

**NATIONAL ASSOCIATION FOR  
COLITIS AND CROHN'S DISEASE**

**Registered Charity No. 282732**

**ACCOUNTS**

**FOR THE YEAR ENDED**

**31st DECEMBER 2001**

# **National Association for Colitis and Crohn's Disease**

## **Trustees' Responsibilities**

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Independent Auditors' Report to the Trustees of the National Association for Colitis and Crohn's Disease**

We have audited the financial statements of the National Association for Colitis and Crohn's Disease for the year ended 31st December 2001 which comprise the Consolidated Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

## **Respective Responsibilities of Trustees and Auditors**

The trustees' responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Standards are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## **Basis of Audit Opinion**

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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming an 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 charity's and its subsidiary's affairs as at 31st December 2001 and of their incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

**Kingston Smith**  
Chartered Accountants  
and Registered Auditors

Devonshire House  
60 Goswell Road  
London EC1M 7AD

Date:

**National Association for Colitis and Crohn's Disease**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31st December 2001**

	Note	Unrestricted funds (inc. designated funds note 22) £	Restricted funds £	Total funds 2001 £	Total funds 2000 £
<b>Incoming resources</b>					
Donations, legacies and similar incoming resources	2	286,822	221,973	508,795	621,345
Income from activities in furtherance of the objects	3	255,498	98,105	353,603	330,225
Income from activities for generating funds	4	144,558	90,108	234,666	240,440
Investment income and interest	5	40,529	39,396	79,925	82,820
<b>Total incoming resources</b>		<b>727,407</b>	<b>449,582</b>	<b>1,176,989</b>	<b>1,274,830</b>
<b>less: Cost of generating funds</b>	6	84,743	11,044	95,787	97,335
<b>Net income available for charitable application</b>		<b>642,664</b>	<b>438,538</b>	<b>1,081,202</b>	<b>1,177,495</b>
<b>Charitable expenditure</b>					
Cost of activities in furtherance of the objects of the charity					
Grants paid	8	13,183	261,497	274,680	259,898
Grant support costs	9	-	22,289	22,289	1,493
Information line, booklets and newsletters		259,654	24,181	283,835	287,282
Counselling Project		12,746	3,125	15,871	55,649
Raising awareness		40,196	5,000	45,196	49,235
NACC Groups and "NACC in Contact"		87,493	200	87,693	66,407
Membership costs		121,438	-	121,438	98,897
Family and young people support		-	1,416	1,416	1,636
Volunteer development		-	-	-	6,867
Disability Benefits Project		42,078	12,500	54,578	75,685
Managing and administering the charity	10	83,238	545	83,783	107,171
<b>Total charitable expenditure</b>		<b>660,026</b>	<b>330,753</b>	<b>990,779</b>	<b>1,010,220</b>
<b>Net incoming/(outgoing) resources before transfers</b>	11	<b>(17,362)</b>	107,785	90,423	167,275
Transfers between funds	15	(69,674)	69,674	-	-
<b>Net incoming/(outgoing) resources before revaluations</b>		<b>(87,036)</b>	<b>177,459</b>	<b>90,423</b>	<b>167,275</b>
Unrealised loss on investment assets		(48,305)	(42,979)	(91,284)	(8,819)
<b>Net movement in funds for the year</b>		<b>(135,341)</b>	134,480	(861)	158,456
Fund balances brought forward at 1st January 2001		<b>847,205</b>	<b>723,352</b>	<b>1,570,557</b>	<b>1,412,101</b>
<b>Fund balances carried forward at 31st December 2001 (page 4)</b>		<b>711,864</b>	<b>857,832</b>	<b>1,569,696</b>	<b>1,570,557</b>
		Note 22	Note 23		

