

Company registration number: 07801855  
Charity registration number: 1145172

**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER  
RESEARCH**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
**(A company limited by guarantee)**

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Trustees**

Mr Nadim Nsouli  
Mrs Simone Nsouli  
Mr Walid Khail Fakhry

**Company registered number**

07801855

**Charity registered number**

1145172

**Registered office**

Meadows House  
3rd floor  
20-22 Queen Street  
London  
W1J 5PR

**Principal operating office**

7 Trebeck Street  
Shepherd Market  
Mayfair  
London  
W1J 7LU

**Company secretary**

Simone Nsouli

**Independent auditors**

MHA MacIntyre Hudson  
Chartered Accountants  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

**Bankers**

HSBC Bank Plc  
19 Saint George Street  
Hanover Square  
London  
W1S 1FN

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (incorporating the Directors' Report)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The Trustees present their annual report together with the audited financial statements of The Lyla Nsouli Foundation for Children's Brain Cancer (the charity) for the year ended 31 December 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

**Trustees of the charity**

The Trustees of the charitable company are its Directors for the purposes of company law. The Trustees who have served during the year and since the year end are listed on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The charity is a company limited by guarantee and was set up by a Memorandum and Articles of Association on 7 October 2011.

The principal object of the charity is to find a cure for paediatric brain cancer in general and Diffuse Intrinsic Pontine Glioma (DIPG) in particular.

None of the Directors have any beneficial interest in the charity. The Directors of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The charity is limited by guarantee and there are accordingly no directors' interests requiring disclosure.

**Method of appointment or election of Directors**

The governance of the charity is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

**Policies adopted for the induction and training of Directors**

Directors are appointed by the Board of Directors to meet the required mix of experience, knowledge, skills and abilities to lead the charity's work.

**Organisational structure and decision-making**

The Board of Directors governs the charity. The Scientific Advisory Committee review all grant applications and it is their collective view that determines which grants are funded and how they are reviewed and managed. The SAC works with the Board and only approves grants that it believes offer the highest chance of progress in the fight against paediatric brain cancer and Diffuse Intrinsic Pontine Glioma (DIPG) in particular. Simone Nsouli chairs an events committee.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
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**TRUSTEES' REPORT (incorporating the Directors' Report)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Risk management**

The Directors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate the charity's exposure to the major risks. The Risk Register is regularly reviewed.

**OBJECTIVES AND ACTIVITIES**

**Policies and objectives**

The charity's objective is to fund research into paediatric brain cancer; in particular research that offers the highest chance of finding a cure for DIPG.

**Strategies and Activities for Achieving Objectives**

In the past year the Foundation has reviewed the current research projects it is funding and continues to evaluate the potential outcomes. It has also strengthened relationships within the DIPG community and the broader neuro-oncology community to identify future funding needs and trends in research in this area. The Foundation also considers working with other similar organisations to collaborate on research projects to achieve results as quickly as possible.

**Grant making policy**

The charity funds paediatric brain cancer research projects that have the highest chance to quickly have a significant impact on children with DIPG. Grant applications are reviewed by the Scientific Advisory Committee, all of who are experts in their field, to defined criteria. The Directors approve or reject grants based on the objectives of the Foundation and the individual recommendations of the Scientific Advisory Committee. The Foundation creates monitoring plans for approved applications.

In light of the limited number of suitable applications the Foundation is now actively working with a number of research institutions, life science companies and clinicians to identify future funding needs and to plan for this.

**Investment Policy and Performance**

The Foundation is unique in that it responds swiftly to applications for research funding. The normal turnaround time is less than six weeks. In order to react in this way and to maximise the potential to fund projects that have a major impact on DIPG knowledge it is essential for the Foundation to hold its reserves in cash. This is held in a number of currencies because we fund in sterling, euro and US dollars.

