ANTHONY NOLAN TRUST

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 30th September 2010

Company number 02379280
Charity numbers 803716 / SCO38827
ANTHONY NOLAN TRUST

TRUSTEES’ ANNUAL REPORT

for the year ended 30 September 2010

The Board of Trustees of the Anthony Nolan Trust ("Anthony Nolan") present their report and the audited financial statements for the year ended 30 September 2010.

Chairman’s Statement

Anthony Nolan is a pioneering charity. Since our creation as the world’s first bone marrow register in 1974, we have grown through determination and continuous innovation. Never has this been more apparent than in the last financial year.

Against a backdrop of one of the worst financial downturns in recent history, as well as a changing political environment, we have managed to secure significant financial growth as well as some revolutionary improvements to our offering.

A few of the many highlights from this year:

• We provided a record 937 transplants
• We recruited a record 23,796 first time donors
• We made an historic switch from blood to saliva testing as the way of joining the register – this is already having a huge impact on recruitment and will bring long-term financial benefits
• We have started collecting umbilical cord blood at two hospitals in Leicester, setting us well on the way to reach our ambitious targets outlined in our strategic plan
• We have completely redesigned our visual identity and have launched our new website to appeal to our vitally important younger audience

Research has continued to ground the work that we do. We have five world-class clinical trials underway in the UK. Overall, the Research Institute has had 22 publications published in the year and has been successful in renewing the National Institute of Health grant funding. Our scientists have been recognised for the vital work they carry out on our behalf:

• Our Deputy Director of Research, Professor Steven Marsh, received the Rose Payne Distinguished Scientist Award from the American Society of Histocompatibility and Immunogenetics
• Our Scientific Director, Professor Alejandro Madrigal, received a silver Clinical Excellence Award from the NHS

We have much to be proud of but we are never complacent.

Anthony Nolan is determined to continue our pioneering growth and we have set ambitious targets for the future.

The forthcoming year will be challenging. We will continue to see significant pressures on both health service funding and increased competition from overseas. It will be harder to raise money from public and corporate organisations that are facing job cuts and tightening their belts.

But I know that, with the expertise and dedication of our staff, volunteers and supporters around the UK, we’ll be able to reach our targets and save even more lives.

S M Dyson, MBE
22/3/2011
ABOUT US
Anthony Nolan is a pioneering charity that saves the lives of people with blood cancer. Every day, we match remarkable donors willing to donate their blood stem cells to people who desperately need lifesaving transplants.

Every 23 minutes in the UK, someone is diagnosed with a blood cancer.

Altogether, more than 23,700\(^1\) people a year are diagnosed with a form of this life-threatening disease.

![Annual Incidence of Blood Cancer in the UK](chart)

Blood cancers are life-threatening partly because they prevent a person's immune system from working properly. When a person's immune system is badly damaged, they can die from an infection which their body would normally fight off.

A blood stem cell transplant can replace a damaged immune system in a person with blood cancer. But, it can only take place if we find a donor whose tissue type matches that of the patient. There are millions of variations.

The Anthony Nolan register is an essential part of our vital work in finding remarkable donors who are willing to help save the life of someone they have never met.

Since our register was created in 1974, we have given more than 9,000 people the chance of life. However, we still have a huge challenge ahead of us. Many people with blood cancer tragically die because a suitable match can't be found in time to help them.

Our ambition is to provide a lifesaving transplant to every person with blood cancer who needs our help.

\(^1\) Office for National Statistics 2007
Cord Blood Recipient
Name: Jackson France
Age: 6

Jackson was diagnosed with juvenile myelomonocytic leukaemia in 2008. He received a lifesaving stem cell transplant in 2009.

Jackson’s Story (told by his parents Robert and Nicola):

"From an early age, Jackson picked up any illnesses going around, although it didn’t seem out of the ordinary. But, in March 2008, while we were on holiday, Jackson’s health got worse. Over the next nine months he was in and out of hospital.

We knew something was seriously wrong and, in November 2008, our worst fears were confirmed.

Doctors told us Jackson had juvenile myelomonocytic leukaemia and there was only a small chance of him surviving. We felt that our lives had fallen apart.

We were told Jackson’s condition was so severe that he would need a blood stem cell transplant, but only if a suitable match could be found.

Then, over Christmas, Jackson’s condition deteriorated. Our consultant told us, unless a transplant could be carried out quickly, Jackson would not be alive by the end of January.

It was heartbreaking. We don’t think there is anything worse you can be told as parents.

Then, we finally received some good news. We were told Anthony Nolan had found three possible cord blood donations for Jackson, with the best match being a donor in Australia.

Jackson’s nine-day course of chemotherapy preparing him for his transplant began while the stem cells were still being transported from the other side of the world, because doctors just didn’t have time to wait.

Fortunately, three days before the operation, the stem cells arrived safely and, on January 15 2009, Jackson underwent a lifesaving transplant.

‘A perfect stranger intervened to save our son’s life. We will never find a better example of humanity than that. Such people are true heroes’

No words can ever express our thoughts, feelings and gratitude to the person who donated their stem cells. Someone we have never even met - through one, selfless act - saved the life of our precious son."
History
In 1971, Anthony Nolan was born with a rare condition called Wiskott Aldrich. The only known cure was a bone marrow transplant, but there was no process or system to find a matching donor.

Two years later, the first successful bone marrow transplant between unrelated donors was performed. Previously, matches had only been made through relatives.

In 1974, Anthony's mother, Shirley, realised her vision to start the world's first bone marrow register to connect potential donors to people like her son. The Anthony Nolan register was created in Westminster Children's Hospital, where Anthony was a patient.

Tragically, in 1979, Anthony Nolan died before a suitable matching donor could be found for him.

But, more than 30 years later, his legacy continues. In September 2010, we celebrated the fact that, since the Anthony Nolan register was created, we have given more than 9,000 people the chance of life.

Our mission
Anthony Nolan's mission is to save the lives of people with blood cancer.

Our objectives
Anthony Nolan was established with the purpose of achieving the following charitable objectives:

1. To provide relief, treatment or cures for people with blood cancer
2. To provide information to help people with blood cancer
3. To carry out research into the causes, diagnosis and treatment of blood cancer
4. To advance research into improving blood stem cell transplantation and to publish the useful results of such research

Our Charitable Activities
Anthony Nolan undertakes the following, principal charitable activities to support the objectives listed above:

Donor Provision:
This activity covers the main areas in which Anthony Nolan works. We maintain a register of potential donors who must be prepared to donate blood stem cells to patients if they are found to be a suitable match. We tissue type each individual who volunteers to join our register, so we can match them to people with blood cancer in need of a lifesaving transplant. Tissue typing is carried out in Anthony Nolan's laboratories. Our umbilical cord blood programme, where women donate their umbilical cord blood after giving birth, is also a form of donor recruitment. Anthony Nolan helps find suitable donors for patients, in the UK and overseas, who need a blood stem cell transplant. We do this by searching the Anthony Nolan register and other international registers for a matching donor, arranging the subsequent harvesting of stem cells, and providing tissue typing services. For international donors where matches are found, we also arrange the subsequent import of blood stem cells to treat the patient.

2 or similar immunological deficiencies, diseases or conditions
Education and Awareness:
Anthony Nolan raises awareness amongst the public of our work and stem cell transplantation in general. This activity includes recruiting and engaging people on the adult register and marketing our cord blood programme to hospitals and expectant mothers. We also ensure that government, parliament and all other relevant people are aware of the vital nature of our services.

Research:
Anthony Nolan carries out a research programme, in our purpose built Research Institute, into issues relating to blood stem cell transplantation, improving the outcome of stem cell transplants and the therapeutic use of such procedures.

Our goals
We have three primary goals to help us achieve our mission:

1. **We want to provide a lifesaving transplant to every person with blood cancer who needs our help.**
   Blood stem cell transplants can only be carried out when the donor's tissue type matches that of the patient. However, there are millions of variations so we need to tissue type each potential donor and if they come up as a suitable match, we need to be able to contact them quickly. Recruiting, testing and maintaining the records of every potential donor on the Anthony Nolan register is complex and costly.

2. **We want all people with blood cancer to have the best possible chance of survival following a transplant.**
   At present, not every transplant is successful and there can be many reasons behind this. Our researchers are working hard to understand the complex science involved in blood stem cell transplants to improve outcomes. Anthony Nolan is committed to continuing our pioneering research to support this goal.

3. **We want to make it as straight-forward as possible for people to join our register.**
   If we are to save more lives, we need to increase the number of people on the Anthony Nolan register. As a charity, we are dedicated to raising awareness of our register, particularly among certain target groups who are critical to our ability to be able to provide lifesaving matches in the future. And, we also are constantly looking for ways to reduce barriers which may prevent people from joining our register. This year we introduced a revolutionary saliva test to determine the tissue type of potential donors. This is far easier than the traditional blood test it replaced.

Anthony Nolan cannot achieve these goals in isolation. That is why we are committed to campaigning to raise awareness of the importance of our work and working to influence policy to improve the outcome for people with blood cancer in desperate need of a lifesaving transplant.

Our strategy
This year, we published our 2014 strategy. If we are to make significant progress towards our ultimate goal of saving the life of each and every person with blood cancer who comes to us for help, we have set ourselves the following aims by 2014:

- Grow our register to one million
- Bank 15,000 umbilical cord blood units
- Meet 80% of transplants requests
- Be one of the top places to work in the UK
Cord Blood donor
Name: Winifred Olateru
Age: 36
Winifred donated her umbilical cord blood on 9 October 2009 after the birth of her third child, Sophie.

Winifred’s story:
When I was expecting my third child, I found out about Anthony Nolan’s umbilical cord blood collection programme when I registered for antenatal classes at King’s College Hospital.

I was told Anthony Nolan would use my cord blood to help someone else in desperate need of a lifesaving transplant if a match came up.

I spoke to someone who co-ordinated the programme for Anthony Nolan. She explained that, after most births, the umbilical cord and placenta are treated as clinical waste unless the cord blood is donated. That was the moment when I knew I was going to donate - I really don’t believe in wasting anything.