# National Association for Colitis and Crohn's Disease

## Balance Sheet at 31st December 2001

	Note	Group*		Charity	
		2001 £	2000 £	2001 £	2000 £
<b>Fixed assets</b>					
Tangible assets	16	114,366	45,504	114,035	45,007
Investment	17	1,009,405	1,100,689	1,009,406	1,100,690
		<u>1,123,771</u>	<u>1,146,193</u>	<u>1,123,441</u>	<u>1,145,697</u>
<b>Current assets</b>					
Stock of goods for resale		11,755	13,959	-	-
Debtors	18	48,958	23,780	75,331	55,937
Cash at bank and in hand	19	838,381	886,332	819,104	865,824
		<u>899,094</u>	<u>924,071</u>	<u>894,435</u>	<u>921,761</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(453,169)</u>	<u>(499,707)</u>	<u>(443,841)</u>	<u>(497,000)</u>
<b>Net current assets</b>		<u>445,925</u>	<u>424,364</u>	<u>450,594</u>	<u>424,761</u>
<b>Total net assets</b>		<u>1,569,696</u>	<u>1,570,557</u>	<u>1,574,035</u>	<u>1,570,458</u>
<b>Funds</b>					
<b>Unrestricted funds</b>					
Designated funds held nationally	22	373,518	478,054	373,518	478,054
General Reserve Fund held nationally		128,412	163,017	128,412	163,017
Unrestricted funds held by NACC Groups		214,273	206,035	214,273	206,035
Non charitable trading funds		<u>(4,339)</u>	<u>99</u>	<u>-</u>	<u>-</u>
<b>Total unrestricted funds</b>		<u>711,864</u>	<u>847,205</u>	<u>716,203</u>	<u>847,106</u>
<b>Restricted funds</b>					
Held nationally	23	759,322	654,445	759,322	654,445
Held by NACC Groups		<u>98,510</u>	<u>68,907</u>	<u>98,510</u>	<u>68,907</u>
<b>Total restricted funds</b>		<u>857,832</u>	<u>723,352</u>	<u>857,832</u>	<u>723,352</u>
<b>Total funds</b>		<u>1,569,696</u>	<u>1,570,557</u>	<u>1,574,035</u>	<u>1,570,458</u>

The accounts, which comprise the statement of financial activities, the balance sheet and the related notes, were approved by the Council of Trustees on \_\_\_\_\_ and signed on its behalf on \_\_\_\_\_ by:

B. Brown ..... Chairman

P. Barnes ..... Treasurer

\*Group represents the consolidation of the charity with its trading company.

# **National Association for Colitis and Crohn's Disease**

## **Notes to the Accounts**

### **For the year ended 31st December 2001**

#### **1 Accounting policies**

##### **Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Charities "Accounting and Reporting by Charities" (2000), the Charities Act 1993 and applicable accounting standards.

##### **Group financial statements**

These financial statements consolidate the results of the charity and its wholly owned trading subsidiary NACC Merchandise Limited, on a line by line basis. A separate statement of financial activities (SOFA) is not presented because the charity has taken advantage of the provisions of paragraph 304 of the SORP.

##### **NACC Groups**

The charity had 80 local groups that were active to some degree during the year. All active groups are required to make returns of income and expenditure for the year which are consolidated in the financial statements.

By the nature of the charity, however, the deadline for returns to be received cannot always be met which means that some results are omitted, some groups are inactive. Returns had not been received from 7 groups at the time of the audit.

##### **Income**

- i) All income is included in the accounts without netting off expenditure
- ii) Members' subscriptions are taken to income in full in the year of receipt.
- iii) Investment income is taken to income when received and then allocated annually to the various funds in proportion to their average balance throughout the year.
- iv) Donations received are treated as unrestricted funds unless they are specifically designated by the donor for either research or the welfare of sufferers, in which cases they are kept in the separate funds. All donations received "in memory" are treated as research unless the donor specifies otherwise.
- v) Legacies are included in the financial statements as soon as their receipt can be anticipated with a high degree of certainty. This frequently coincides with the funds being received.

