

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

**Registered Charity No. 282732**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31st DECEMBER 2006**

# **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 applicable law. 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 group financial statements (the "financial statements") of National Association for Colitis and Crohn's Disease for the year ended 31st December 2006 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

## Respective Responsibilities of Trustees and Auditors

The trustees' responsibilities 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) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the 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, or if information specified by law in respect of trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report 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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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 our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

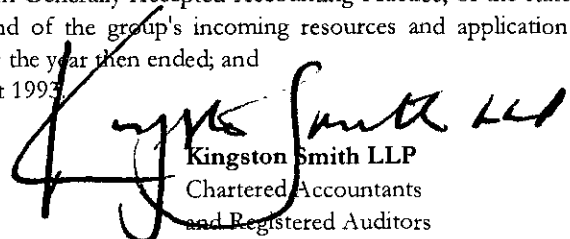
## Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the group's and charity's affairs as at 31st December 2006, and of the group's incoming resources and application of resources, including the income and expenditure of the group for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993

Devonshire House  
60 Goswell Road  
London EC1M 7AD

Date: 16th April 2007

  
Kingston Smith LLP  
Chartered Accountants  
and Registered Auditors

**National Association for Colitis and Crohn's Disease**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31st December 2006**

	Note	Unrestricted funds (inc. designated funds note 22)	Restricted funds	Total funds 2006	Total funds 2005 (Restated)
		£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income:					
Donations and similar income	2	420,648	272,308	692,956	652,895
Legacies		208,499	-	208,499	452,292
Activities for generating funds	3	438,379	49,715	488,094	496,431
Investment income and interest	4	51,713	82,684	134,397	112,843
Incoming resources from charitable activities	5	275,364	48,000	323,364	291,228
<b>Total incoming resources</b>		<b>1,394,603</b>	<b>452,707</b>	<b>1,847,310</b>	<b>2,005,689</b>
<b>Resources Expended</b>					
Cost of generating funds		294,251	7,820	302,071	252,161
Charitable activities					
Grantmaking		270	444,906	445,176	370,478
Information line, booklets and newsletters		327,611	51,430	379,041	303,413
Raising awareness		82,915	10,000	92,915	99,582
Policy & Campaigns		121,803	1,822	123,625	97,169
NACC Groups		148,712	407	149,119	130,951
NACC in Contact		63,073	-	63,073	48,270
Membership costs		159,306	-	159,306	142,497
Family and young people support		46,059	-	46,059	49,075
Disability Benefits Project		-	-	-	9,234
Governance	6	60,078	-	60,078	61,645
<b>Total resources expended</b>	6	<b>1,304,078</b>	<b>516,385</b>	<b>1,820,463</b>	<b>1,564,475</b>
<b>Net incoming resources before transfers</b>		<b>90,525</b>	<b>(63,678)</b>	<b>26,847</b>	<b>441,214</b>
Transfers between funds	15	(66,184)	66,184	-	-
<b>Net incoming resources before revaluations</b>		<b>24,341</b>	<b>2,506</b>	<b>26,847</b>	<b>441,214</b>
Net (loss)/gain on investment assets		(6,218)	(11,012)	(17,230)	94,805
<b>Net movement in funds for the year</b>		<b>18,123</b>	<b>(8,506)</b>	<b>9,617</b>	<b>536,019</b>
Fund balances brought forward at 1st January 2006		1,515,507	1,099,123	2,614,630	2,078,611
<b>Fund balances carried forward at 31st December 2006 (page 4)</b>		<b>1,533,630</b>	<b>1,090,617</b>	<b>2,624,247</b>	<b>2,614,630</b>
		Note 22	Note 23		

All gains and losses arising in the year are included in the Statement of Financial Activities and arise from continuing operations.