My third child, Sophie, was born on 9 October 2009 and it was a very quick birth. She was like Speedy Gonzalez and was here within four hours! Once I was in labour, the collection nurse was notified and she came over to collect the cord blood. I watched them do it – it was so easy and quick. I just had to wait a few moments so they could take the blood before the placenta was delivered. And that was it – it was just a few moments and there was no pain.

Sophie wasn’t affected by the procedure at all – she was out of the way and being cleaned while my cord blood was taken.

If I decide to have another baby, I would definitely donate again. It’s a beautiful thing to do and it makes me very happy to know it will be helping someone.

Benefits & Beneficiaries
The charity’s beneficiaries are those suffering from blood cancer (or similar immunological deficiencies or from any disease or condition requiring organ or cell transplant). Benefits to beneficiaries are provided through:

- maintaining a register of volunteer donors who are prepared to donate blood stem cells to people with blood cancer in a process known as harvesting
- the provision of cord blood to patients
- supporting a research programme, in a purpose built Research Institute, into issues relating to blood stem cell transplantation

Trustees’ Assessment of Public Benefit
The Trustees have taken the Charity Commission’s general guidance on public benefit (contained within the guidance publication “Charities and Public Benefit”) and specific guidance on public benefit (contain with the guidance publication “Public Benefit and Fee-Charging”) into consideration in preparing their statements on public benefit contained with this trustees’ annual report.
In relation to the assessment of public benefit, the trustees monitor the following measures of the charity's impact on beneficiaries and gather evidence accordingly to inform their views on how well the charity is delivering public benefit:

**Donor Provision**
The recruitment and tissue typing of new potential donors and maintenance of existing potential donors on the Anthony Nolan register.

The search of the Anthony Nolan register for suitable donors for patients in the UK and from overseas, the subsequent collection of blood stem cells from such donors, and the associated provision of tissue typing services.

The search of other international registers of donor volunteers on behalf of UK patients to find suitable donors and the subsequent import of blood stem cells to treat the patient.

The collection of umbilical cord blood from volunteer mothers at the time of birth, tissue typing and storage of the cord blood and the provision of blood for treatment of patients.

**Education and Awareness**
Anthony Nolan raises awareness amongst the public of our work and stem cell transplantation in general.

We have a very wide range of audiences both in the UK and overseas. As well as the public and targeted groups in society these audiences include transplant centres and other health bodies, charitable trusts and corporate supporters.

**Research**
Advances achieved through research into improving the outcome of stem cell transplants, and the therapeutic use of such procedures.

**Achievements & Performance**

**Highlights to celebrate**
2010 has been a record-breaking year for Anthony Nolan.

We provided the highest number of transplants (937) compared to any other year.

We also recruited 23,796 new people to our register, which is a record number of potential donors in one year for us.

In September 2010, we celebrated the fact that, since our register was created, we have given more than 9,000 people the chance of life.

In terms of assessing impact on public benefit, these three achievements made an enormous contribution to the area of Donor Provision. There have been many other notable successes, across all three of our public benefit categories, which are listed below.
A new visual identity to meet the challenges of the future

Anthony Nolan was set up more than 35 years ago. We have a very proud history but we have found that awareness among the younger audiences, who we need to come forward and join the Anthony Nolan register, was very low. We urgently need to connect with these groups, and gain their support, if we are to save more lives.

So, on July 1, 2010 we launched a new visual identity and new website. The new brand is much more attention-grabbing and it emphasises what we do: we find matches for people with blood cancer who need a lifesaving transplant. It will help us raise awareness of the charity and also the crucial importance of the work we do.

We are delighted with the positive reaction we have received both to our new visual identity and website. Following the launch of our new website and online registration we have seen a strong increase in the number of donors signing up online. In August alone, 997 new potential donors were made active via this cost effective channel.

Areas of impact: Donor Provision, Education and Awareness

The launch of saliva kits

This year, Anthony Nolan revolutionised the way potential donors can sign up to our register. We now use a quick saliva test rather than taking a blood sample, which brings many benefits, both for the charity and also for individuals who want to join our register.

Since taking this pioneering step, we have trebled the number of potential donors joining the register at each recruitment drive. Saliva recruitment events are more easily run as we no longer need a trained phlebotomist to take blood, which allows many of our drives to be run by our volunteers, and we are also able to recruit at a wider variety of locations.

In the future, we hope to establish new friends groups to be able to build on this momentum.

Areas of impact: Donor Provision, Education and Awareness

The switch to saliva testing was well received by the media and resulted in features on BBC Breakfast, BBC Radio 4’s Today programme, BBC Radio 2, BBC News 24, STV, North West Tonight and numerous local radio interviews. The news was also reported by The Sun, BBC Online, The Independent, The Scotsman, Metro, Evening Standard as well as larger case study features in several of the major regional papers.
Cord blood developments
Cord blood is the blood which remains in the placenta and umbilical cord following a birth. The placenta and umbilical cord are normally thrown away as clinical waste. But, the stem cells found in cord blood can be used to treat a wide variety of diseases including blood cancers such as leukaemia and lymphoma, sickle cell anaemia and other life threatening conditions.

Cord blood stem cells have the advantage of being immediately available when required and the more we collect the more lives we can save.

We aim to collect 15,000 cord blood units to our dedicated cord bank by 2014. This year, we recruited the Cord Collection Team for Leicester which is an important step in us reaching that goal. Cord numbers through Kings College Hospital in London have increased and our operations team are now routinely searching our own Cord Blood Bank when search requests are received.

Areas of impact: Donor Provision, Education and Awareness

Fundraising
Our charity of the year partnership with Wilkinsons has been a great success and is on track to meet its £1m target. Wilkinsons team members, suppliers and customers have joined together to raise funds via in-store dress up days, collection tins, cause-related marketing promotions and participation in Anthony Nolan events. Team members have also shown great commitment to the charity by joining the stem cell register.

A new event, the Royal 5K Romp in Regent’s Park, was held in August 2010 and went extremely well. Two hundred runners took part and we received much positive feedback.

A key focus for the Fundraising Division is building our base of individual committed givers. We are investing in regular giving recruitment, with over 4,500 people on the stem cell register demonstrating their fantastic commitment to the charity by taking out direct debits which will be worth over £1.3m over the next five years.

Area of impact: Education and Awareness

Register & Be a Lifesaver (R&B)
Register & Be a Lifesaver (R&B) is a pioneering scheme that helps young people discover how they can save lives through stem cell, blood and organ donation.

R&B is the legacy of an inspirational person – Adrian Sudbury. Adrian was a young journalist with leukaemia who believed that many more lives could be saved if young people were informed about what it means to donate. He presented a petition to the prime minister and senior government ministers and in 2008 the R&B team started to roll out the initiative to schools. Sadly, in the same year, Adrian lost his battle with leukaemia.

The R&B education programme continues to perform well and since December 2009 we have delivered 150 presentations

15,000
The number of cord blood units Anthony Nolan aims to collect by 2014

250
The number of London Marathon runners in 2010. Between them they raised a staggering £600k for the charity.

10,300
The number of students who have attended one of our “Register & Be A Lifesaver” presentations
reaching over 10,300 students (16-17 year olds). We have trained 71 new volunteers to deliver presentations and around 40% of these have said they are interested in being trained to recruit donors. For the first time, we have run recruitment activity on the back of awareness raising sessions.

Areas of impact: Donor Provision, Education and Awareness

Piloting Graft Identification Advisory Service
One of our key goals is to improve outcomes for all people with blood cancer who receive a stem cell transplant (known as a ‘graft’).

This year, we started piloting the Graft Identification Advisory Service (GIAS) in partnership with the Royal Marsden. The aim of GIAS is to ensure the best graft is selected for each patient and to give UK transplant centres help and advice on donor and cord blood unit selection. This is useful when requesting confirmatory typing and final work-ups.

Initially GIAS will be available to transplant centres that use our laboratories for their patients’ tissue typing. Early indications are that this new approach is adding value in terms of turnaround times for providing the best available donor and cost efficiency. With increasing pressure on NHS funding we are optimistic GIAS will provide a competitive new service for Transplant Centres.

Depending on the success of the pilot, we’ll explore offering this service to our other UK customers.

Area of impact: Research, Donor Provision

22

The number of articles published in scientific journals by Anthony Nolan’s research team, in 2010

Lab 2014
This year has seen some important developments in the Lab 2014 project and the design phase had now been concluded and approved. A decision to purchase a LabExpress system to drive forward the laboratories’ plans to increase new donor typing has been made. This system should reduce Luminex typing costs by cutting down material usage and labour and also reducing repeat typing.

One initiative from the Lab 2014 project that has already proved a major success is the introduction of Intern Scientists into the laboratory. These new graduates are essentially gaining valuable work experience while also giving us the opportunity to assess and train future employees before they become part of the payroll.

On the financial side a new service level agreement has been put in place with one commercial work stream and we are currently scheduled to provide commercial typing for 50 samples per month. This will be a valuable source of revenue for the future.

Areas of impact: Research, Education and Awareness
Tim’s Story:

"I was quite hung-over at university wandering through the canteen and a pretty girl came up and said would I like to have a cup of tea and a biscuit in return for signing up on the Anthony Nolan register? So I had a cup of tea and a biscuit, signed up for it and didn’t think much of it.

Then, just after I moved down to London two and a half years ago I was contacted by Anthony Nolan saying I might be a match, and could I do a test. It turned out I was and that’s why I ended up donating my stem cells.

I didn’t know what donating would involve. I’d heard stories of people having fairly long, painful operations but it turned out to be much more simple than that, similar to giving blood, just lying there with a needle in your arm for an hour or two and that was it.

You certainly wonder who it’s going to. But I was happy just thinking, right, I’ve done it, it’s the best I can do and hope for the best.

Once I’d heard that transplant had been a success, I didn’t request any further updates about the person who’d received my stem cells. It was enough to know I had done what I could.