##### **Expenditure**

- i) Expenditure is charged on an accruals basis.
- ii) The full cost of booklets, leaflets etc. is charged in the year the expenditure is incurred.
- iii) Research grants are charged to expenditure at the time they are allocated.

Grants are allocated to cover the cost of equipment and/or the salaries of research staff.

The majority of grants, which can be for more than one year, are paid quarterly in arrears. For administrative reasons it can take some time for the grantee to appoint suitable staff and consequently some grants may remain partly unpaid at the year end.

Full provision is made for amounts allocated but not yet paid and this provision is shown as a creditor falling due within one year.

- iv) The majority of costs are directly attributable to specific activities. Costs incurred in the furtherance of the charitable activities include elements of staff costs and attributable overhead that have been allocated on the basis of time spent on the individual activity.
- v) Support costs for grants represent those costs incurred in administering the award and payment of grants by the charity. Support costs were not previously allocated to grants and it would not be practicable to restate comparatives in respect of this change in policy.
- vi) Costs of managing and administering the charity include both the direct costs of the charity meeting its statutory obligations and a portion of officer and overhead time spent on the management of assets, organisational administration and compliance with constitutional and statutory requirements.

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001**

**1 Accounting policies (continued)**

**Stocks**

Stocks of goods for resale are valued at the lower of cost and net realisable value.

**Capitalisation and depreciation of tangible fixed assets**

All assets costing more than £500 are capitalised at the cost to the charity.

With the exception of leasehold improvements, depreciation is provided in respect of fixed assets at a rate of 25% per year which rate it is believed fairly reflects the average estimated life of the charity's assets. Leasehold improvements are depreciated over the life of the lease.

**Fixed asset investments**

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

**Pension Contributions**

The charity makes contributions for employees to a group personal pension scheme. This is a defined contribution scheme to which the Association makes employer's contributions of 8% of gross pay. Where employees prefer to maintain their personal pension schemes similar employer contributions are made. Outstanding contributions to the scheme at 31st December 2001 amounted to £17,546, these are included in creditors (this amount was paid in January 2002).

**Funds Accounting**

Funds held by the charity are:

*Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

*Designated funds* - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes in accordance with the development plans of the organisation and to enable the completion of existing projects.

*Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

These funds are further divided between those held Nationally and those held by NACC Groups. Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

**Operating leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the SOFA as they arise.

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001**

**2 Donations, legacies and similar incoming resources**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Donations from members	205,285	181,575
Donations to NACC Groups	105,817	138,527
Other donations	157,077	125,610
Legacies - National	10,616	175,633
- NACC Groups	30,000	-
	<u>508,795</u>	<u>621,345</u>

**3 Income from activities in furtherance of the objects**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Subscriptions	252,498	233,743
Grants from Government and Public Authorities (see below)	73,005	80,932
Other Grants	28,100	15,550
	<u>353,603</u>	<u>330,225</u>

***Grants from Government and Public Authorities***

Department of Health - Counselling Project	3,125	6,250
- Information & Support (Asst. Director)	3,000	11,000
Community Fund (formerly National Lottery Charities Board)		
- Disability Benefits Project	-	31,250
- Research Project on Self-Management by Patients	66,880	32,432
	<u>73,005</u>	<u>80,932</u>

All grants have been expended only on those matters for which they were received. Portions of grant unspent at the year end are carried forward as restricted funds.

**4 Income from activities for generating funds**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
National fundraising	42,270	29,352
NACC Groups' fundraising	127,354	140,453
Turnover of Trading Subsidiary (note 7)	55,068	58,019
Other income	9,974	12,616
	<u>234,666</u>	<u>240,440</u>

**5 Investment income and interest**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Income from quoted investments	48,259	36,305
Other Interest - Charity	31,411	46,051
- Trading Subsidiary	255	464
	<u>79,925</u>	<u>82,820</u>

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

<b>6</b>	<b>Cost of generating funds</b>	<b>2001</b>	<b>2000</b>
		£	£
	Costs of Trading Subsidiary (note 7)	58,961	57,161
	National fundraising	11,722	12,321
	NACC Groups fundraising	25,104	27,853
		<u>95,787</u>	<u>97,335</u>

**7 Trading Subsidiary**

The charity has a wholly owned trading subsidiary NACC Merchandise Limited, a company incorporated in the UK. The company sells Christmas cards and other products. The company pays interest on a loan for working capital to the charity and covenants its taxable profits to NACC. A summary of the trading results of the company is shown below. Audited accounts have been filed with the Registrar of Companies.