The net incoming resources of the Charity for the year were £ 27,005 (2005: £436,365)

The funds of the charity were transferred to an incorporated charity of the same name at midnight on 31st December 2006

**National Association for Colitis and Crohn's Disease**  
**Balance Sheets at 31st December 2006**

	Note	Group*		Charity	
		2006 £	2005 £	2006 £	2005 £
<b>Fixed assets</b>					
Tangible assets	16	101,012	74,649	101,012	74,467
Investment	17	-	1,074,091	1	1,074,092
		<u>101,012</u>	<u>1,148,740</u>	<u>101,013</u>	<u>1,148,559</u>
<b>Current assets</b>					
Stock of goods for resale		12,514	12,525	-	-
Debtors	18	109,549	71,784	97,827	70,858
Cash at bank and in hand	19	3,111,292	2,068,262	3,088,616	2,055,676
		<u>3,233,355</u>	<u>2,152,571</u>	<u>3,186,443</u>	<u>2,126,534</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(710,120)</u>	<u>(686,681)</u>	<u>(674,045)</u>	<u>(671,457)</u>
<b>Net current assets</b>		<u>2,523,235</u>	<u>1,465,890</u>	<u>2,512,398</u>	<u>1,455,077</u>
<b>Total net assets</b>		<u>2,624,247</u>	<u>2,614,630</u>	<u>2,613,411</u>	<u>2,603,636</u>
<b>Funds</b>					
<b>Unrestricted funds</b>	22				
Designated funds held nationally		753,874	907,053	753,874	907,053
General Reserve Fund held nationally		570,811	396,767	570,811	396,767
Unrestricted funds held by NACC Groups		198,109	200,693	198,109	200,693
Non charitable trading funds		10,836	10,994	-	-
<b>Total unrestricted funds</b>		<u>1,533,630</u>	<u>1,515,507</u>	<u>1,522,794</u>	<u>1,504,513</u>
<b>Restricted funds</b>	23				
Held nationally		1,019,485	1,012,477	1,019,485	1,012,477
Held by NACC Groups		71,132	86,646	71,132	86,646
<b>Total restricted funds</b>		<u>1,090,617</u>	<u>1,099,123</u>	<u>1,090,617</u>	<u>1,099,123</u>
<b>Total funds</b>		<u>2,624,247</u>	<u>2,614,630</u>	<u>2,613,411</u>	<u>2,603,636</u>

The assets, liabilities and funds of the charity were transferred to an incorporated charity of the same name at midnight on 31st December 2006.

The accounts, which comprise the consolidated statement of financial activities, the balance sheets and the related notes, were approved by the Council of Trustees on 22nd March 2007 and signed on its behalf on 4th April 2007 by:

Elaine Steven  Chairman

\*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 2006

#### 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" (2005), the Charities Act 1993 and applicable accounting standards. Comparative figures have been reorganised to reflect the changes.

##### **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 397 of the SORP.

##### **NACC Groups**

The charity had 65 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, and some groups are inactive. Returns had not been received from 2 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 respect of the charitable activities include elements of staff costs and attributable support costs.
- v) Support costs are those costs which are common to all areas of the organisation including premises and office operating costs. These are allocated across all areas of activity on the basis of staff time spent on each activity.
- vi) Governance costs include both the direct costs of the charity meeting its statutory obligations and a portion of officer and overhead time spent on the strategic direction of the organisation 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 2006 (continued)

### 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 2006 amounted to £3,064, these are included in creditors.

#### 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.

### 2 Donations, and similar incoming resources

	2006	2005
	£	£
Donations from members	198,021	294,895
Donations to NACC Groups	97,137	109,008
Other donations	397,798	248,992
	<u>692,956</u>	<u>652,895</u>

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

For the year ended 31st December 2006 (continued)