There’s no reason for not joining up to the Anthony Nolan register because there’s no personal cost to you and you never know when it’ll be your turn to need something like that.”

Working with Volunteers & Other Organisations

Our volunteers make a vital contribution towards Anthony Nolan’s achievements, in a number of ways:

- Individuals selected as matches for patients needing stem cell transplants are a unique type of volunteer.
- We have a team of volunteers who have been recruited and trained to act as couriers, carrying harvested blood stem cells to the centres treating a patient. This year, they made 542 trips to collect and deliver stem cells to enable potentially lifesaving transplants to take place.
- Donor recruitment events held by Anthony Nolan rely on volunteers to undertake a variety of roles. With the launch of our saliva kits to make joining the Anthony Nolan register even more straightforward, our volunteers have played a vital role in helping promote the kits at recruitment events and assist people wishing to become potential donors.
- A vast army of volunteers helps out at Anthony Nolan’s fundraising events during the year, without which a significant proportion of the funds generated would not be available for Anthony Nolan to support its continuing core activities.
- It is estimated that the total number of staff-days donated in the year would be in the region of 4,500; equivalent to some 18 full-time employees.

Anthony Nolan has successfully worked with a number of different groups and organisations to recruit new donors and the trustees view this as an excellent way of recruiting well informed
volunteers from the United Kingdom population. As well as working with NHS Blood and Transplant on our “Register and Be a Lifesaver” scheme (R&B) we work with a number of other charities and groups across the country. For a number of years, we have worked with an umbrella organisation called “Marrow”, which is comprised of medical students based around the United Kingdom. The collaboration with “Marrow” has enabled Anthony Nolan to undertake recruitment within the whole of the United Kingdom’s student population.

Anthony Nolan continues to provide the Royal Free Hospital with tissue typing services for its solid organ transplant programme. Line management and laboratory facilities are provided by the charity, while National Health Service staff undertake the tissue analysis. The use of our tissue typing expertise and facilities to support organ transplantation is a welcome development and assists the charity in furthering its core objectives.

Anthony Nolan is delighted to recognise a number of Support Groups and other Community Organisations around the country carrying out fundraising and donor recruitment activities for the charity.

**Plans for Future Periods**

The implementation of the five year plan started in 2009/10. The main goal is to double the number of lives that we save by 2014. There are several ways in which this goal will be accomplished, and we have created four strategic goals to support the main objective.

These are:

- to increase our register of potential donors to one million people
- to increase the number of umbilical cord blood units to 15,000
- to meet 80% of the requests to match for an unrelated donor
- to be one of the top places to work in the UK

These are challenging targets, but the trustees believe that they are achievable. In order to increase the rate of growth of the donor register, our plans include changing the way we acquire new donors. In previous years the focus was on obtaining blood samples from potential donors and tissue typing the blood. We are using saliva as an alternative means of collection, which is easier, faster to administer and hopefully cheaper. Trials revealed that this process works well and the quality of the analysed DNA is at least as good as the quality received from blood. We will be able to target more diverse sections of the population to widen the breadth of donors on our register. This will help to increase the number of matches achieved through our own register and meet our third objective.

In order to collect more cords for our Cord Blood Bank Centre in Nottingham, we need to add more hospitals to the programme. Our limiting factor is finance, as the cost of adding more hospitals is a use of unrestricted reserves. We have applied for grant support from the Government to assist our process, as this will be a part of a national cord blood bank for use across the UK. The use of cords will complement the use of our donors and also lead to an increase in the number of lives that we can save each year.

We have built our register to more than 400,000 potential donors, but recognise that there is a far larger demand for transplants that we cannot supply alone. We need to ensure that potential sources of blood stem cells are effectively made available to patients in need. We already have links to other patients via other international registers and United Kingdom users of Anthony Nolan’s services to ensure as many patients as possible worldwide receive suitable and timely transplants. This involves investment in Information Technology systems and making available our expertise and experience in blood stem cell provision to all who need it.
It is planned that the charity’s research activities support the aim of providing the most appropriate graft possible for a patient and ensuring the maximum therapeutic potential of stem cell transplantation.

**Stem cell recipient**

Name: Terry Mann  
Age: 47  
Terry was diagnosed with acute myeloid leukaemia in 2001. Following unsuccessful treatment with chemotherapy, he received a stem cell transplant in 2002.

**Terry’s story:**

"After my initial chemotherapy, my medical team told me the leukaemia hadn’t responded well enough. I had another round of chemo without success and that’s when my doctor told me I’d need a stem cell transplant.

I didn’t know much about it – I remembered little Anthony Nolan being on the news when I was young, and not finding a donor, so it was all a bit scary.

But I was very lucky – the charity found several potential matches quite quickly.

In March 2002, I transferred to University College Hospital in central London to have the transplant. Just before the transplant they found out that the leukaemia was back. The consultant was pretty blunt – he said I only had a 40% chance of surviving.

I felt awful – really knocked back by it. I talked a lot about the possibility of my dying – I think that’s how I coped.

But the transplant was a success and while I was in hospital, I proposed to my wife. We got married and now have a beautiful son, George.

I sent my donor a card thanking him and letting him know I’d got married. He wrote back and said that when he’d first registered he didn’t really think he’d get asked, so when he did get asked he’d really thought long and hard about it. I’m so very glad he decided to go ahead.

I’m here, I’m married, George is here – it’s all rather fantastic.

Without Anthony Nolan there wouldn’t be people donating stem cells and I, along with many other people, might not be alive today.

I’m so immensely grateful to Anthony Nolan."
Financial Review

Financial Results of Activities and Events
The financial results for the year are shown in the Statement of Financial Activities on page 22, and in the Cash Flow Statement on page 25. Anthony Nolan’s financial position at the year end is shown in the Balance Sheet on page 24.

Total incoming resources were £29.8m (2009: £26.0m) and the total resources expended were £29.6m (2009: £26.0m) to produce a surplus of £280k (2009: £7k). The principal sources of income arise from the income obtained from hospitals for the provision of stem cells. More than 50% of this income relates to donors obtained from overseas but provided to UK hospitals. The monies received from this source are directly related to the main charitable activities of the charity – provision of donors and many of the costs are directly linked to the income received.

This increase in income was mainly a result of the higher levels of international income, representing the income arising from overseas donors. The number of donors sourced from international registers grew by 13.5%, with nearly 90% of these sourced from Germany or America.

The secondary source of income arises from fundraising activities. The net income arising from fundraising helps to pay for the charitable activities that are not fully funded and allow the charity to expand its research, education and raise awareness of its work. Voluntary income supports the recruitment of new targeted donors onto the stem cell register and the expansion of new cord blood collection centres.

The gross fundraising income across the group has grown by 20% over the previous year. While most of the income arises in the charity, some of the events that were carried out were received through its trading subsidiary, Anthony Nolan Marketing Limited. The trustees believe that well organised high profile events in the community provide opportunities to advertise the work of Anthony Nolan, raise funds and recruit donors to the Register. This improvement in fundraising performance is the result of better achievements in many areas including individual giving, corporate income and major events such as the London Marathon. The net position appears to be lower than the previous year, but if the allocated support costs are added back, there is a 1% improvement over 2008/09. The reason why the performance is not closer to 20% is that Anthony Nolan has invested significant amounts of fundraising sums into the last quarter of the financial year, which will generate a significant return on investment over the coming years. Without this investment, the underlying increase in net fundraising would have been 15% over the previous year.

We were able to plan this additional investment in fundraising as a result of the outcome of an investigation into the VAT registration that showed that Anthony Nolan could have become registered 16 years earlier. The claim relating to this of nearly £600k was agreed and we expect this to be settled in 2011. It is included in Other Income on the Statement of Financial Activities as an exceptional item.

The expenditure was mainly utilised to support the charitable outcomes highlighted in the section on achievements and performance. The spend on donor provision dominates the total charitable costs. We spend money on recruiting new donors to our register, supporting donors when they participate in transplants and we pay for the cost of donors from overseas registers. The main increase in costs related to the provision of donors from overseas registers, but we kept our costs under control by becoming more efficient in our processes, such as the introduction of saliva as the way in which we collect DNA from donors. As a result of these efforts the income arising from donor provision increased by 15% over the previous year but our related costs base grew by 12%.
Reserves Policy
Anthony Nolan’s policy with regard to reserves is to make suitable investment in the ongoing development of the charity, whilst maintaining adequate funds to deal with current and medium term needs, and having the necessary provision to deal with unforeseen circumstances. Free Reserves at the year-end, excluding fixed assets and restricted funds, amounted to £2.5m compared with £2.4m the previous year.

Anthony Nolan has undertaken a review to determine what, in the opinion of the trustees, should be the current optimal level for such reserves. At present, it is felt that Anthony Nolan’s free reserves should fall between a range of £3m and £3.5m in order to deal with the risks shown below:

- over-dependence on any single source of income
- likelihood of a downturn in income streams
- period of time required to re-establish income streams
- period of time required to downsize the Charity operations
- requirements for a reasonable level of working capital

The Trustees have plans in place to deliver surpluses over the coming years that will aim to reach the desired level of reserves.

The appropriate level of reserves of the charity will be reviewed on a regular basis.

Grant making Policy
The Trust does not currently give grants as a method of furthering its charitable activities.

Investments Policy
Anthony Nolan’s free reserves, at a level of approximately one month’s income, means that it is currently inappropriate to allocate funds to long-term non-cash based investments. As a result, reserves are held as cash in interest bearing deposit accounts. It is Anthony Nolan’s policy when gifted shares to convert such holdings to cash as soon as appropriate. The policy will be reviewed if it became apparent the funds could prudently be set aside for longer-term strategic investments.

During the year, Anthony Nolan’s assets generated total investment income of £82k (2009: £94k). In addition, the profit made by the commercial trading operations of Anthony Nolan Marketing Limited amounted to £499k (2009: £333k), all of which was remitted to Anthony Nolan by way of payment for management charges of £52k (2009: £50k) and a Gift Aid transfer of £447k (2009: £283k).