**Going Concern**

After making appropriate enquiries the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**Pay Policy for Senior Staff**

Salaries for "Key Management Personnel" are arrived at having researched comparable organisations and sector benchmarking. No enhanced pension payments or bonus is offered to staff. No remuneration was paid to Key Management Personnel in 2017 as this group comprised only trustees.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH  
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**TRUSTEES' REPORT (incorporating the Directors' Report)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**ACHIEVEMENTS AND PERFORMANCE**

**Review of activities**

Having successfully raised a significant amount of funds in the previous years the charity focused on monitoring and measuring the output of its earlier grants, several of which had been extended to afford additional research.

As the charity has become more established the relationship with international research scientists in the field of DIPG has increased substantially and the reach of the charity has expanded. As the charity approaches its seventh anniversary it is now looking to work with other organisations and institutions to increase the rate of progress in finding treatments and a cure into Diffuse Intrinsic Pontine Glioma.

This year the main event, Wishes & Witches didn't take place. However throughout the year there have been several donations received. A small event was held earlier in the year by a donor, Salt Resort Wear Shopping Day, where 10% of all sales were donated to The Foundation as beneficiary. There are also regular donations made via JustGiving. All funding is used to support research into paediatric brain cancer.

We have also seen several grant payments being made to well established research institutions.

**FINANCIAL REVIEW**

Details of the charity's financial performance are included in the Statement of Financial Activities on page 9. The charity recorded a deficit of £347,473 in the year to 31 December 2017.

**Reserves policy**

The Directors aim to maintain a level of unrestricted reserves that allows them to react swiftly to applications for grant funding. The Foundation only supports appropriate grant making opportunities as they arise and do not seek to grow the charity or fundraise unless needed. The charity's current level of reserves is high due to the specific nature of the research undertaken by the charity's activities meaning suitable grant beneficiaries can take time to identify. For this reason, further fundraising activities to generate income have been halted until the current reserves are reduced and a further need arises.

**PUBLIC BENEFIT STATEMENT**

The Directors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the charity's activities are outlined under 'Achievements and Performance' above.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
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**TRUSTEES' REPORT (incorporating the Directors' Report)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Trustees' responsibilities statement**

The Trustees (who are also directors of Lyla Nsouli Foundation for Children's Brain Cancer for the purposes of company law) are responsible for preparing the Trustees' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

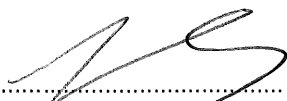
**Disclosure of information to auditors**

In so far as the trustees are aware:

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

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Directors and signed on their behalf by:

  
.....  
**Nadim Nsouli, Director/Trustee**

Date: ..... 27/12/18 .....

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**

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**OPINION**

We have audited the financial statements of The Lyla Nsouli Foundation for Children's Brain Cancer Research (the 'Charity') for the year ended 31 December 2017 set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**

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work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**

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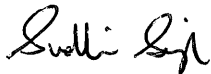
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**USE OF OUR REPORT**

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior statutory auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants

New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: 27 September 2018

THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH  
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME FROM:</b>				
Donations	2	24,766	24,766	47,897
Trading activities - raising funds	3	-	-	81,356
Investments	4	7,872	7,872	7,319
Other income		-	-	92,864
<b>TOTAL INCOME</b>		<b>32,638</b>	<b>32,638</b>	<b>229,436</b>
<b>EXPENDITURE ON:</b>				
Raising funds		244	244	107,446
Charitable activities	5	379,867	379,867	424,825
<b>TOTAL EXPENDITURE</b>		<b>380,111</b>	<b>380,111</b>	<b>532,271</b>
<b>NET EXPENDITURE</b>		<b>(347,473)</b>	<b>(347,473)</b>	<b>(302,835)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(347,473)</b>	<b>(347,473)</b>	<b>(302,835)</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds at 1 January 2017		982,983	982,983	1,285,818
<b>TOTAL FUNDS AT 31 DECEMBER 2017</b>		<b>635,510</b>	<b>635,510</b>	<b>982,983</b>

All activities relate to continuing operations and represent unrestricted funds of the Charity.

The notes on pages 12 to 21 form part of these financial statements.