<b>3</b>	<b>Income from activities for generating funds</b>			<b>2006</b>	<b>2005</b>
				£	£
	National fundraising			316,491	311,309
	NACC Groups' fundraising			81,703	95,187
	Turnover of Trading Subsidiary (note 10 )			87,030	81,995
	Other income			2,870	7,940
				<u>488,094</u>	<u>496,431</u>
<b>4</b>	<b>Investment income and interest</b>			<b>2006</b>	<b>2005</b>
				£	£
	Income from quoted investments			24,081	40,344
	Other Interest - Charity			109,991	72,209
	- Trading Subsidiary (note 10 )			325	290
				<u>134,397</u>	<u>112,843</u>
<b>5</b>	<b>Income from activities in furtherance of the objects</b>			<b>2006</b>	<b>2005</b>
				£	£
	Subscriptions			275,364	279,208
	Other Grants			48,000	12,020
				<u>323,364</u>	<u>291,228</u>
<b>6</b>	<b>Resources Expended</b>				
		<b>Direct staff costs</b>	<b>Other direct costs</b>	<b>Support Costs</b>	<b>Total</b>
		£	£	£	£
	Cost of generating funds (note 9)	100,832	150,419	50,820	302,071
	Charitable activities		-		
	Grantmaking (note 11)	11,963	427,184	6,029	445,176
	Information line, booklets and newsletters	125,822	189,804	63,415	379,041
	Raising awareness	13,147	73,142	6,626	92,915
	Policy & Campaigns	16,877	98,242	8,506	123,625
	NACC Groups	76,554	33,981	38,584	149,119
	NACC in Contact	26,581	23,095	13,397	63,073
	Membership costs	66,049	59,968	33,289	159,306
	Family and young people support	23,830	10,219	12,010	46,059
	Disability Benefits Project		-		9,234
	Governance (note 12)	6,205	50,745	3,128	60,078
		<u>467,860</u>	<u>1,116,799</u>	<u>235,804</u>	<u>1,820,463</u>
		(note 7)		(note 8)	

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

**For the year ended 31st December 2006(continued)**

7 Staff costs	2006 £	2005 £
Wages and salaries	433,293	342,584
Social security costs	43,202	32,440
Pension costs	21,613	19,990
	<u>498,108</u>	<u>395,014</u>
Direct costs	467,860	367,290
Support costs	30,248	27,724
	<u>498,108</u>	<u>395,014</u>

The average number of staff and the allocation of their time was:

Charitable activities	2006	2005
Direct	17.45	16.25
Support	0.90	0.95
Governance	0.15	0.50
Cost of generating funds	3.50	3.30
	<u>22.00</u>	<u>21.00</u>

No member of staff was paid more than £60,000 in the year.

8 Support Costs	2006 £	2005 £
Staff costs	30,248	27,724
Other staff related costs	14,549	16,967
Premises	98,160	82,088
Office operating costs	87,266	82,748
Other costs	5,581	9,870
	<u>235,804</u>	<u>219,397</u>
Included in support costs are the following:		
Depreciation*	23,151	17,743
Property rental	43,240	38,049
	<u>66,391</u>	<u>55,792</u>

\*A further £182 (2005: £182) is included in costs of generating funds in respect of trading company depreciation

Support costs are allocated across the activity areas of the charity on the basis of direct staff time related to that activity.

9 Cost of generating funds	2006 £	2005 £
Costs of Trading Subsidiary (note 10)	74,323	69,563
National fundraising direct costs	57,299	38,051
NACC Groups' fundraising	18,797	34,533
	<u>150,419</u>	<u>142,147</u>

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

For the year ended 31st December 2006(continued)

### 10 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 gift aids 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.