Structure, Governance and Management
The Trust is a registered charity, and a company limited by guarantee, not having a share capital. Every member undertakes to contribute and amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of their membership, or within one year thereafter. The members are the trustees and directors of the Trust.
ANTHONY NOLAN TRUST

TRUSTEES' ANNUAL REPORT

for the year ended 30 September 2010

The trustees of the charity, who are also the directors of the company, have held office since 1 October 2009, as follows:

S M Dyson MBE *  Chairman
F J Burke
L M Cashin
P J Harrison
I S Krieger *
Dr C J Rickard *
Prof K M Spyer
B J Turner, CBE
Paul Stanley * (appointed 1st October 2010)
Prof J Goldman (appointed 1st October 2010)

* Member of Audit Committee

The principal address of the charity and the registered office of the company is the offices of Anthony Nolan at the Royal Free Hospital, Pond Street, Hampstead, London NW3 2QG. The charity is registered under charity number 803716 in England & Wales, and the company is incorporated in England & Wales with the company registration number 02379280.

Anthony Nolan carries out activities and operates an office in Scotland and is entered on the Scottish Charity Register with The Office of the Scottish Charity Regulator ("OSCR") under the charity number SC038827.

The trustees have made the following professional appointments:

Solicitor
Auditor
Bates, Wells and Braithwaite, 2-6 Cannon Street, London EC4M 6YH
Baker Tilly UK Audit LLP, The Clock House, 140 London Road,
Guildford, Surrey GU1 1UW
Accountant
Baker Tilly Tax and Accounting Limited, The Clock House, 140 London
Road, Guildford, Surrey GU1 1UW
Banker
Barclays Bank, 1 Churchill Place, London E14 5HP

Executive Officers

The Executive officers for the period under review and responsible for the day-to-day management of the charity were as follows:

H Braund  Chief Executive
Prof C Craddock  Medical Director
R Davidson  Communications & Marketing Director
A How  Finance & Resources Director
Dr K Latham  Deputy Laboratory Director
A Lutke  IT Director
Prof A Madrigal  Scientific Director
C Miles  Fundraising Director
A Ogilvie  Operations Director

The administrative address of Anthony Nolan is 2 Heathgate Place, 75-87 Agincourt Road, London NW3 2NU.
Organisational Structure

The overall strategic direction of the charity is determined by the trustees, who meet formally at least four times each year. The trustees are responsible for planning and policy making for Anthony Nolan and, accordingly, all key decisions are referred to and taken by the board of trustees ("the Board").

The day-to-day management of Anthony Nolan is entrusted to the Chief Executive and the senior management team, who have delegated authority from the Board to administer the affairs of the charity. The Chief Executive attends all the trustees’ meetings, and provides the trustees with regular reports on the work of Anthony Nolan. Other members of the senior management team will be called upon to present to the Board on their particular areas of responsibility as and when appropriate.

Sub-Committees

In common with most organisations of a similar size, the senior management team meets on a regular basis, and departmental meetings will be held throughout the year as frequently as may be necessary. A new Audit Committee was created during the year. More details are included in the risk section, below.

Anthony Nolan Marketing Limited

The charity owns 100% of the issued share capital of Anthony Nolan Marketing Limited ("ANML"). The subsidiary plays a crucial role in fundraising on behalf of the charity, and indeed the principal activity of ANML is to carry on the trading operations of the group with a view to raising funds. This is achieved through the sale of merchandise or advertising, the organisation of fundraising events, and by exploiting intellectual and similar rights held by the parent charity.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees

Recruitment & Appointment

Appointment to the board of trustees is by invitation after the needs of the charity and the range of suitable candidates are considered by the trustees.

The number of trustees is not subject to a maximum, but must be three or greater.

Election

The trustees retire from the Board by rotation every three years with the option of re-election. The trustees aim to ensure that the composition of the Board contains individuals with suitable backgrounds and experience to contribute positively to the governance of Anthony Nolan.

Since the members of Anthony Nolan are the trustees and directors, election and re-election is determined by the current Board in all cases.

Induction and Training

The work of Anthony Nolan involves continuously advancing scientific and medical processes of stem cell transplants and the trustees need to have an appreciation, as well as an understanding of the charity’s national and international activities. Sessions are arranged to update trustees on facets of Anthony Nolan’s work either during trustees’ meetings or during "away days".

Presentations by outside advisors relating to specific governance issues are organised as appropriate.
The induction of new trustees is tailored to the needs of the individuals concerned, but includes the provision of key documents and information relating to Anthony Nolan, a guided tour of the charity’s operations, an introduction to key staff, and an outline of the duties, responsibilities and obligations of being a trustee and director.

Professional Indemnity Insurance
The charity has taken out an insurance policy that provides professional indemnity insurance cover for the trustees. The cost of this insurance for the year was £2,135 (2009: £2,140).

Risk & Corporate Governance Matters
The trustees have made an assessment of the risks to which Anthony Nolan is exposed, especially business, operational, and financial, and have put in place a review and reporting procedure to manage and reduce those identified risks.

An Audit Committee was created as a formal sub committee of the Board of Trustees during the year and chaired by I S Krieger. The Chief Executive and the Finance & Resources Director are invited to attend these meetings. The two key risks faced by Anthony Nolan are the potential inability to balance fundraising income with charitable needs and the risk of not being able to recruit and make available future candidates for harvesting.

Procedures are in place to review identified and new risks on a regular basis. The actions needed to be taken, if a recognised potential risk occurs or if there is a change in the likelihood of a risk occurring, have also been considered and are monitored and formally reassessed by the trustees annually.

Trustees’ & Directors’ Responsibilities in the Preparation of Financial Statements
The trustees (who are also the directors of Anthony Nolan for the purposes of company law) are responsible for preparing the trustees’ annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable UK Accounting Standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, and
hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Auditor
Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to the Auditor
The trustees and directors at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditor is unaware, and the trustees and directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Funds Held As Custodian
Although the charity maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, Anthony Nolan does not currently hold, and the trustees do not intend that it will in the future hold, any funds as custodian for any third party.

This report was approved by the trustees on 22/3/2011 and was signed for and on behalf of the board by

.......................... Chairman
S M Dyson, MBE

.......................... 22/3/2011
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ANTHONY NOLAN TRUST

We have audited the group and parent charity financial statements of Anthony Nolan Trust ("the financial statements") for the year ended 30th September 2010 on pages 22 to 39.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company 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 trustees' (who are also the directors of the company for the purposes of company law) responsibilities 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) and for being satisfied that the financial statements give a true and fair view 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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual and consider the implications for our report if we become aware of any apparent misstatements within it.

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 judgments 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 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 of the state of the group's and the parent charitable company's affairs as at 30 September 2010 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 United Kingdom Generally Accepted Accounting Practice
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees’ Annual Report is consistent with the financial statements.

Mr R M Hamlin ACA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey
GU1 1UW

28 MARCH 2011
ANTHONY NOLAN TRUST & SUBSIDIARY UNDERTAKING

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including Consolidated Income and Expenditure Accounts)
for the year ended 30 September 2010

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>TOTAL 2010</th>
<th>TOTAL 2009 Restated *</th>
</tr>
</thead>
</table>

**INCOMING RESOURCES**
Incoming resources from generated funds

Voluntary income  
Activities for generating funds  
Commercial trading operations  
Investment income

Donor provision  
Research  
Other incoming resources  
Reclaim of VAT  
Keyman Insurance Policy receipt  
Other income

**TOTAL INCOMING RESOURCES**

<table>
<thead>
<tr>
<th></th>
<th>29,224,380</th>
<th>613,716</th>
<th>29,838,096</th>
<th>25,987,819</th>
</tr>
</thead>
</table>

**RESOURCES EXPENDED**
Costs of generating funds
Cost of generating voluntary Income
  Fundraising costs  
  Fundraising trading:  
  Cost of goods sold and other costs  
Charitable activities
Donor provision  
Education and awareness  
Research  
Governance costs

**TOTAL RESOURCES EXPENDED**

<table>
<thead>
<tr>
<th></th>
<th>29,225,261</th>
<th>332,969</th>
<th>29,558,230</th>
<th>25,981,073</th>
</tr>
</thead>
</table>

**NET INCOMING/OUTGOING RESOURCES BEFORE TRANSFERS**

<table>
<thead>
<tr>
<th></th>
<th>(881)</th>
<th>280,747</th>
<th>279,866</th>
<th>6,746</th>
</tr>
</thead>
</table>

**TRANSFERS**
Gross transfers between funds

**NET MOVEMENT IN FUNDS**

<table>
<thead>
<tr>
<th></th>
<th>98,276</th>
<th>181,590</th>
<th>279,866</th>
<th>6,746</th>
</tr>
</thead>
</table>

**RECONCILIATION OF FUNDS**
Fund balances brought forward at 1 October 2009

<table>
<thead>
<tr>
<th></th>
<th>4,373,565</th>
<th>94,125</th>
<th>4,467,690</th>
<th>4,460,944</th>
</tr>
</thead>
</table>

**FUND BALANCES CARRIED FORWARD AT 30TH SEPTEMBER 2010**

<table>
<thead>
<tr>
<th></th>
<th>4,471,841</th>
<th>275,715</th>
<th>4,747,556</th>
<th>4,467,690</th>
</tr>
</thead>
</table>

The above results are derived from the group’s continuing activities. No separate statement of total recognised gains and losses has been presented as all such gains and losses are included in the statement of financial activities.

