

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

**English Registered Charity No. 1117148**  
**Scottish Registered Charity No. SC038632**  
Company Number 5973370

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31st DECEMBER 2008**

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

The trustees 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).

Law applicable to charities in England & Wales and Scotland 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 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 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 ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the governing document.

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 Members of the National Association for Colitis and Crohn's Disease

We have audited the group and parent charitable company financial statements (the "financial statements") of the National Association for Colitis and Crohn's Disease for the year ended 31st December 2008 which comprise the Group Statement of Financial Activities, the Group and Charitable Company 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 charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members 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 charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective Responsibilities of Trustees and Auditors

The responsibilities of the trustees (who are also the directors of the National Association for Colitis and Crohn's Disease for the purposes of company law) 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 auditors under the Companies Act 1985 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the 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 charitable parent company's circumstances, consistently applied and adequately disclosed.

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

## Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the group's and charitable company's affairs as at 31st December 2008 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
- the financial statements have been properly prepared in accordance with the Companies Act 1985; the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

Devonshire House  
60 Goswell Road  
London EC1M 7AD  
Date:

**Kingston Smith LLP**  
Chartered Accountants  
and Registered Auditors

**National Association for Colitis and Crohn's Disease**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31st December 2008**

	Unrestricted funds (inc. designated funds note 22)	Restricted funds	Total funds 2008	Total funds 2007
Note	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary income:				
Donations and similar income	2	411,626	306,108	717,734
Legacies		158,115	4,054	162,169
Activities for generating funds	3	699,955	62,447	762,402
Investment income and interest	4	137,593	32,238	169,831
Incoming resources from charitable activities	5	<u>369,014</u>	<u>-</u>	<u>369,014</u>
<b>Total incoming resources</b>		<b><u>1,776,303</u></b>	<b><u>404,848</u></b>	<b><u>2,181,151</u></b>
<b>Resources Expended</b>				
Cost of generating funds		398,586	12,182	410,768
Charitable activities				
Grantmaking		327	560,043	560,370
Information line, booklets and newsletters		384,390	21,618	406,008
Raising awareness		104,564	-	104,564
Policy & Campaigns		130,625	-	130,625
NACC Groups		226,258	-	226,258
NACC in Contact		42,646	-	42,646
Membership costs		156,429	-	156,429
Family and young people support		29,127	1,986	31,113
Governance	6	<u>53,983</u>	<u>-</u>	<u>53,983</u>
<b>Total resources expended</b>	6	<b><u>1,526,935</u></b>	<b><u>595,829</u></b>	<b><u>2,122,764</u></b>
<b>Net incoming resources before transfers</b>		249,368	(190,981)	58,387
Transfers between funds	15	<u>(46,883)</u>	<u>46,883</u>	<u>-</u>
<b>Net movement in funds for the year</b>		202,485	(144,098)	58,387
Fund balances brought forward at 1st January 2008		<u>1,372,468</u>	<u>1,171,962</u>	<u>2,544,430</u>
<b>Fund balances carried forward at 31st December 2008 (page 4)</b>		<b><u>1,574,953</u></b>	<b><u>1,027,864</u></b>	<b><u>2,602,817</u></b>
		Note 22	Note 23	

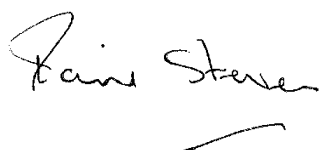
All gains and losses arising in the year are included in the Statement of Financial Activities and arise from continuing operations.

The net incoming resources of the Charitable Company for the period was £58,336.