	<b>2001</b>	<b>2000</b>
	£	£
<b>Profit and loss account</b>		
Turnover	55,068	58,019
Cost of sales	<u>(38,824)</u>	<u>(38,607)</u>
Gross profit	16,244	19,412
Distribution costs	(15,347)	(13,534)
Administration expenses	(4,790)	(5,020)
Interest payable	(800)	(750)
Interest receivable	255	464
Net profit	<u>(4,438)</u>	572
Amount covenanted to NACC	-	<u>(473)</u>
Retained in subsidiary - (deficit)	<u>(4,438)</u>	<u>99</u>

**8 Grants paid**

**Welfare grants**

Grants are made by NACC's Welfare Fund Committee to individual people who have a particular need arising as a result of their inflammatory bowel disease. The maximum level of grant in 2001 was £300 (2000 - £300). 110 grants were made in the year totalling £24,903.

**Research grants**

Grants are made by NACC's Research Committees to fund research projects that have been approved by peer review. Grants may be for equipment, consumables or salaries, the institutions to which grants were paid in 2001 are listed below. NACC does not contribute to the overhead costs of such institutions.

	<b>2001</b>
	£
<b>Medical research</b>	
University of Liverpool	9,265
Hope Hospital, Manchester	10,800
Central Science Laboratory, York	6,000
University of Dundee	69,971
Royal Free Hospital	5,947
Southampton General Hospital	<u>79,723</u>
	181,706
<b>Research project on self-management by patients</b>	
Newcastle University	<u>35,278</u>
	<u>216,984</u>

*(note continued overleaf)*

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

**8 Grants paid (continued)**

**Other grants**

A number of small grants were made available at National level for counselling sessions, the total paid in the year was £6,495. In addition NACC Groups raised funds for local projects to which grants were made totalling £26,298,

<b>Summary</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Welfare	-	24,903	24,903
Research	-	216,984	216,984
Other - National	-	6,495	6,495
- NACC Groups	13,183	13,115	26,298
	<u>13,183</u>	<u>261,497</u>	<u>274,680</u>

**9 Grant support costs**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Direct costs	7,026	1,493
Attributable staff costs	8,391	-
Attributable overheads	6,872	-
	<u>22,289</u>	<u>1,493</u>

**10 Costs of managing and administering the charity**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
NACC Groups - local costs	5,238	-
Direct costs including audit and legal fees (note 11)	32,656	32,521
Staff costs	18,351	35,034
Overheads	27,538	39,616
	<u>83,783</u>	<u>107,171</u>

**11 Net incoming/(outgoing) resources before transfers**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditors' remuneration	8,813	11,565
Other fees paid to auditors	1,175	1,469
Legal and professional expenses	4,696	18,610
Depreciation	26,821	19,657
Property rental	34,310	24,030
	<u>34,310</u>	<u>24,030</u>

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

**12 Staff costs**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Wages and salaries	194,184	171,085
Social security costs	16,380	14,630
Pension costs	15,229	7,654
	<u>225,793</u>	<u>193,369</u>
	<u>225,793</u>	<u>193,369</u>

The average number of staff in terms of full time equivalents and the allocation of their time was:

Activities in furtherance of the objects	
Grant support costs	0.33
Other activities	8.70
Managing and administering the charity	0.68
Cost of generating funds	0.22
	<u>9.93</u>
	<u>9.15</u>

Comparable information for the time allocation cannot be easily accessed.