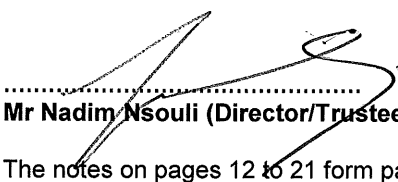
THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH  
(A company limited by guarantee)  
REGISTERED NUMBER: 07801855

BALANCE SHEET  
AS AT 31 DECEMBER 2017

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	11		10,537		20,065
<b>CURRENT ASSETS</b>					
Debtors	12	35,658		19,160	
Cash at bank and in hand		898,997		1,202,991	
		<u>934,655</u>		<u>1,222,151</u>	
<b>CREDITORS:</b> amounts falling due within one year	13	(309,682)		(259,233)	
<b>NET CURRENT ASSETS</b>			<u>624,973</u>		<u>962,918</u>
<b>NET ASSETS</b>			<u>635,510</u>		<u>982,983</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds			<u>635,510</u>		<u>982,983</u>
<b>TOTAL FUNDS</b>			<u>635,510</u>		<u>982,983</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006. The financial statements were approved by the Trustees on and signed on their behalf, by:

27/9/18

  
.....  
**Mr Nadim Nsouli (Director/Trustee)**

The notes on pages 12 to 21 form part of these financial statements.

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THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH  
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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017

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	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	14	<u>(311,866)</u>	<u>(52,754)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		7,872	7,319
Purchase of property, plant and equipment		-	(28,587)
<b>Net cash provided by/(used in) investing activities</b>		<u>7,872</u>	<u>(21,268)</u>
<b>Change in cash and cash equivalents in the year</b>	15	<b>(303,994)</b>	<b>(74,022)</b>
Cash and cash equivalents brought forward		<u>1,202,991</u>	<u>1,277,013</u>
<b>Cash and cash equivalents carried forward</b>	15	<b>898,997</b>	<b>1,202,991</b>

The notes on pages 11 to 19 form part of these financial statements.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.1 General information and basis of preparation**

The Lyla Nsouli Foundation for Children's Brain Cancer Research is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 1145172) and the Registrar of Companies (Company Registration Number 07801855) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are as shown on page 3.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. There are no restricted funds in either period.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.3 Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

**1.4 Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Costs of raising funds costs incurred seeking voluntary contributions through donations and the running of fundraising events during the year;
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Charity.

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**THE LYLA NSOULI FOUNDATION FOR CHILDREN'S BRAIN CANCER RESEARCH**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.5 Support costs allocation**

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 7.

**1.6 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	-	3 years straight line
Computer equipment	-	3 years straight line

**1.8 Debtors**

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

**1.9 Creditors and provisions**

Creditors are recognised when the Charity has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

Provisions are recognised when the Charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.



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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.10 Taxation**

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. It therefore does not suffer tax on income or gains applied for charitable purposes.

**1.11 Foreign currencies**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

**1.12 Financial instruments**

As detailed in Note 4 the Charity does not have a material holding in complex financial instruments. The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 14.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – accruals will be classified as financial instruments, and are measured at amortised cost as detailed in Note 15.

**1.13 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Depreciation rates; and
- Allocation of support costs.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- Useful economic lives of assets.

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**2. INCOME FROM DONATIONS**

	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Donations	<b>24,766</b>	47,897

All income in 2016 was unrestricted.

Office space was donated by a company controlled by one of the Directors but has not been included in the accounts as it is difficult to accurately value.

**3. INCOME FROM TRADING ACTIVITIES - RAISING FUNDS**

	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Ticket sales	-	38,758
Auction income	-	42,598
	<b>-</b>	<b>81,356</b>

All income in 2016 was unrestricted.

**4. INCOME FROM INVESTMENTS**

	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Bank interest receivable	<b>7,872</b>	7,319

All income in 2016 was unrestricted.

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5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Grant funding of activities 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Grant making - institutions	298,458	81,409	379,867	424,825

Total grant costs are analysed in note 6 and total support costs are analysed in note 7.

All expenditure in 2016 was unrestricted.