* Comparatives have been restated in accordance with the accounting policy.
## ANTHONY NOLAN TRUST & SUBSIDIARY UNDERTAKING

**PARENT CHARITY ONLY STATEMENT OF FINANCIAL ACTIVITIES**
(including Parent Charity Only Income & Expenditure Account)
for the year ended 30 September 2010

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>TOTAL 2010</th>
<th>TOTAL 2009 Restated *</th>
</tr>
</thead>
</table>
### INCOMING RESOURCES
Incoming resources from generated funds
Voluntary income 1 | 4,482,345 | 187,657 | 4,670,002 | 3,798,549 |
Investment income 3 | 529,523 | - | 529,523 | 375,585 |
Incoming resources from charitable activities
Donor provision 4 | 22,946,834 | 151,086 | 23,097,920 | 20,071,757 |
Research 5 | 66,775 | 274,973 | 341,748 | 813,360 |
Other incoming resources
Reclaim of VAT 6 | 755,159 | - | 755,159 | - |
Keyman insurance policy receipt 6 | - | - | - | 384,600 |
Other 6 | 80,783 | - | 80,783 | 49,500 |
### TOTAL INCOMING RESOURCES
28,861,419 | 613,716 | 29,475,135 | 25,493,351 |

### RESOURCES EXPENDED
Costs of generating funds
Cost of generating voluntary income 7 | 3,744,197 | - | 3,744,197 | 2,507,076 |
Charitable activities
Donor provision 7 | 22,399,381 | 156,085 | 22,555,466 | 20,013,715 |
Education and awareness 7 | 1,050,074 | - | 1,050,074 | 1,060,386 |
Research 7 | 1,484,062 | 176,884 | 1,660,946 | 1,747,670 |
Governance costs 7 | 184,585 | - | 184,585 | 157,758 |
### TOTAL RESOURCES EXPENDED
28,862,299 | 332,969 | 29,195,268 | 25,486,605 |

### NET INCOMING RESOURCES BEFORE TRANSFERS
(880) | 280,747 | 279,867 | 6,746 |

### TRANSFERS
Gross transfers between funds 16 | 99,157 | (99,157) | - | - |
### NET MOVEMENT IN FUNDS
98,277 | 181,590 | 279,867 | 6,746 |

### RECONCILIATION OF FUNDS
Fund balances brought forward at 1 October 2009
4,369,834 | 94,125 | 4,463,959 | 4,457,213 |
### FUND BALANCES CARRIED FORWARD AT 30TH SEPTEMBER 2010
16-17 | 4,468,111 | 275,715 | £4,743,826 | £4,463,999 |

The above results are derived from the charity’s continuing activities. No separate statement of total recognised gains and losses has been presented as all such gains and losses are included in the statement of financial activities.

*Comparatives have been restated in accordance with the accounting policy.*
CONSOLIDATED & CHARITY BALANCE SHEETS
30 September 2010

<table>
<thead>
<tr>
<th>Notes</th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIXED ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>11</td>
<td>2,004,392</td>
<td>1,949,768</td>
<td>2,004,392</td>
</tr>
<tr>
<td>Investments</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,004,392</td>
<td>1,949,768</td>
<td>2,004,492</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>12</td>
<td>168,229</td>
<td>140,321</td>
<td>168,229</td>
</tr>
<tr>
<td>Debtors</td>
<td>13</td>
<td>7,127,770</td>
<td>5,673,442</td>
<td>7,072,569</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>18,19</td>
<td>216,266</td>
<td>391,351</td>
<td>204,163</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7,512,265</td>
<td>6,205,114</td>
<td>7,444,961</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: Amounts falling due within one year</td>
<td>14</td>
<td>4,473,221</td>
<td>3,391,312</td>
<td>4,409,747</td>
</tr>
<tr>
<td>NET CURRENT ASSETS</td>
<td></td>
<td>3,039,044</td>
<td>2,813,802</td>
<td>3,035,214</td>
</tr>
<tr>
<td>TOTAL ASSETS LESS CURRENT LIABILITIES</td>
<td></td>
<td>5,043,436</td>
<td>4,763,570</td>
<td>5,039,706</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>15</td>
<td>295,880</td>
<td>295,880</td>
<td>295,880</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>£ 4,747,556</td>
<td>£ 4,467,690</td>
<td>£ 4,743,826</td>
<td>£ 4,463,959</td>
</tr>
<tr>
<td>THE FUNDS OF THE GROUP &amp; THE CHARITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted Income funds</td>
<td>16</td>
<td>275,715</td>
<td>94,125</td>
<td>275,715</td>
</tr>
<tr>
<td>Unrestricted Income funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>16</td>
<td>4,471,841</td>
<td>4,373,565</td>
<td>4,468,111</td>
</tr>
<tr>
<td>TOTAL GROUP &amp; CHARITY FUNDS</td>
<td>16,17</td>
<td>£ 4,747,556</td>
<td>£ 4,467,690</td>
<td>£ 4,743,826</td>
</tr>
</tbody>
</table>

The financial statements on pages 22 to 39 were approved by the trustees and authorised for issue on 22nd March 2011, and are signed on their behalf by

S. M. Dyson, MBE  I S Krieger

22/3/2011
Anthony Nolan Trust & Subsidiary Undertaking

Consolidated Cash Flow Statement

For the year ended 30 September 2010

<table>
<thead>
<tr>
<th>Notes</th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net (outgoing)/incoming resources &amp; net income for the year, &amp; net movement in funds</td>
<td>279,866</td>
<td>6,746</td>
<td>279,867</td>
<td>6,746</td>
</tr>
<tr>
<td>Depreciation</td>
<td>347,625</td>
<td>402,757</td>
<td>347,625</td>
<td>402,757</td>
</tr>
<tr>
<td>Investment income receivable</td>
<td>(82,250)</td>
<td>(94,219)</td>
<td>(529,523)</td>
<td>(375,585)</td>
</tr>
<tr>
<td>Increase in stocks</td>
<td>(27,908)</td>
<td>(12,487)</td>
<td>(27,908)</td>
<td>(13,149)</td>
</tr>
<tr>
<td>Increase in debtors</td>
<td>(1,454,328)</td>
<td>(787,481)</td>
<td>(907,489)</td>
<td>(953,158)</td>
</tr>
<tr>
<td>Increase in creditors</td>
<td>1,081,909</td>
<td>216,681</td>
<td>1,155,564</td>
<td>191,302</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>-</td>
<td>200,000</td>
<td>-</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>144,914</td>
<td>(68,003)</td>
<td>318,136</td>
<td>(541,087)</td>
</tr>
</tbody>
</table>

RETURNS ON INVESTMENT AND SERVICING OF FINANCE

Investment income received

<table>
<thead>
<tr>
<th></th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>82,250</td>
<td>94,219</td>
<td>82,250</td>
<td>375,585</td>
</tr>
</tbody>
</table>

CAPITAL EXPENDITURE

Payments to acquire tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(402,249)</td>
<td>(193,832)</td>
<td>(402,249)</td>
<td>(193,832)</td>
</tr>
</tbody>
</table>

DECREASE IN CASH

<table>
<thead>
<tr>
<th></th>
<th>18, 19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£ (175,085)</td>
</tr>
</tbody>
</table>
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared to comply with current statutory requirements (being the Companies Act 2006, the Charities Acts 1993 and 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006), under the historical cost convention, and in accordance with United Kingdom Generally Accepted Accounting Practice. The recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) issued by the Charity Commission in March 2005 have been followed. The accounting policies have been applied consistently in prior years.

BASIS OF CONSOLIDATION

The consolidated statement of financial activities and the balance sheet consolidate the financial statements of Anthony Nolan Trust and its subsidiary undertaking, Anthony Nolan Marketing Limited.

GOING CONCERN

The trustees have reviewed the group’s and the parent charity’s forecasts and projections covering a period that exceeds twelve months from the date of signing these financial statements, and based on the level of existing cash and estimated levels of income and expenditure, the trustees are satisfied that the charity has adequate resources to continue in operation for the foreseeable future. Accordingly, the going concern basis has been used in preparing these financial statements.

INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, and the amount can be quantified with reasonable accuracy. Donations are normally brought into account when received, and are stated gross of any attributable tax recoverable. Government and institutional grants are accounted for on a receivable basis. Donations and grants given for specific purposes are treated as restricted income. Income from legacies is included in incoming resources on an accruals basis when, for a specific bequest, the three criteria of entitlement, certainty, and measurement can be satisfied and supported by third party confirmation. Income in respect of payments for bone marrow transplants and other similar services derives from the amounts charged in respect of the search for matching tissue types and the arrangement of the bone marrow transplants, and is accounted for when receivable as incoming resources from charitable activities. Income from fundraising events, and the associated costs, are included in incoming resources and resources expended following completion of the event. Income received and costs incurred prior to the date of an event are treated as deferred income and prepayments respectively.

All other income, including investment income, is accounted for on a receivable basis as and when earned.

GIFTS IN KIND

The value of gifts in kind is recognised as income where the gross value to the charity can be assessed with reasonable accuracy. Where this is not the case, the nature of the gift is disclosed.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis inclusive of any irrecoverable Value Added Tax, and is allocated as direct costs in the statement of financial activities where the costs can be identified as being directly related to generating funds, to a charitable activity, or to governance matters. Where costs cannot be directly attributed, they are allocated to categories on a basis consistent with the budgeted use of the resources concerned and in proportions based upon a suitable ratio applicable to the nature of the cost involved.

GOVERNANCE COSTS

Governance costs consist of an estimate of time spent by senior executives in dealing with governance tasks and any direct costs associated with these tasks, including audit costs and trustee expenses. Compliance with the requirements of the Human Tissue Authority is included in governance.
FOREIGN CURRENCIES
Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. All exchange gains or losses are included in the statement of financial activities in the period to which they relate.

RESEARCH AND DEVELOPMENT EXPENDITURE
Expenditure on research and development is written off to the statement of financial activities in the period in which it is incurred.

TANGIBLE FIXED ASSETS
All tangible assets purchased costing more than £1,000 that have a useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

- Leasehold buildings: over the life of the lease
- Leasehold improvements, fixtures & fittings: over 3 to 5 years
- Motor vehicles: over 3 to 4 years
- Office equipment: over 3 to 5 years
- Laboratory equipment: over 3 to 5 years

INVESTMENTS
Long term investments are classified as fixed assets, which are stated at cost in the Balance Sheet. Provision is made for any impairment in the value of fixed asset investments.

STOCKS
Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow-moving items.