	2006	2005
	£	£
<b>Profit and loss account</b>		
Turnover	87,030	81,995
Cost of sales	<u>(57,174)</u>	<u>(53,368)</u>
Gross profit	29,856	28,627
Distribution costs	(12,595)	(11,938)
Administration expenses	(4,554)	(4,257)
Interest payable	-	(216)
Interest receivable	<u>325</u>	<u>290</u>
Net profit	13,032	12,506
Amount gift aided to NACC	<u>(13,190)</u>	<u>(7,657)</u>
Profit on ordinary activities	(158)	4,849
Retained profit brought forward	<u>10,994</u>	<u>6,145</u>
Retained profit carried forward	<u><u>10,836</u></u>	<u><u>10,994</u></u>

### 11 Grant making direct costs

Grant making direct costs comprise:

	2006	2005
	£	£
<b>Grants made</b>		
Welfare	36,662	36,626
Research	354,466	277,784
Other	31,951	31,804
	<u>423,079</u>	<u>346,214</u>
<b>Direct costs of grant making process</b>	4,105	6,726
	<u><u>427,184</u></u>	<u><u>370,478</u></u>

#### 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 basic grant in 2006 was £500 (2005: £500). 144 grants were made in the year totalling £36,662.

#### Research grants

Grants are made by NACC's Research Committees to fund research projects that have been approved by peer review.

	2006
	£
<b>Medical research</b>	
Keele University	3,000
Imperial College, Hammersmith Hospital	95,242
University College, London	20,000
University of Bristol	89,987
The Wellcome Trust Sanger Institute	131,412
University of Newcastle	<u>14,825</u>
	<u><u>354,466</u></u>

#### Other grants

In addition NACC Groups raised funds for local hospital projects to which grants totalling £31,951 were made.

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

For the year ended 31st December 2006 (continued)

12 Governance direct costs	2006	2005
	£	£
Auditors' remuneration - current year	13,000	10,000
Auditors' remuneration - prior year under provision	2,146	357
Other fees paid to auditors	3,687	823
Legal and professional expenses	18,255	10,486
Meetings and trustee expenses	13,607	10,738
Other expenses	50	523
	<u>50,745</u>	<u>32,927</u>

### 13 Transactions with trustees

No trustee received any remuneration for their services as a trustee.

A total of £17,907 (2005 - £14,634) was reimbursed to 12 (2005 - 13) 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 £ 44,729 per annum in respect of rent in the next year. The lease expires after more than five years (2005: £41,398)

### 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:

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
<b>National</b>				
Transfers to NACC Groups' funds	(8,000)			(8,000)
Transfers from NACC Groups' funds	31,260		93,131	124,391
Transfers (from)/to designated funds	16,024	(16,024)		-
Total national funds	<u>39,284</u>	<u>(16,024)</u>	<u>93,131</u>	<u>116,391</u>
<b>NACC Groups</b>				
Transfers from National			8,000	8,000
Transfers between NACC Groups' funds	(58,184)		58,184	-
Transfers to national funds	(31,260)		(93,131)	(124,391)
Total NACC Groups	<u>(89,444)</u>	<u>-</u>	<u>(26,947)</u>	<u>(116,391)</u>
<b>Total funds</b>	<u>(50,160)</u>	<u>(16,024)</u>	<u>66,184</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 2006 (continued)

### 16 Fixed assets

All assets held for use by the charity.