## National Association for Colitis and Crohn's Disease Balance Sheets at 31st December 2008

	Note	Group*		Charity	
		2008 £	2007 £	2008 £	2007 £
<b>Fixed assets</b>					
Tangible assets	16	104,714	122,211	104,714	122,211
Investment	17	-	-	1	1
		<u>104,714</u>	<u>122,211</u>	<u>104,715</u>	<u>122,212</u>
<b>Current assets</b>					
Stock of goods for resale		17,727	18,515	-	-
Debtors	18	106,123	86,543	147,577	116,964
Cash at bank and in hand	19	<u>3,259,286</u>	<u>3,093,291</u>	<u>3,208,047</u>	<u>3,055,774</u>
		3,383,136	3,198,349	3,355,624	3,172,738
<b>Creditors: amounts falling due within one year</b>	20	<u>(461,107)</u>	<u>(545,380)</u>	<u>(444,502)</u>	<u>(530,624)</u>
<b>Net current assets</b>		2,922,029	2,652,969	2,911,122	2,642,114
<b>Creditors: amounts falling due after one year</b>	20a	<u>(423,926)</u>	<u>(230,750)</u>	<u>(423,926)</u>	<u>(230,750)</u>
<b>Total net assets</b>		<u>2,602,817</u>	<u>2,544,430</u>	<u>2,591,911</u>	<u>2,533,576</u>
<b>Funds</b>					
<b>Unrestricted funds</b>	22				
Designated funds held nationally		738,263	623,263	738,263	623,263
General Reserve Fund held nationally		647,529	568,031	647,529	568,031
Unrestricted funds held by NACC Groups		178,255	170,320	178,255	170,320
Non charitable trading funds		<u>10,906</u>	<u>10,854</u>	<u>-</u>	<u>-</u>
<b>Total unrestricted funds</b>		<u>1,574,953</u>	<u>1,372,468</u>	<u>1,564,047</u>	<u>1,361,614</u>
<b>Restricted funds</b>	23				
Held nationally		928,901	1,090,147	928,901	1,090,147
Held by NACC Groups		<u>98,963</u>	<u>81,815</u>	<u>98,963</u>	<u>81,815</u>
<b>Total restricted funds</b>		<u>1,027,864</u>	<u>1,171,962</u>	<u>1,027,864</u>	<u>1,171,962</u>
<b>Total funds</b>		<u>2,602,817</u>	<u>2,544,430</u>	<u>2,591,911</u>	<u>2,533,576</u>

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  
and signed on its behalf on \_\_\_\_\_ 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 2008**

#### **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 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 2008 (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 2008 amounted to £3,756, 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**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Donations from members	207,562	205,907
Donations to NACC Groups	100,311	70,003
Other donations	409,861	319,376
	717,734	595,286
	717,734	595,286

# National Association for Colitis and Crohn's Disease

## Notes to the Accounts

**For the year ended 31st December 2008 (continued)**

<b>3</b>	<b>Income from activities for generating funds</b>		<b>2008</b>	<b>2007</b>		
			<b>£</b>	<b>£</b>		
	National fundraising		572,879	471,514		
	NACC Groups' fundraising		90,089	72,129		
	Turnover of Trading Subsidiary (note10 )		84,948	104,176		
	Other income		<u>14,486</u>	<u>17,204</u>		
			<u>762,402</u>	<u>665,023</u>		
<b>4</b>	<b>Investment income and interest</b>		<b>2008</b>	<b>2007</b>		
			<b>£</b>	<b>£</b>		
	Other Interest - Charity		168,794	159,709		
	- Trading Subsidiary (note 10 )		<u>1,037</u>	<u>636</u>		
			<u>169,831</u>	<u>160,345</u>		
<b>5</b>	<b>Income from activities in furtherance of the objects</b>		<b>2008</b>	<b>2007</b>		
			<b>£</b>	<b>£</b>		
	Subscriptions		281,514	284,510		
	Other Grants		<u>87,500</u>	<u>35,309</u>		
			<u>369,014</u>	<u>319,819</u>		
<b>6</b>	<b>Resources Expended</b>					
		<b>Direct staff</b>	<b>Other direct</b>	<b>Support</b>	<b>Total</b>	<b>Total</b>
		<b>costs</b>	<b>costs</b>	<b>Costs</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Cost of generating funds (note 9)	104,253	255,525	50,990	410,768	378,957
	Charitable activities					
	Grantmaking (note 11)	16,243	536,182	7,945	560,370	434,728
	Information line, booklets and newsletters	149,239	183,777	72,992	406,008	387,302
	Raising awareness	18,529	76,973	9,062	104,564	100,018
	Policy & Campaigns	17,718	104,241	8,666	130,625	145,887
	NACC Groups	110,906	61,108	54,244	226,258	204,152
	NACC in Contact	22,421	9,259	10,966	42,646	38,458
	Membership costs	75,208	44,437	36,784	156,429	135,852
	Family and young people support	5,194	23,378	2,541	31,113	64,483
	Governance (note 12)	<u>8,134</u>	<u>41,871</u>	<u>3,978</u>	<u>53,983</u>	<u>43,431</u>
		<u>527,845</u>	<u>1,336,751</u>	<u>258,168</u>	<u>2,122,764</u>	<u>1,933,268</u>