LEASED ASSETS AND OBLIGATIONS
Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

DEFERRED TAXATION
Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group’s and the charity’s taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.
PENSION CONTRIBUTIONS

The group and the charity make contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the group and the charity in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

FUND ACCOUNTING

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objectives of the charity. Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees. Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the accounts. Amounts unspent at the year end are carried forward in the balance sheet. Where the specific conditions of the donation are met so the funds are no longer restricted in purpose or use, unspent amounts are transferred to the general fund.

PROVISIONS

Provision is made by the group and the charity for liabilities and charges arising from legal or constructive obligations that exist at the balance sheet date on the basis of the estimated cost to settle the present obligation or transfer it to a third party at that date. Consideration is given to the timing of the cash flows and to future events and uncertainties which may affect the amount required to settle the obligations.

RESTATEMENT OF COMPARATIVES

The trustees have changed the classification of some of the charitable activities in the income and expenditure account in order to better explain the work that the charity carries out. The charitable activities reported in 2009 of donor recruitment, donor provision and international search have been combined into a new charitable activity in 2010 called donor provision. The 2009 income and costs relating to these activities have been restated to reflect this change in reporting. A new charitable activity called Education and Awareness has been reported in 2010. The 2009 costs have been restated to reflect the change in reporting.

In 2010 the gift aid payment received from Anthony Nolan Marketing Limited and the management charge have been reclassified as investment and other income, respectively. In 2009 this income was classified as voluntary income. The comparative figures have been restated to reflect the change in classification.

The above restatement of comparative figures do not affect the overall 2009 surplus.
1 VOLUNTARY INCOME

Group and Charity

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total 2010</th>
<th>Total 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations from trusts and other similar institutions</td>
<td>67,466</td>
<td>187,657</td>
<td>255,123</td>
<td>396,503</td>
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<tr>
<td>Corporate donations</td>
<td>532,805</td>
<td>-</td>
<td>532,805</td>
<td>293,550</td>
</tr>
<tr>
<td>Donations from individuals</td>
<td>3,637,992</td>
<td>-</td>
<td>3,637,992</td>
<td>3,058,231</td>
</tr>
<tr>
<td>Legacies</td>
<td>244,082</td>
<td>-</td>
<td>244,082</td>
<td>50,265</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,482,345</strong></td>
<td><strong>187,657</strong></td>
<td><strong>4,670,002</strong></td>
<td><strong>3,798,549</strong></td>
</tr>
</tbody>
</table>
2 COMMERCIAL TRADING OPERATIONS & INVESTMENTS

The charity owns 100% of the issued share capital of Anthony Nolan Marketing Limited (“ANML”), a company registered in England. The charity acquired all of the 100 ordinary shares of £1 each that were issued in ANML at par upon incorporation. These shares are carried in the balance sheet at their original cost of £100, which the trustees believe approximately equates to their market value.

The principal activity of ANML is to carry on the trading operations of the group with a view to raising funds on behalf of the parent charity, which is achieved through the sale of merchandise, advertising, the organisation of fundraising events, and by exploiting intellectual property and other similar rights held by the parent charity. Annual financial statements for this subsidiary company are filed with the Registrar of Companies for England and Wales, and are publicly available.

A summary of the trading results of the subsidiary is set out below:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover</td>
<td>861,834</td>
<td>825,334</td>
</tr>
<tr>
<td>Investment income</td>
<td>-</td>
<td>2,073</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>861,834</strong></td>
<td><strong>827,407</strong></td>
</tr>
<tr>
<td>EXPENDITURE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of sales</td>
<td>215,785</td>
<td>379,768</td>
</tr>
<tr>
<td>Management charge payable to Anthony Nolan Trust</td>
<td>51,600</td>
<td>49,500</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>147,176</td>
<td>114,700</td>
</tr>
<tr>
<td>Transfer under Gift Aid to Anthony Nolan Trust</td>
<td>447,273</td>
<td>283,439</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>861,834</strong></td>
<td><strong>827,407</strong></td>
</tr>
<tr>
<td>RESULT FOR THE YEAR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>391,092</td>
<td>171,647</td>
</tr>
<tr>
<td>Cash at bank &amp; in hand</td>
<td>12,103</td>
<td>185,325</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>403,195</strong></td>
<td><strong>356,972</strong></td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: Amounts falling due within one year</td>
<td>399,364</td>
<td>353,141</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td><strong>3,831</strong></td>
<td><strong>3,831</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES &amp; NET ASSETS</strong></td>
<td><strong>3,831</strong></td>
<td><strong>3,831</strong></td>
</tr>
<tr>
<td>CAPITAL AND RESERVES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called up share capital</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Profit &amp; loss account</td>
<td>3,731</td>
<td>3,731</td>
</tr>
<tr>
<td>SHAREHOLDERS' FUNDS</td>
<td>£ 3,831</td>
<td>£ 3,831</td>
</tr>
</tbody>
</table>
### 3 INVESTMENT INCOME

**Group**

- **Rent receivable under operating leases**
  - Unrestricted: 75,000
  - Restricted: 0
  - Total: 75,000

- **Bank interest receivable on short term cash deposits**
  - Unrestricted: 2,538
  - Restricted: 0
  - Total: 2,538

- **Royalty income receivable**
  - Unrestricted: 4,712
  - Restricted: 0
  - Total: 4,712

- **Total Unrestricted:** 82,250
- **Total Restricted:** 0
- **Total:** 82,250

**Charity**

- **Rent receivable under operating leases**
  - Unrestricted: 75,000
  - Restricted: 0
  - Total: 75,000

- **Bank interest receivable on short term cash deposits**
  - Unrestricted: 2,538
  - Restricted: 0
  - Total: 2,538

- **Royalty income receivable**
  - Unrestricted: 4,712
  - Restricted: 0
  - Total: 4,712

- **Anthony Nolan Marketing Ltd: Gift aid payment**
  - Unrestricted: 447,273
  - Restricted: 0
  - Total: 447,273

- **Total Unrestricted:** 529,523
- **Total Restricted:** 0
- **Total:** 529,523

Restated

**Total Unrestricted:** £94,219

### 4 DONOR PROVISION INCOME

**Group & Charity**

- **Fees receivable for the provision of donors**
  - Unrestricted: 22,946,834
  - Restricted: 151,086
  - Total: £23,097,920

- **Total Unrestricted:** £20,071,757

### 5 RESEARCH INCOME

**Group & Charity**

- **Grant income receivable**
  - Unrestricted: 66,775
  - Restricted: 274,973
  - Total: £341,748

- **Total Unrestricted:** £813,360

### 6 OTHER INCOMING RESOURCES

**Group**

- **Keyman insurance policy receipt**
  - Unrestricted: -
  - Restricted: -
  - Total: -

- **Reclaim of VAT**
  - Unrestricted: 755,159
  - Restricted: 0
  - Total: 755,159

- **Other Income**
  - Unrestricted: 29,183
  - Restricted: 0
  - Total: 29,183

- **Total Unrestricted:** 784,342
- **Total Restricted:** -
- **Total:** 784,342

**Charity**

- **Keyman insurance policy receipt**
  - Unrestricted: -
  - Restricted: -
  - Total: -

- **Reclaim of VAT**
  - Unrestricted: 755,159
  - Restricted: 0
  - Total: 755,159

- **Anthony Nolan Marketing Ltd: management charge**
  - Unrestricted: 51,600
  - Restricted: 0
  - Total: 51,600

- **Other Income**
  - Unrestricted: 29,183
  - Restricted: 0
  - Total: 29,183

- **Total Unrestricted:** 835,942
- **Total Restricted:** -
- **Total:** 835,942

Restated

**Total Unrestricted:** £434,100
## 7 TOTAL RESOURCES EXPENDED

<table>
<thead>
<tr>
<th>Group</th>
<th>Activities undertaken directly</th>
<th>Support costs (note 8)</th>
<th>Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staff costs</td>
<td>Other costs</td>
<td>Total</td>
</tr>
<tr>
<td>2009/2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial trading operations: cost of goods sold and other costs</td>
<td>-</td>
<td>362,962</td>
<td>362,962</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Provision</td>
<td>2,735,465</td>
<td>17,593,129</td>
<td>20,328,594</td>
</tr>
<tr>
<td>Education and awareness</td>
<td>385,156</td>
<td>545,911</td>
<td>840,067</td>
</tr>
<tr>
<td>Research</td>
<td>799,372</td>
<td>553,162</td>
<td>1,352,534</td>
</tr>
<tr>
<td>Governance costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total resources expended</td>
<td>£5,021,907</td>
<td>£20,990,369</td>
<td>£26,012,276</td>
</tr>
<tr>
<td>2008/2009 restated</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Provision</td>
<td>899,040</td>
<td>1,096,363</td>
<td>1,995,403</td>
</tr>
<tr>
<td>Education and awareness</td>
<td>344,248</td>
<td>577,611</td>
<td>921,859</td>
</tr>
<tr>
<td>Research</td>
<td>839,834</td>
<td>591,965</td>
<td>1,431,799</td>
</tr>
<tr>
<td>Governance costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total resources expended</td>
<td>£5,206,434</td>
<td>£17,767,601</td>
<td>£22,974,035</td>
</tr>
</tbody>
</table>

### Charity

<table>
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<th>Total Costs</th>
</tr>
</thead>
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</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<tr>
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<td>-</td>
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</tr>
<tr>
<td>2008/2009 restated</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>1,431,799</td>
</tr>
<tr>
<td>Governance costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total resources expended</td>
<td>£5,206,434</td>
<td>£17,767,601</td>
<td>£22,974,035</td>
</tr>
</tbody>
</table>
## Support Costs by Activity