Charity	Leasehold premises	Equipment and furniture	NACC Groups	Total
Cost	£	£	£	£
Brought forward 1st January 2006	124,743	45,625	4,270	174,638
Additions	32,133	17,563	-	49,696
Disposals & fully depreciated assets written off	-	(5,664)	(2,654)	(8,318)
Carried forward at 31st December 2006	<u>156,876</u>	<u>57,524</u>	<u>1,616</u>	<u>216,016</u>
<b>Depreciation</b>				
Brought forward 1st January 2006	68,242	28,384	3,545	100,171
Charge for the year	8,365	14,381	405	23,151
Fully depreciated assets written off	-	(5,664)	(2,654)	(8,318)
Carried forward 31st December 2006	<u>76,607</u>	<u>37,101</u>	<u>1,296</u>	<u>115,004</u>
<b>Net book value</b>				
At 31st December 2006	<u>80,269</u>	<u>20,423</u>	<u>320</u>	<u>101,012</u>
At 31st December 2005	<u>56,501</u>	<u>17,241</u>	<u>725</u>	<u>74,467</u>
<b>Group*</b>				
Cost	£	£	£	£
Brought forward 1st January 2006	124,743	47,016	4,270	176,029
Additions	32,133	17,563	-	49,696
Disposals & fully depreciated assets written off	-	(5,664)	(2,654)	(8,318)
Carried forward at 31st December 2006	<u>156,876</u>	<u>58,915</u>	<u>1,616</u>	<u>217,407</u>
<b>Depreciation</b>				
Brought forward 1st January 2006	68,242	29,593	3,545	101,380
Charge for the year	8,365	14,563	405	23,333
Fully depreciated assets written off	-	(5,664)	(2,654)	(8,318)
Carried forward 31st December 2006	<u>76,607</u>	<u>38,492</u>	<u>1,296</u>	<u>116,395</u>
<b>Net book value</b>				
At 31st December 2006	<u>80,269</u>	<u>20,423</u>	<u>320</u>	<u>101,012</u>
At 31st December 2005	<u>56,501</u>	<u>17,423</u>	<u>725</u>	<u>74,649</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 2006 (continued)

17 Investments	Group		Charity	
	2006 £	2005 £	2006 £	2005 £
Market value at 1st January 2006	1,074,091	979,286	1,074,091	979,286
Disposals at opening market value (proceeds £1,056,861, loss on disposal £17,230)	(1,074,091)	-	(1,074,091)	-
Revaluation at period end	-	94,805	-	94,805
Market value at 31st December 2006	-	1,074,091	-	1,074,091
Investment in subsidiary	-	-	1	1
	-	1,074,091	1	1,074,092
Cost at 31st December 2006	1,100,000	1,100,000	1	1,100,000

18 Debtors	Group		Charity	
	2006 £	2005 £	2006 £	2005 £
<b>All amounts fall due within one year</b>				
Balance with trading subsidiary	-	-	5,969	5,518
Prepayments	27,623	33,557	27,623	31,131
Tax recoverable	39,125	30,466	39,125	30,466
Other debtors	38,291	4,018	20,600	-
Accrued income	4,510	3,743	4,510	3,743
	109,549	71,784	97,827	70,858

19 Analysis of cash at bank and in hand	Group		Charity	
	2006 £	2005 £	2006 £	2005 £
Current accounts and cash balances	67,439	60,802	44,763	48,216
Interest-bearing account balances	2,774,316	1,730,656	2,774,316	1,730,656
NACC Groups	269,537	276,804	269,537	276,804
	3,111,292	2,068,262	3,088,616	2,055,676

20 Creditors: amounts falling due within one year	Group		Charity	
	2006 £	2005 £	2006 £	2005 £
Unpaid balances of research grants	594,011	559,371	594,011	559,371
Trade creditors	72,021	88,543	42,762	76,952
Balance with trading subsidiary	-	-	-	-
Social security and other taxes	18,982	13,233	13,691	11,075
Other creditors	3,064	2,392	3,064	2,392
Accruals and deferred income	22,042	23,142	20,517	21,667
	710,120	686,681	674,045	671,457

## 21 Capital commitments

At 31st December 2006 the charity had capital commitments of £33,554 (2005 - £25,000).