No staff were paid more than £50,000 in the year.

**13 Transactions with trustees**

No trustee received any remuneration for their services.

A total of £8,235 (2000 - £8,121) was reimbursed to 10 (2000:10) trustees in respect of travelling expenses and other costs incurred in carrying out their responsibilities as trustees.

**14 Lease rentals**

The charity is committed to making payments of £34,310 per annum in respect of rent in the next year.

The lease expires after more than five years.

**15 Transfers**

Transfers are made for a variety of reasons, between types of funds and between national and NACC Groups, the note below illustrates these:

	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>National</b>				
Transfers from NACC Groups' funds	37,575	-	108,474	146,049
Transfers (from)/to designated funds	46,074	(46,074)	-	-
	<u>83,649</u>	<u>(46,074)</u>	<u>108,474</u>	<u>146,049</u>
Total national funds	<u>83,649</u>	<u>(46,074)</u>	<u>108,474</u>	<u>146,049</u>
<b>NACC Groups</b>				
Transfers between NACC Groups' funds	(69,674)	-	69,674	-
Transfers to national funds	(37,575)	-	(108,474)	(146,049)
	<u>(107,249)</u>	<u>-</u>	<u>(38,800)</u>	<u>(146,049)</u>
Total NACC Groups	<u>(107,249)</u>	<u>-</u>	<u>(38,800)</u>	<u>(146,049)</u>
<b>Total funds</b>	<u>(23,600)</u>	<u>(46,074)</u>	<u>69,674</u>	<u>-</u>
	(note 22)	(note 22)	(note 23)	

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

**16 Fixed assets**

All assets held for use by the charity.

**Charity**

	<b>Leasehold premises</b>	<b>Equipment and furniture</b>	<b>NACC Groups</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought forward 1st January 2001	56,489	61,292	16,790	134,571
Additions	65,837	30,012	-	95,849
Disposals & fully depreciated assets written off	-	(12,544)	-	(12,544)
Carried forward at 31st December 2001	<u>122,326</u>	<u>78,760</u>	<u>16,790</u>	<u>217,876</u>
<b>Depreciation</b>				
Brought forward 1st January 2001	42,299	34,156	13,109	89,564
Charge for the year	5,335	19,690	1,796	26,821
Fully depreciated assets written off	-	(12,544)	-	(12,544)
Carried forward 31st December 2001	<u>47,634</u>	<u>41,302</u>	<u>14,905</u>	<u>103,841</u>
<b>Net book value</b>				
At 31st December 2001	<u>74,692</u>	<u>37,458</u>	<u>1,885</u>	<u>114,035</u>
At 31st December 2000	<u>14,190</u>	<u>27,136</u>	<u>3,681</u>	<u>45,007</u>

**Group\***

	<b>Leasehold premises</b>	<b>Equipment and furniture</b>	<b>NACC Groups</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought forward 1st January 2001	56,489	61,955	16,790	135,234
Additions	65,837	30,012	-	95,849
Disposals & fully depreciated assets written off	-	(12,544)	-	(12,544)
Carried forward at 31st December 2001	<u>122,326</u>	<u>79,423</u>	<u>16,790</u>	<u>218,539</u>
<b>Depreciation</b>				
Brought forward 1st January 2001	42,299	34,322	13,109	89,730
Charge for the year	5,335	19,856	1,796	26,987
Fully depreciated assets written off	-	(12,544)	-	(12,544)
Carried forward 31st December 2001	<u>47,634</u>	<u>41,634</u>	<u>14,905</u>	<u>104,173</u>
<b>Net book value</b>				
At 31st December 2001	<u>74,692</u>	<u>37,789</u>	<u>1,885</u>	<u>114,366</u>
At 31st December 2000	<u>14,190</u>	<u>27,633</u>	<u>3,681</u>	<u>45,504</u>

\*Group represents the consolidation of the charity with its trading company.