### Group and Charity

<table>
<thead>
<tr>
<th></th>
<th>Facilities</th>
<th>Finance and management</th>
<th>Support Costs</th>
<th>IT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2009/2010</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising costs</td>
<td>146,063</td>
<td>182,875</td>
<td>107,183</td>
<td>179,957</td>
<td>616,078</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Provision</td>
<td>410,277</td>
<td>1,010,049</td>
<td>301,067</td>
<td>505,479</td>
<td>2,226,872</td>
</tr>
<tr>
<td>Education and awareness</td>
<td>45,884</td>
<td>73,921</td>
<td>33,671</td>
<td>56,531</td>
<td>210,007</td>
</tr>
<tr>
<td>Research</td>
<td>73,414</td>
<td>90,677</td>
<td>53,872</td>
<td>90,449</td>
<td>308,412</td>
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<tr>
<td>Governance costs</td>
<td>184,585</td>
<td></td>
<td></td>
<td>184,585</td>
<td></td>
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<tr>
<td><strong>Total support costs</strong></td>
<td><strong>£675,638</strong></td>
<td><strong>£1,542,107</strong></td>
<td><strong>£495,793</strong></td>
<td><strong>£832,416</strong></td>
<td><strong>£3,545,954</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Facilities</th>
<th>Finance and management</th>
<th>Support Costs</th>
<th>IT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2008/2009 restated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising costs</td>
<td>153,876</td>
<td>161,388</td>
<td>48,899</td>
<td>147,510</td>
<td>511,673</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Provision</td>
<td>511,265</td>
<td>719,358</td>
<td>162,472</td>
<td>490,114</td>
<td>1,883,209</td>
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<tr>
<td>Education and awareness</td>
<td>39,710</td>
<td>48,131</td>
<td>12,619</td>
<td>38,067</td>
<td>138,527</td>
</tr>
<tr>
<td>Research</td>
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<td>101,180</td>
<td>29,971</td>
<td>90,409</td>
<td>315,871</td>
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<tr>
<td>Governance costs</td>
<td>-</td>
<td>157,758</td>
<td>-</td>
<td>-</td>
<td>157,758</td>
</tr>
<tr>
<td><strong>Total support costs</strong></td>
<td><strong>£799,162</strong></td>
<td><strong>£1,187,815</strong></td>
<td><strong>£253,961</strong></td>
<td><strong>£766,100</strong></td>
<td><strong>£3,007,038</strong></td>
</tr>
</tbody>
</table>

Basis of the allocation of expenditure:
Where appropriate, expenditure, including depreciation, is allocated directly to the activity to which that expenditure relates.
Expenditure which does not relate directly to an activity but are incurred to enable activities to occur are classified as support costs.
Support costs are apportioned to the activities they support on a reasonable, justifiable and consistent basis. The bases are:
- Finance and management costs relating to Governance are estimated based on the time and resources incurred on governance activities.
- Other finance costs are apportioned in proportion to total direct expenditure incurred per activity.
- All other support costs are apportioned in accordance with the full time equivalent number of staff directly employed in that activity.
9 STAFF COSTS

The average monthly number of persons employed by the group during the year (excluding trustees) was:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor provision</td>
<td>110</td>
<td>120</td>
</tr>
<tr>
<td>Education and awareness</td>
<td>12</td>
<td>9</td>
</tr>
<tr>
<td>Research</td>
<td>19</td>
<td>22</td>
</tr>
<tr>
<td>Fundraising</td>
<td>37</td>
<td>35</td>
</tr>
<tr>
<td>Governance</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>181</strong></td>
<td><strong>189</strong></td>
</tr>
</tbody>
</table>

Staff costs for the above:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>5,418,330</td>
<td>5,266,159</td>
</tr>
<tr>
<td>Social security costs</td>
<td>542,684</td>
<td>534,725</td>
</tr>
<tr>
<td>Pension costs</td>
<td>120,848</td>
<td>202,700</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£ 6,081,862</strong></td>
<td><strong>£ 6,003,584</strong></td>
</tr>
</tbody>
</table>

Staff costs are allocated in the group’s financial statements as follows:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor provision</td>
<td>3,568,444</td>
<td>3,832,001</td>
</tr>
<tr>
<td>Education and awareness</td>
<td>460,684</td>
<td>392,717</td>
</tr>
<tr>
<td>Research</td>
<td>910,872</td>
<td>943,796</td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,324,589</td>
<td>1,065,523</td>
</tr>
<tr>
<td>Governance</td>
<td>133,231</td>
<td>112,361</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£ 6,397,820</strong></td>
<td><strong>£ 6,346,398</strong></td>
</tr>
</tbody>
</table>

Included in the allocated staff costs (note 7), in addition to payroll costs are the costs of funding academic positions of £94,976 (2009: £124,026), staff benefit costs of £51,921 (2009: £48,222), and agency staff and other similar costs of £169,061 (2009: £170,566).

The number of employees whose emoluments for the year fell within the following ranges was:

<table>
<thead>
<tr>
<th>Range</th>
<th>2010 No.</th>
<th>2009 No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,001 to £70,000</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>£70,001 to £80,000</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>£80,001 to £90,000</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>£90,001 to £100,000</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>£100,001 to £110,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>£110,001 to £120,000</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>£120,001 to £130,000</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

The group made contributions to money purchase pension schemes on behalf of all employees whose emoluments exceeded £60,000, and the total contributions payable during the year amounted to £22,709 (2009: £19,395).
10 NET MOVEMENT IN FUNDS

<table>
<thead>
<tr>
<th>Item</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net movement in funds is stated after charging/(crediting):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amounts written off tangible fixed assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charge for the year - owned assets</td>
<td>347,625</td>
<td>402,757</td>
</tr>
<tr>
<td>Research and development expenditure</td>
<td>1,352,534</td>
<td>1,431,799</td>
</tr>
<tr>
<td>Exchange losses on foreign currencies</td>
<td>99,749</td>
<td>139,397</td>
</tr>
<tr>
<td>Operating lease rentals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and buildings</td>
<td>186,830</td>
<td>155,830</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>94,143</td>
<td>96,482</td>
</tr>
<tr>
<td>Auditor’s remuneration:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory Audit fees (Charity £38,686 (2009: £35,000))</td>
<td>53,023</td>
<td>43,450</td>
</tr>
<tr>
<td>Tax Services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance</td>
<td>1,572</td>
<td>-</td>
</tr>
<tr>
<td>Advisory</td>
<td>72,500</td>
<td>7,500</td>
</tr>
<tr>
<td>Other Services</td>
<td>1,250</td>
<td>6,501</td>
</tr>
</tbody>
</table>

The trustees neither received nor waived any emoluments for their services to the group or the charity, and were not reimbursed for any expenses incurred on behalf of the group or the charity during the current or previous years.

The group and the charity have an insurance policy that provides professional indemnity insurance cover for the trustees. The cost of this insurance for the year was £2,135 (2009 £2,140)
## 11 TANGIBLE ASSETS

<table>
<thead>
<tr>
<th>Group &amp; Charity</th>
<th>Leasehold buildings</th>
<th>Leasehold improvements, fixtures &amp; fittings</th>
<th>Motor vehicles</th>
<th>Office equipment</th>
<th>Laboratory equipment</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Long term</td>
<td>Short term</td>
<td>Motor vehicles</td>
<td>Office equipment</td>
<td>Laboratory equipment</td>
<td></td>
</tr>
<tr>
<td>01 October 2009</td>
<td>1,841,707</td>
<td>136,595</td>
<td>541,282</td>
<td>26,404</td>
<td>1,244,250</td>
<td>1,364,383</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>76,429</td>
<td>200,583</td>
<td>402,249</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(2,999)</td>
<td>-</td>
<td>-</td>
<td>(2,999)</td>
</tr>
<tr>
<td>30 September 2010</td>
<td>1,841,707</td>
<td>136,595</td>
<td>666,519</td>
<td>23,405</td>
<td>1,320,679</td>
<td>1,564,966</td>
</tr>
</tbody>
</table>

### Depreciation:

| 01 October 2009 | 447,198 | 15,500 | 453,611 | 26,404 | 1,131,304 | 1,130,836 | 3,204,853 |
| Charge for the year | 15,921 | 7,354 | 79,115 | - | 93,901 | 151,334 | 347,625 |
| Disposals | -         | -        | (2,999) | - | - | (2,999) |
| 30 September 2010 | 463,119 | 22,854 | 532,726 | 23,405 | 1,225,205 | 1,282,170 | 3,549,479 |

### Net book value:

| 30 September 2010 | 1,378,588 | 113,741 | 133,793 | - | 95,474 | 282,796 | £ 2,004,392 |
| 30 September 2009 | 1,394,509 | 121,095 | 87,671 | - | 112,946 | 233,547 | £ 1,949,768 |

Certain leasehold buildings are used, when surplus to the group's and the charity's requirements, to generate rental income under operating leases.
12 STOCKS

<table>
<thead>
<tr>
<th></th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials and consumables</td>
<td>£ 168,229</td>
<td>£ 140,321</td>
<td>£ 168,229</td>
<td>£ 140,321</td>
</tr>
</tbody>
</table>

13 DEBTORS

Amounts falling due within one year:
Trade debtors: 4,590,968 3,443,605 4,524,292 3,341,274
Other debtors: 655,791 20,365 654,791 20,365
Prepayments and accrued income: 1,881,011 2,209,472 1,557,596 2,140,238

£ 7,127,770  £ 5,673,442  £ 7,072,569  £ 5,717,807

14 CREDITORS

Amounts falling due within one year:
Trade creditors: 2,913,328 1,196,162 2,849,854 1,182,326
Payments received on account: - 1,592 - 1,592
Other taxation and social security costs: 158,647 172,641 158,647 172,641
Accruals and deferred income: 1,401,246 2,020,917 1,401,246 1,897,624

£ 4,473,221  £ 3,391,312  £ 4,409,747  £ 3,254,183

PROVISIONS FOR LIABILITIES & CHARGES

Provision for dilapidations: £ 295,880  £ 295,880  £ 295,880  £ 295,880

A provision for dilapidations is being carried in the balance sheets of the group and the charity in respect of the estimated costs of unavoidable reinstatement and refurbishment works relating to certain leasehold properties that are currently occupied by the charity for its own use. This provision was created in 2004, added to in 2009 upon renewal of the lease, and is now expected to be utilised at the earliest in the financial year 2011/2012.
## 10 THE FUNDS OF THE GROUP & THE CHARITY