(note 7)

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2008 (continued)**

<b>7</b>	<b>Staff costs</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	488,752	524,461
	Social security costs	47,435	50,379
	Pension costs	27,074	31,998
		<u>563,260</u>	<u>606,838</u>
	Direct costs	527,845	573,040
	Support costs	<u>35,415</u>	<u>33,798</u>
		<u>563,260</u>	<u>606,838</u>

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

Charitable activities			
Direct		16.45	19.95
Support		0.90	0.90
Governance		0.15	0.15
Cost of generating funds		<u>3.50</u>	<u>4.00</u>
		<u>21.00</u>	<u>25.00</u>

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

<b>8</b>	<b>Support Costs</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	Staff costs	35,415	33,798
	Other staff related costs	8,440	7,798
	Premises	95,371	100,285
	Office operating costs	102,409	103,205
	Other costs	<u>16,533</u>	<u>16,062</u>
		<u>258,168</u>	<u>261,148</u>
	Included in support costs are the following:		
	Depreciation	21,542	27,361
	Property rental	<u>44,729</u>	<u>44,729</u>

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

<b>9</b>	<b>Cost of generating funds - direct costs</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	Costs of Trading Subsidiary (note 10)	67,716	77,702
	National fundraising direct costs	171,344	76,753
	NACC Groups' fundraising	<u>16,465</u>	<u>18,901</u>
		<u>255,525</u>	<u>173,356</u>

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2008 (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.

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Profit and loss account</b>		
Turnover	84,948	104,176
Cost of sales	<u>(54,224)</u>	<u>(62,470)</u>
Gross profit	30,724	41,706
Distribution costs	(10,568)	(10,564)
Administration expenses	(5,678)	(4,668)
Interest receivable	<u>1,037</u>	<u>636</u>
Net profit	15,515	27,110
Amount gift aided to NACC	<u>(15,463)</u>	<u>(27,092)</u>
Profit on ordinary activities	52	18
Retained profit brought forward	<u>10,854</u>	<u>10,836</u>
Retained profit carried forward	<u><u>10,906</u></u>	<u><u>10,854</u></u>

The total costs for the trading subsidiary are £70,470 of which £67,716 has been recognised as costs of generating funds, £1,700 has been included in Governance costs and £1,056 has been included as support costs.

**11 Grant making direct costs**

Grant making direct costs comprise:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Grants made</b>		
Welfare	49,677	41,746
Research	527,546	342,658
Grant liabilities written back	(76,278)	-
Other - NACC Groups	<u>15,262</u>	<u>18,324</u>
	516,207	402,728
<b>Direct costs of grant making process</b>	<u>19,975</u>	<u>11,862</u>
	<u><u>536,182</u></u>	<u><u>414,590</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 2008 was £500 (2007: £500). 169 (2007: 124) grants were made in the year totalling £49,677 (2007: £41,746).

**Research grants**

Grants are made by NACC's Research Committees to fund research projects that have been approved by peer review. Grants maybe for equipment, consumables or salaries, the institutions for which grants were paid or payable in 2008 are listed below. NACC does not contribute to the overhead costs of such institutions.