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

17 Investments	Group		Charity	
	2001 £	2000 £	2001 £	2000 £
<i>Charities Aid Foundation investment funds</i>				
Market value at 1st January 2001	1,100,689	709,508	1,100,689	709,508
Acquired in the year	-	400,000	-	400,000
Net unrealised (losses)/gains at 31st December 2001	<b>(91,284)</b>	<b>(8,819)</b>	<b>(91,284)</b>	<b>(8,819)</b>
Market value at 31st December 2001	1,009,405	1,100,689	1,009,405	1,100,689
Investment in subsidiary	-	-	1	1
	<b>1,009,405</b>	<b>1,100,689</b>	<b>1,009,406</b>	<b>1,100,690</b>
Cost at 31st December 2001	<b>1,100,001</b>	<b>1,100,001</b>	<b>1,100,001</b>	<b>1,100,001</b>

18 Debtors	Group		Charity	
	2001 £	2000 £	2001 £	2000 £
<b>All amounts fall due within one year</b>				
Balance with trading subsidiary	-	-	26,401	32,986
Prepayments	18,075	15,975	18,075	15,296
Tax recoverable	30,000	1,030	30,000	1,030
Other debtors	883	150	55	-
Accrued income	-	6,625	800	6,625
	<b>48,958</b>	<b>23,780</b>	<b>75,331</b>	<b>55,937</b>

The balance due from the trading subsidiary includes a £10,000 secured loan on which interest is payable at 4% above base rate. The loan is repayable by 4 equal instalments commencing in December 2002. The amount falling due after more than one year is therefore £7,500.

19 Analysis of cash at bank and in hand	Group		Charity	
	2001 £	2000 £	2001 £	2000 £
Current accounts and cash balances	17,881	23,831	17,881	23,831
Interest-bearing account balances	518,668	599,434	499,391	578,926
NACC Groups	301,832	263,067	301,832	263,067
	<b>838,381</b>	<b>886,332</b>	<b>819,104</b>	<b>865,824</b>

20 Creditors: amounts falling due within one year	Group		Charity	
	2001 £	2000 £	2001 £	2000 £
Unpaid balances of research grants	409,297	448,084	409,297	448,084
Trade creditors	8,378	497	-	-
Social security and other taxes	-	7,400	-	5,990
Other creditors	18,241	9,841	18,241	9,841
Accruals and deferred income	17,253	33,885	16,303	33,085
	<b>453,169</b>	<b>499,707</b>	<b>443,841</b>	<b>497,000</b>

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

**21 Capital commitments**

At 31st December 2001 the charity had no capital commitments (2000 - £38,804).

<b>22 Unrestricted funds</b>		<b>Brought forward</b>	<b>Income</b>	<b>Expenditure &amp; realised gains</b>	<b>Transfer</b>	<b>Carried forward</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Designated funds</b>						
Contractual liabilities	(a)	100,000	-	-		100,000
Legacies - reserved for future special projects	(c)	144,383	-	-	(94,384)	49,999
Heyman Bursary	(b)	-	-	-	105,810	105,810
Working capital support	(e)	60,000	-	-	(60,000)	-
Counselling Project	(d)	23,539	-	(12,746)	(7,500)	3,293
Disability Benefits Project	(d)	20,000	-	(12,500)	7,500	15,000
Publications	(d)	11,357	-	(8,500)	2,500	5,357
Volunteer development	(d)	3,123	-	-	-	3,123
Fundraising	(d)	5,000	-	-	-	5,000
Students	(d)	6,500	-	-	-	6,500
Fixed assets	(f)	88,193	-	(12,216)	-	75,977
NACC Group development	(d)	12,500	-	(12,500)	-	-
LMCA prescriptions project	(d)	3,459	-	-	-	3,459
		<b>478,054</b>	<b>-</b>	<b>(58,462)</b>	<b>(46,074)</b>	<b>373,518</b>
<b>Designated total</b>						
<b>Other unrestricted funds</b>						
General Reserve Fund held nationally		163,017	503,256	(621,510)	83,649	128,412
Non charitable trading funds		99	54,523	(58,961)	-	(4,339)
NACC Groups		206,035	169,628	(54,141)	(107,249)	214,273
		<b>847,205</b>	<b>727,407</b>	<b>(793,074)</b>	<b>(69,674)</b>	<b>711,864</b>
<b>Total</b>		<b>847,205</b>	<b>727,407</b>	<b>(793,074)</b>	<b>(69,674)</b>	<b>711,864</b>