### Group

<table>
<thead>
<tr>
<th></th>
<th>Balance at 01-Oct 2009</th>
<th>Incoming resources</th>
<th>Outgoing resources</th>
<th>Gross transfers between Funds</th>
<th>Balance at 30-Sep 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted income funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cell Therapy Centre Fund</td>
<td>94,125</td>
<td>277,973</td>
<td>172,883</td>
<td>(99,157)</td>
<td>199,215</td>
</tr>
<tr>
<td>Scientific Research Funds</td>
<td>94,125</td>
<td>69,667</td>
<td>69,667</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Education Fund</td>
<td>94,125</td>
<td>84,419</td>
<td>84,419</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cord blood collection centres Fund</td>
<td>94,125</td>
<td>65,000</td>
<td>1,000</td>
<td></td>
<td>64,000</td>
</tr>
<tr>
<td>Laboratory equipment Fund</td>
<td>94,125</td>
<td>111,657</td>
<td>-</td>
<td>(99,157)</td>
<td>12,500</td>
</tr>
<tr>
<td>Donor Provision Fund</td>
<td>94,125</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>94,125</td>
<td>613,716</td>
<td>332,969</td>
<td>(99,157)</td>
<td>275,715</td>
</tr>
</tbody>
</table>

### Unrestricted income funds

<table>
<thead>
<tr>
<th></th>
<th>Balance at 01-Oct 2009</th>
<th>Incoming resources</th>
<th>Outgoing resources</th>
<th>Gross transfers between Funds</th>
<th>Balance at 30-Sep 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>4,373,565</td>
<td>29,224,380</td>
<td>29,225,261</td>
<td>99,157</td>
<td>4,471,841</td>
</tr>
</tbody>
</table>

**£ 4,467,690**

**£ 4,747,556**

### Charity

<table>
<thead>
<tr>
<th></th>
<th>Balance at 01-Oct 2009</th>
<th>Incoming resources</th>
<th>Outgoing resources</th>
<th>Gross transfers between Funds</th>
<th>Balance at 30-Sep 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted income funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cell Therapy Centre Fund</td>
<td>94,125</td>
<td>277,973</td>
<td>172,883</td>
<td>-</td>
<td>199,215</td>
</tr>
<tr>
<td>Scientific Research Funds</td>
<td>94,125</td>
<td>69,667</td>
<td>69,667</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Education Fund</td>
<td>94,125</td>
<td>84,419</td>
<td>84,419</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cord blood collection centres Fund</td>
<td>94,125</td>
<td>65,000</td>
<td>1,000</td>
<td></td>
<td>64,000</td>
</tr>
<tr>
<td>Laboratory equipment Fund</td>
<td>94,125</td>
<td>111,657</td>
<td>-</td>
<td>(99,157)</td>
<td>12,500</td>
</tr>
<tr>
<td>Donor Provision Fund</td>
<td>94,125</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>94,125</td>
<td>613,716</td>
<td>332,969</td>
<td>(99,157)</td>
<td>275,715</td>
</tr>
</tbody>
</table>

### Unrestricted income funds

<table>
<thead>
<tr>
<th></th>
<th>Balance at 01-Oct 2009</th>
<th>Incoming resources</th>
<th>Outgoing resources</th>
<th>Gross transfers between Funds</th>
<th>Balance at 30-Sep 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>4,369,834</td>
<td>28,861,419</td>
<td>28,862,299</td>
<td>99,157</td>
<td>4,468,111</td>
</tr>
</tbody>
</table>

**£ 4,463,999**

**£ 4,743,826**

During the year 2006-07, the Trust contracted to take a 21 year lease, at a nominal annual rent for a purpose built cell processing, storage and research facility on the campus of Nottingham Trent University, Nottingham, UK. The construction of the facility was funded by the East Midlands Development Agency to the value of £1,400,000. The Cell Therapy Centre Fund was set up in 2007/2008 to recognise the annual proportion of this initial funding as the benefits accrued to the Trust through its use of the facility.

The Scientific Research Fund was set up in 2008/2009 to recognise income received annually in the form of a number of different grants awarded for specific research projects in immunogenetics and related fields. The cost of undertaking these research projects is allocated to the fund, with unspent monies being carried forward to be utilised in the following year.

The Donor Education Fund was set up in 2008/2009 with donations received to fund a pilot project to inform 16-18 year old of the importance of volunteering to donate in rescuing lives from leukaemia.

As part of its commitment to increase the use of cord blood, the Trust has plans to open cord blood collection centres at a number of hospitals. Donations received to support this expansion programme are credited to the Cord blood collection centres Fund. Expenditure incurred in opening the centres is charged to the Fund. The balance of the Fund represents donations received for centres not yet opened.

Donations and grants received to fund the purchase of specific items of laboratory equipment for either research or histocompatibility laboratories are credited to the Laboratory equipment Fund. When the specified asset is purchased and there is no ongoing restriction over its use, the value of the asset is transferred to General Fund. The depreciation of the asset is charged to General Fund over the life of the asset.

During the year, donations were received to cover additional costs incurred in the transport of harvested material during the volcanic eruption of April 2010. These donations and the additional courier and travel costs incurred have been set against the Donor Provision Fund.
17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

<table>
<thead>
<tr>
<th>Group</th>
<th>Fixed assets</th>
<th>Net current assets</th>
<th>Provisions for liabilities and charges</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted income funds</td>
<td>-</td>
<td>275,715</td>
<td>-</td>
<td>275,715</td>
</tr>
<tr>
<td>Unrestricted income funds:</td>
<td>2,004,392</td>
<td>2,763,329</td>
<td>(295,880)</td>
<td>4,471,841</td>
</tr>
<tr>
<td>General Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>2,004,392</td>
<td>3,039,044</td>
<td>(295,880)</td>
<td>£ 4,747,556</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Charity</th>
<th>Fixed assets</th>
<th>Net current assets</th>
<th>Provisions for liabilities and charges</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted income funds</td>
<td>-</td>
<td>275,715</td>
<td>-</td>
<td>275,715</td>
</tr>
<tr>
<td>Unrestricted income funds:</td>
<td>2,004,492</td>
<td>2,759,499</td>
<td>(295,880)</td>
<td>4,468,111</td>
</tr>
<tr>
<td>General Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>2,004,492</td>
<td>3,035,214</td>
<td>(295,880)</td>
<td>£ 4,743,826</td>
</tr>
</tbody>
</table>

18 RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN FUNDS

<table>
<thead>
<tr>
<th>Group</th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Decrease) in cash in the year</td>
<td>(175,085)</td>
<td>(167,616)</td>
<td>(1,863)</td>
<td>(359,334)</td>
</tr>
</tbody>
</table>

CHANGE IN NET FUNDS

<table>
<thead>
<tr>
<th>Group</th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Decrease) in cash in the year</td>
<td>(175,085)</td>
<td>(167,616)</td>
<td>(1,863)</td>
<td>(359,334)</td>
</tr>
</tbody>
</table>

Net funds at 1 October 2009

| Group                        | 391,351    | 558,967    | 206,026      | 565,360      |

NET FUNDS AT 30 SEPTEMBER 2010

| Group                        | 391,351    | 204,163    | 204,163      | 204,163      |

£216,256

19 ANALYSIS OF CHANGES IN NET FUNDS

<table>
<thead>
<tr>
<th>Group</th>
<th>Group 2009</th>
<th>Group 2010</th>
<th>Charity 2009</th>
<th>Charity 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand, at bank</td>
<td>391,351</td>
<td>(175,085)</td>
<td>-</td>
<td>216,266</td>
</tr>
</tbody>
</table>

NET FUNDS

<table>
<thead>
<tr>
<th>Group</th>
<th>£391,351</th>
<th>(175,085)</th>
<th>-</th>
<th>£216,266</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charity</td>
<td>206,026</td>
<td>(1,863)</td>
<td>-</td>
<td>204,163</td>
</tr>
</tbody>
</table>

NET FUNDS

| Group                        | £206,026   | (1,863)    | -            | £204,163     |

20 COMMITMENTS UNDER OPERATING LEASES

Commitments under non-cancelable operating leases as follows:

Land and buildings

Expanding in less than one year
Expanding between one and two years
Expanding between two and five years
Expanding after five years

Plant and machinery

Expanding in less than one year
Expanding between one and two years
Expanding between two and five years

<table>
<thead>
<tr>
<th>Group</th>
<th>Group 2010</th>
<th>Group 2009</th>
<th>Charity 2010</th>
<th>Charity 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanding in less than one year</td>
<td>10,849</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expanding between one and two years</td>
<td>31,000</td>
<td>-</td>
<td>31,000</td>
<td>-</td>
</tr>
<tr>
<td>Expanding between two and five years</td>
<td>-</td>
<td>51,000</td>
<td>-</td>
<td>31,000</td>
</tr>
<tr>
<td>Expanding after five years</td>
<td>135,830</td>
<td>135,830</td>
<td>135,830</td>
<td>135,830</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expanding in less than one year</td>
<td>46,438</td>
<td>6,832</td>
<td>46,438</td>
<td>6,832</td>
</tr>
<tr>
<td>Expanding between one and two years</td>
<td>47,021</td>
<td>-</td>
<td>47,021</td>
<td>-</td>
</tr>
<tr>
<td>Expanding between two and five years</td>
<td>-</td>
<td>89,650</td>
<td>-</td>
<td>89,650</td>
</tr>
</tbody>
</table>

£ 271,138

283,312

260,289

£ 263,312

21 PENSION COMMITMENTS

The group and the charity make contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the group and the charity in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs (as shown in note 9) is the total contributions payable for the year.

22 RELATED PARTY TRANSACTIONS

The charity has taken advantage of the exemptions provided by Financial Reporting Standard No.8: Related Party Disclosures, and has not disclosed transactions with fellow group undertakings on the basis that 100% of the voting rights are controlled within the group, and that group accounts are publicly available.

There are no other related party transactions to be disclosed.