6. GRANT FUNDING OF ACTIVITIES

	2017 £	2016 £
Funding Neuro	-	244,000
Paediatric Brain Tumor Consortium	-	93,627
Stanford University - Pathological Interactions	96,825	-
University of Florida Academic Health Center - BRAVO	153,520	-
Stanford University - Phase 1 trial of Panobinostat	48,113	-
Total	298,458	337,627

7. ALLOCATION OF SUPPORT COSTS

	Grant making £	Total 2017 £	Total 2016 £
Accountancy fees	7,911	7,911	10,629
Printing, postage and stationary	263	263	1,588
Computer and I.T. costs	36	36	33
Bank charges	731	731	447
Foreign exchange variance	37,502	37,502	-
Office expenses	-	-	2,771
Travel and subsistence	-	-	6,540
Premise costs	3,393	3,393	3,372
Marketing	-	-	3,197
Governance (note 8)	8,489	8,489	7,535
Legal costs	309	309	-
Wages and salaries	13,247	13,247	72,063
Depreciation	9,528	9,528	8,521
	81,409	81,409	116,696

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**8. GOVERNANCE COSTS**

Governance costs comprises the audit fee of £8,489 (2016: £7,500) and professional fees of £nil (2016: £35).

**9. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>9,528</b>	<b>8,521</b>

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2016 - £NIL).

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10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	12,748	81,875
Social security costs	445	7,091
Other pension costs	54	-
	<u>13,247</u>	<u>88,966</u>

The average monthly number of employees during the year was:

	2017 No.	2016 No.
Managing Director	0.00	0.75
Administration Assistant / PA	0.50	0.75
	<u>0.50</u>	<u>1.50</u>

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	<u>0</u>	<u>1</u>

Key management personnel, which comprises the Trustees and the Managing Director, received remuneration totalling £Nil in the year (2016: £64,923).

The trustees do not receive any remuneration in their capacity as trustees.

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**11. TANGIBLE FIXED ASSETS**

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2017 and 31 December 2017	<b>28,587</b>	<b>3,825</b>	<b>32,412</b>
<b>Depreciation</b>			
At 1 January 2017	<b>8,522</b>	<b>3,825</b>	<b>12,347</b>
Charge for the year	<b>9,528</b>	<b>-</b>	<b>9,528</b>
At 31 December 2017	<b>18,050</b>	<b>3,825</b>	<b>21,875</b>
<b>Net book value</b>			
At 31 December 2017	<b>10,537</b>	<b>-</b>	<b>10,537</b>
At 31 December 2016	<b>20,065</b>	<b>-</b>	<b>20,065</b>

**12. DEBTORS**

	2017 £	2016 £
Other debtors	<b>35,336</b>	18,880
Prepayments	<b>322</b>	280
	<b>35,658</b>	19,160

**13. CREDITORS:**  
**Amounts falling due within one year**

	2017 £	2016 £
Other taxation and social security	<b>432</b>	2,767
Other creditors	<b>32</b>	-
Accruals and deferred income	<b>17,105</b>	12,466
Grants payable - to institutions	<b>292,113</b>	244,000
	<b>309,682</b>	259,233

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14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW  
FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net (expenditure) for the year (as per Statement of Financial Activities)	(347,473)	(302,835)
<b>Adjustment for:</b>		
Depreciation charges	9,528	8,522
Dividends, interest and rents from investments	(7,872)	(7,319)
(Increase)/decrease in debtors	(16,498)	13,737
Increase in creditors	50,449	235,141
<b>Net cash used in operating activities</b>	<b>(311,866)</b>	<b>(52,754)</b>

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	898,997	1,202,991
Total	898,997	1,202,991

The change in cash and cash equivalents in the year is an outflow of £303,994 (2016: outflow of £74,022).

16. RELATED PARTY TRANSACTIONS

An Administration Assistant/PA is employed by the Foundation and paid through the Foundation's payroll. As their work is not solely for the Foundation, but for another entity controlled by Nadim Nsouli, a recharge of 50% of their staff costs in the year has been made directly to the relevant entity and thus not reported in this charity's Statement of Financial Activities. The charge was £16,456 (2016:18,880), recharged to Inspired Education Holdings Limited (2016 - Educas Advisors Limited). At the year end Educas owed £18,880 to the charity and Inspired owed £16,456 to the charity, both of which are included in other debtors on the balance sheet.