- (a) The contractual liabilities fund was established to ensure funds are available to meet any potential liabilities under the premises lease.
- (b) The Heyman Bursary has been established from a legacy to act as an expendable endowment for the provision of nurse training. An allocation will be made to the fund each year of a portion of interest earned.
- (c) The legacies for future special projects fund was established to ensure that these funds are used for major projects to designated by the trustees.
- (d) These funds were established in respect of special projects agreed by the trustees to be funded from legacies received.
- (e) The working capital support fund was used to underwrite general fund expenditure during the planned growth of the charity in 2001/2002.
- (f) The fixed asset fund represents sums set aside for the purchase of fixed assets and is written off in line with the depreciation charge for the assets acquired.

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2001 (continued)**

23 Restricted funds	Brought forward	Incoming resources	Resources expended	Transfers	Carried forward
National	£	£	£	£	£
Research	557,776	215,966	(240,848)	101,294	634,188
Welfare	58,168	22,469	(28,369)	7,180	59,448
Other projects					
Publications	7,848	6,100	(12,448)	-	1,500
Group Development	-	10,500	-	-	10,500
Promoting Awareness	-	5,000	(5,000)	-	-
Counselling Project (DoH)	-	3,125	(3,125)	-	-
(other)	11,165	675	(8,300)	-	3,540
Families and young people	6,670	2,526	(1,416)	-	7,780
Disability Benefits Project	12,500	-	(12,500)	-	-
NIC telephone line	318	6,500	(200)	-	6,618
Scotland	-	5,000	-	-	5,000
Self-management Research Project (Community Fund)	-	66,880	(36,132)	-	30,748
<b>Total restricted funds held Nationally</b>	<b>654,445</b>	<b>344,741</b>	<b>(348,338)</b>	<b>108,474</b>	<b>759,322</b>
<b>NACC Groups</b>					
Research	16,404	55,582	(7,182)	(43,225)	21,579
Welfare	1,620	844	-	(1,260)	1,204
Local projects	50,883	48,415	(29,256)	5,685	75,727
<b>Total restricted funds held by NACC Groups</b>	<b>68,907</b>	<b>104,841</b>	<b>(36,438)</b>	<b>(38,800)</b>	<b>98,510</b>
	<u>723,352</u>	<u>449,582</u>	<u>(384,776)</u>	<u>69,674</u>	<u>857,832</u>

**24 Analysis of charity net assets between funds**

	Unrestricted		Restricted		Total
	NACC Groups	National	NACC Groups	National	
	£	£	£	£	£
Fund balances at 31st December 2001 are represented by:					
Tangible fixed assets	346	112,150	1,539	-	114,035
Investments	-	409,406	-	600,000	1,009,406
Current assets	213,927	14,918	96,971	568,619	894,435
Current liabilities	-	(34,544)	-	(409,297)	(443,841)
	<u>214,273</u>	<u>501,930</u>	<u>98,510</u>	<u>759,322</u>	<u>1,574,035</u>

**25 Related Party**

A company, NACC Nominees Limited, has been formed to hold the lease of the offices occupied by the charity. This position was made necessary because of the unincorporated status of NACC. The directors of NACC Nominees Limited are the trustees of the charity. The obligations arising under the lease are being met by the charity and the designated fund previously established to meet contractual liabilities remains.