Leukaemia Research Fund (registered charity no. 216032)
††† Grant administered by Royal Hospital for Sick Children, Glasgow



Thank you

CHILDREN with LEUKAEMIA is very fortunate to receive the support of so many dedicated individuals and organisations who devote vast amounts of time and energy to our cause.

We are grateful to the many celebrity friends who support our work in numerous ways. Once again, we are grateful to Linda Robson, who gives a substantial amount of her time to the charity and became a Trustee in 2005. We would also like to thank Sandy Lyle, who hosts the Captains' Cup Tournament, Bernard Gallacher for supporting the Captains' Cup Tournament in 2007 and Bruce Forsyth, Des O'Connor, Phillip Schofield and Kevin Whately, who headed our postal appeals in 2007.

All of our scientific advisers and the members of our grants panels voluntarily give their time to help ensure that we fund the very best science. We would particularly like to thank the Chair of our Scientific Advisory Committee, Professor Victor Hoffbrand, Professor Eric G. Wright for chairing the organising committee for our second CHILDREN with LEUKAEMIA conference at the Institute of Child Health and Professor Mel Greaves for heading our scientific postal appeal.

We would like to thank the members of the Cross-Party Inquiry into Childhood Leukaemia and Electric and Magnetic Fields for all their work in raising awareness of this important issue in Parliament: Dr Howard Stoate MP (Chair), Michael Connarty MP, Dr Ian Gibson MP, Sandra Gidley MP and Nick Hurd MP. We would also like to thank all the members of the Stakeholder Advisory Group of ELF EMF (SAGE), especially George Hooker, Department of Health and John Swanson, National Grid.

We are grateful to our friends the Ayliff family, the Beaton family, the Buttery family, the Fogarty family, the Smith family, the Westwood family and other families and individuals who have shared their personal experiences of leukaemia to help others affected by the disease.

The charity is fortunate to receive the support of a number of volunteers who regularly give up their time to help in the office. In particular we would like to thank Rob Bielen, Stuart Fadden, Jane Keating and Carol Spraggs.

Once again, more than 1,000 volunteers helped make the Amazing Great Children's Party in July a resounding success. We are especially grateful to Hugo Amaya-Torres for continuing as Chairman of the Party Committee and to all of the Committee members who give up so much time to support the event. Special thanks go to Richard Lewis, Clive Mascord, J.J. Plunkett and Peter Snell. Thanks also to the Variety Club of Great Britain for inviting the children and organising their transport and to all the many suppliers who donate goods and services on the day.

A huge and heartfelt thank you to all our Mr. Men and Little Miss runners. Their commitment and enthusiasm before, during and after each run has been both inspiring and heart-warming. Space does not permit us to name everyone in the team but each and every runner is a star in our eyes. Our grateful thanks go also to those families, friends and colleagues who so generously offered their sponsorship and support.

In addition, our special thanks go to everyone at the London Marathon Office, Nova International, the New York Road Runners, realbuzz.com, Rocket, Drew Carroll, Sonja Fitzpatrick, Cos and Stewart from Jerwood Space, Jonathan Richards from LBC, Steve Hems, Teresa David Martin, Chris Meldrum, Tony Ball, Clive Mascord, Kristie Svoboda, Peter and Josephine Snell, Richard Lewis and Adrienne Parry, Janet Donachie, Greg Materdomini at the Millennium Hotel New York and Ellie Dayton at Total Travel New York.

Individual volunteers and committees contribute a huge amount of time and enthusiasm to ensure the success of our special events. We are particularly grateful to Elizabeth, Duchess of Northumberland, Patron of Opera at Syon, to Lady Julia Craig Harvey and Mrs Peter Hargreaves-Allen for continuing to co-chair the Opera committee and to Connie Haydon for her generous support through The Clover Trust. Our grateful thanks go to Mick Keating for chairing the Jeremy Beadle Quiz Party Committee in 2007 and to all the committee members, who contribute so much. Thank you also to Richard Harley for agreeing to take over as Chair of the Quiz Committee in 2008.

We are enormously grateful to: Caroline Randerson, who held her 19th annual ball for the charity in 2007; John Dewen and his team at JMD Specialist Insurance Services, who organised JMD's Quiz at The Tower; Anne Ferguson, who organises the annual St. Trinian's Sponsored Walk from Wigan to St Helens; SACA, who organise an annual bike ride from Birmingham to London and will be supporting us again in 2008; Carol Knight at Army Golf Club, our top fundraising club in the 2007 Captains' Cup Tournament; Nigel Sergeant at Comms Dealer, whose annual Five-a-side Football Tournament goes from strength to strength; Dave and Anita Moore, Kristi-Anna Moore, Vickie Palmer and Rory Jewell who called themselves CLUKS and swam in pools from Inverness to Land's End over two weeks in the Summer.

Grateful thanks also go to the following individuals and companies that supported our events in 2007: Anglo Irish Bank, Debenhams, K Freight, Grant Morgan of Louis Kennedy, Marketform, Small Luxury Hotels of the World, Alan Walker of Walkers the Builders Merchant, Richard Harley of WH Cars, Alison Boshoff, Frank and Paddy Cronin, Richard Desmond, the Right Eye Christian Trust, Mark Fleming, Kevin Horkin, Ian Laken, Paul Saunders, Barry Teasdale, and William and Ali Ward.

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We would also like to thank the following who have given us permission to use some of the fabulous photos included in the annual report: Birmingham Evening Mail who provided our photo on the front cover and the photo on page 15, Lodish et al, Molecular Cell Biology, 5th Ed, WH Freeman who provided the photos at the top of page 6 and bottom of page 13 and Mark Humphreys who provided the photos on pages 8 and 9.

There are many, many others who have given invaluable support to CHILDREN with LEUKAEMIA in 2007. Space does not permit an exhaustive list but to each and every person and organisation that has contributed to our work we extend an enormous thank you.