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

**For the year ended 31st December 2006 (continued)**

22 Unrestricted funds		Brought forward	Incoming resources	Resources expended*	Transfers	Carried forward
		£	£	£	£	£
<b>Designated funds</b>						
Contractual liabilities	(a)	100,000	-	-	-	100,000
Legacies - reserved for future special projects	(c)	537,506	208,499	-	(338,324)	407,681
Heyman Bursary	(b)	117,794	9,135	(23,343)	-	103,586
NOP Research	(d)	12,500	-	-	(12,500)	-
Implementation of NACC Plan	(d)	5,000	-	-	(5,000)	-
Public and Patient Involvement	(d)	4,925	-	-	(4,925)	-
Improving Health Services for IBD	(d)	9,100	-	(6,076)	-	3,024
Publications - website	(d)	3,000	-	(3,000)	-	-
Publications - booklets	(f)	2,500	-	(2,500)	-	-
Publicity development	(f)	4,000	-	(4,000)	-	-
Fundraising development	(d)	3,000	-	(3,000)	-	-
Student support activities	(d)	3,500	-	-	-	3,500
Group & volunteer development	(d)	6,123	-	(10,192)	29,069	25,000
Fixed assets	(e)	48,411	-	(7,135)	27,332	68,608
Policy & Campaigns	(d)	5,000	-	(22,328)	25,000	7,672
Millennium Walk	(g)	44,694	-	(9,891)	-	34,803
<b>Designated total</b>		<u>907,053</u>	<u>217,634</u>	<u>(91,465)</u>	<u>(279,348)</u>	<u>753,874</u>
<b>Other unrestricted funds</b>						
General Reserve Fund held nationally		396,767	971,370	(1,099,934)	302,608	570,811
Non charitable trading funds		10,994	74,165	(74,323)	-	10,836
NACC Groups		<u>200,693</u>	<u>131,434</u>	<u>(44,574)</u>	<u>(89,444)</u>	<u>198,109</u>
<b>Total</b>		<u>1,515,507</u>	<u>1,394,603</u>	<u>(1,310,296)</u>	<u>(66,184)</u>	<u>1,533,630</u>

- (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 development of specialist nursing for IBD. 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 be 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 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.
- (f) These funds were established from unrestricted funds received which trustees have earmarked to be applied to the purposes suggested by the name of the fund.
- (g) The Millennium Walk is a national fund raising event, the proceeds of which are to be used for discrete projects as directed by the trustees.

\* Included within Resources expended are realised losses on investments.

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

For the year ended 31st December 2006 (continued)

23 Restricted funds	Brought forward	Incoming resources	Resources expended*	Transfers	Carried forward
	£	£	£	£	£
<b>National</b>					
Research	766,601	302,990	(382,497)	258,583	945,677
Patient/Professional Partnership Project	160,422	13,730	(1,850)	(172,302)	-
Welfare	54,826	30,717	(39,890)	6,850	52,503
Other projects					
Information services	7,500	2,763	(10,263)	-	-
Patient packs	-	36,000	(36,000)	-	-
Awareness week	-	10,000	(10,000)	-	-
Scotland legacy	1,488	-	(183)	-	1,305
Sidney Hulin Legacy	20,000	-	-	-	20,000
Self-management Research Project (Community Fund)	1,640	-	(1,640)	-	-
<b>Total restricted funds held Nationally</b>	<b>1,012,477</b>	<b>396,200</b>	<b>(482,323)</b>	<b>93,131</b>	<b>1,019,485</b>
<b>NACC Groups</b>					
Research	21,413	41,749	(829)	(35,305)	27,028
Welfare	534	-	-	-	534
Local projects	64,699	14,758	(44,245)	8,358	43,570
<b>Total restricted funds held by NACC Groups</b>	<b>86,646</b>	<b>56,507</b>	<b>(45,074)</b>	<b>(26,947)</b>	<b>71,132</b>
	<u>1,099,123</u>	<u>452,707</u>	<u>(527,397)</u>	<u>66,184</u>	<u>1,090,617</u>

\* Included within Resources expended are realised losses on investments.

Each fund is used for the purpose its name defines except that the Sidney Hulin Fund is to be used for a specific project in the name of the donor.

## 24 Analysis of charity net assets between funds

	Unrestricted		Restricted		Total
	NACC Groups	National	NACC Groups	National	
	£	£	£	£	£
Fund balances at 31st December 2006 are represented by:					
Tangible fixed assets	320	100,692	-	-	101,012
Investments	-	1	-	-	1
Current assets	197,789	1,304,026	71,132	1,613,496	3,186,443
Current liabilities	-	(80,034)	-	(594,011)	(674,045)
	<u>198,109</u>	<u>1,324,685</u>	<u>71,132</u>	<u>1,019,485</u>	<u>2,613,411</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.