	<b>2008</b>
	<b>£</b>
<b>Medical research</b>	
University of Liverpool	89,341
University of Dundee	86,950
Bristol Royal Infirmary	100,000
University of Bristol	7,791
University of Hertfordshire	101,718
Barts and the London NHS	133,066
Other	8,680
	<u><u>527,546</u></u>

**Other grants**

In addition NACC Groups raised funds for local hospital projects to which grants totalling £15,262 were made.

Having undergone a detailed review, grants which were still outstanding but were unlikely to be claimed totalling £76,278 were written back into the accounts.

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2008 (continued)**

<b>12 Governance direct costs</b>		<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
Auditors' remuneration - current year		16,700	15,575
Auditors' remuneration - prior year (over)/under provision		-	634
Legal and professional expenses		14,860	16,440
Meetings and trustee expenses		8,146	-
Other expenses		<u>2,165</u>	<u>967</u>
		<u>41,871</u>	<u>33,616</u>

**13 Transactions with trustees**

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

A total of £15,698 (2007 - £16,384) was reimbursed to 12 (2007 - 12) trustees in respect of travelling expenses and other costs incurred in carrying out their responsibilities as trustees.

**14 Financial Commitments**

The charity had the following operating lease commitments

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>Lease</b>	<b>Equipment</b>	<b>Lease</b>	<b>Equipment</b>
2 - 5 years	44,729	3,329	44,729	-

**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</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>National</b>				
Transfers to NACC Groups' funds	(1,000)	-	(706)	(1,706)
Transfers from NACC Groups' funds	27,143	-	65,725	92,868
Transfers (from)/to designated funds	<u>50,977</u>	<u>(50,977)</u>	<u>-</u>	<u>-</u>
Total national funds	<u>77,120</u>	<u>(50,977)</u>	<u>65,019</u>	<u>91,162</u>
<b>NACC Groups</b>				
Transfers from National	1,000	-	706	1,706
Transfers between NACC Groups' funds	(46,883)	-	46,883	-
Transfers to national funds	<u>(27,143)</u>	<u>-</u>	<u>(65,725)</u>	<u>(92,868)</u>
Total NACC Groups	<u>(73,026)</u>	<u>-</u>	<u>(18,136)</u>	<u>(91,162)</u>
<b>Total funds</b>	<u>4,094</u>	<u>(50,977)</u>	<u>46,883</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 2008**  
**(continued)**

17 Investments	Group		Charity	
	2008 £	2007 £	2008 £	2007 £
Investment in subsidiary	-	-	1	1
Cost at 31st December 2008 and 2007	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>

18 Debtors	Group		Charity	
	2008 £	2007 £	2008 £	2007 £
<b>All amounts fall due within one year</b>				
Balance with trading subsidiary	-	-	42,055	38,856
Prepayments	39,217	27,796	39,059	27,371
Tax recoverable	49,591	38,152	49,591	38,152
Other debtors	442	4,010	-	4,000
Accrued income	16,873	16,585	16,873	8,585
	<u>106,123</u>	<u>86,543</u>	<u>147,577</u>	<u>116,964</u>

19 Analysis of cash at bank and in hand	Group		Charity	
	2008 £	2007 £	2008 £	2007 £
Current accounts and cash balances	194,373	63,888	143,134	26,371
Interest-bearing account balances	2,794,735	2,782,823	2,794,735	2,782,823
NACC Groups	270,178	246,580	270,178	246,580
	<u>3,259,286</u>	<u>3,093,291</u>	<u>3,208,047</u>	<u>3,055,774</u>

20 Creditors: amounts falling due within one year	Group		Charity	
	2008 £	2007 £	2008 £	2007 £
Unpaid balances of research grants	330,248	315,586	330,248	315,586
Trade creditors	71,176	181,516	61,735	171,545
Social security and other taxes	19,778	19,910	14,340	16,725
Other creditors	5,593	5,500	5,593	5,500
Accruals and deferred income	34,312	22,868	32,586	21,268
	<u>461,107</u>	<u>545,380</u>	<u>444,502</u>	<u>530,624</u>

20a Creditors: amounts falling due after one year	Group		Charity	
	2008 £	2007 £	2008 £	2007 £
Unpaid balances of research grants	423,926	230,750	423,926	230,750

**21 Capital commitments**

At 31st December 2008 and 2007 the charity had capital commitments of £nil

**National Association for Colitis and Crohn's Disease**  
**Notes to the Accounts**  
**For the year ended 31st December 2008 (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 projects	(c)	305,109	158,115	-	(33,179)	430,045
Heyman Bursary	(b)	95,943	7,862	-	-	103,805
Fixed assets	(d)	122,211	-	-	(17,798)	104,413
Designated total		<u>623,263</u>	<u>165,977</u>	<u>-</u>	<u>(50,977)</u>	<u>738,263</u>
<b>Other unrestricted funds</b>						
General Reserve Fund held nationally		568,031	1,427,707	(1,406,171)	57,962	647,529
Non charitable trading funds		10,854	85,985	(85,933)	-	10,906
NACC Groups		<u>170,320</u>	<u>96,634</u>	<u>(34,831)</u>	<u>(53,868)</u>	<u>178,255</u>
<b>Total</b>		<u><u>1,372,468</u></u>	<u><u>1,776,303</u></u>	<u><u>(1,526,935)</u></u>	<u><u>(46,883)</u></u>	<u><u>1,574,953</u></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 projects fund was established to ensure that these funds are used for expenditure to be designated by the trustees.
- (d) 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 2008 (continued)**

23 Restricted funds	Brought forward	Incoming resources	Resources expended	Transfers	Carried forward
National	£	£	£	£	£
Research	978,243	260,158	(471,058)	86,994	854,337
Welfare	47,994	28,125	(59,660)	5,885	22,344
Other projects					
Sidney Hulin Legacy	20,000	-	-	-	20,000
Janet Ticehurst Legacy	35,000	3,054	-	(38,054)	-
Information Radar Keys	5,610	-	(5,610)	-	-
Information Website	3,300	-	-	(3,300)	-
Catherine McEwan Fund for Scotland	-	13,500	(8,780)	27,500	32,220
	-	-	-	-	-
<b>Total restricted funds held Nationally</b>	<b>1,090,147</b>	<b>304,837</b>	<b>(545,108)</b>	<b>79,025</b>	<b>928,901</b>
<b>NACC Groups</b>					
Research	29,900	32,011	(3,531)	(31,544)	26,836
Welfare	534	-	-	(32)	502
Local projects	51,381	68,000	(47,190)	(566)	71,625
<b>Total restricted funds held by NACC Groups</b>	<b>81,815</b>	<b>100,011</b>	<b>(50,721)</b>	<b>(32,142)</b>	<b>98,963</b>
	<u>1,171,962</u>	<u>404,848</u>	<u>(595,829)</u>	<u>46,883</u>	<u>1,027,864</u>

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 to fund a local project at his behest.

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

	Unrestricted		Restricted		Total
	NACC Groups	National	NACC Groups	National	
	£	£	£	£	£
Fund balances at 31st December 2008 are represented by:					
Tangible fixed assets	300	104,414	-	-	104,714
Investments	-	1	-	-	1
Current assets	178,237	1,395,349	98,963	1,683,075	3,355,624
Current liabilities	(282)	(113,972)	-	(330,248)	(444,502)
Long term liabilities	-	-	-	(423,926)	(423,926)
	<u>178,255</u>	<u>1,385,792</u>	<u>98,963</u>	<u>928,901</u>	<u>2,591,911</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 £5,485 (2007: £9,246) were paid to this business. In accordance with the charity's policy Mr Westwood withdrew from Trustee discussions authorising the transaction.