The Charity has entered into an agreement with Mr N Westwood, a trustee, under which Mr Westwood's business hosts the charity's website. During the year fees of £6,728 were paid to this business. In accordance with the charity's policy Mr Westwood withdrew from Trustee discussions authorising the transaction.

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

For the year ended 31st December 2006 (continued)

### 26 Post balance sheet events

At midnight on 31st December 2006 the assets, liabilities, funds and undertaking of the National Association for Colitis and Crohn's Disease were transferred to a new incorporated charity of the same name. The charity number of the new entity is 1117148 and the registered company number is 5973370.

**National Association for Colitis and Crohn's Disease**  
**Charity Statement of Financial Activities**  
**For the year ended 31st December 2006**

	Unrestricted funds (inc. designated funds note 22)	Restricted funds	Total funds 2006	Total funds 2005 (restated)
	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary income:				
Donations and similar incoming resources	420,648	272,308	692,956	660,552
Legacies	208,499	-	208,499	452,292
Activities for generating funds	364,539	49,715	414,254	414,436
Investment income and interest	51,388	82,684	134,072	112,769
Incoming resources from charitable activities	<u>275,364</u>	<u>48,000</u>	<u>323,364</u>	<u>291,228</u>
<b>Total incoming resources</b>	<u><b>1,320,438</b></u>	<u><b>452,707</b></u>	<u><b>1,773,145</b></u>	<u><b>1,931,277</b></u>
<b>Resources Expended</b>				
Cost of generating funds	219,928	7,820	227,748	182,598
Charitable activities				
Grantmaking	270	444,906	445,176	370,478
Information line, booklets and newsletters	327,611	51,430	379,041	303,413
Raising awareness	82,915	10,000	92,915	99,582
Policy & Campaigns	121,803	1,822	123,625	97,169
NACC Groups	148,712	407	149,119	130,951
NACC in Contact	63,073	-	63,073	48,270
Membership costs	159,306	-	159,306	142,497
Family and young people support	46,059	-	46,059	49,075
Disability Benefits Project			-	9,234
Governance	<u>60,078</u>	<u>-</u>	<u>60,078</u>	<u>61,645</u>
<b>Total resources expended</b>	<u><b>1,229,755</b></u>	<u><b>516,385</b></u>	<u><b>1,746,140</b></u>	<u><b>1,494,912</b></u>
<b>Net incoming resources before transfers</b>	90,683	(63,678)	27,005	436,365
Transfers between funds	<u>(66,184)</u>	<u>66,184</u>	<u>-</u>	<u>-</u>
<b>Net incoming resources before revaluations</b>	<u><b>24,499</b></u>	<u><b>2,506</b></u>	<u><b>27,005</b></u>	<u><b>436,365</b></u>
Net (loss)/gain on investment assets	<u>(6,218)</u>	<u>(11,012)</u>	<u>(17,230)</u>	<u>94,805</u>
<b>Net movement in funds for the year</b>	<u><b>18,281</b></u>	<u><b>(8,506)</b></u>	<u><b>9,775</b></u>	<u><b>531,170</b></u>
Fund balances brought forward at 1st January 2006	<u><b>1,504,513</b></u>	<u><b>1,099,123</b></u>	<u><b>2,603,636</b></u>	<u><b>2,072,466</b></u>
<b>Fund balances carried forward at 31st December 2006</b>	<u><u><b>1,522,794</b></u></u>	<u><u><b>1,090,617</b></u></u>	<u><u><b>2,613,411</b></u></u>	<u><u><b>2,603,636</b></u></u>

*This page is for management use only and is not for publication*