

# **CROHN'S & COLITIS UK**

**Annual Report  
and Financial  
Statements  
for the year ended  
31<sup>st</sup> December 2019**

**Crohn's & Colitis UK**

**Registered Charity No. 1117148 (England and Wales) SCO38632 (Scotland)**

**A Company limited by guarantee in England and Wales No. 05973370**

## **Crohn's & Colitis UK and the COVID-19 pandemic**

*Here at Crohn's & Colitis UK we are facing unprecedented challenges as a result of the coronavirus pandemic. Our community need us more than ever to help them navigate their way through the maze of information about what coronavirus might mean for them, especially if they are taking immunosuppressant drugs. Our website has received over 2 million visitors in March 2020 looking for information and Helpline enquiries have quadrupled in the last three weeks of March. Helping people with the right information and supporting them through a very scary time is our focus over the next few months. We know our information and support helps individuals and we know this takes some of the pressure off hard-pressed NHS staff.*

*But, in common with many other charities, our income has dropped significantly, and we expect that trend to continue for the rest of the year. We need to take action to protect the financial security of the charity. We have decided to move around a third of our staff into the Government's Job Retention scheme for as long as the scheme lasts (currently until the end of May 2020). That means these staff members will not be undertaking Crohn's and Colitis UK work for this period of time. The remainder of staff will move to short time working – that is they will work 80% of the time that they are normally contracted to do.*

*Obviously, this will have a profound impact on the work the charity will be undertaking for the rest of the year and the services we provide but we will do all we can to continue to provide that vital support to our community and keeping them connected. We appreciate the support and patience of all of our valued partners in these exceptional times, and we look forward to getting back to business as usual as soon as possible.*

*The Trustees and Senior Leadership Team will be continuously review and revising their response to the pandemic as its implications unfold including the risks posed for the charity over the coming months.*

## CONTENTS

Crohn's & Colitis UK COVID-19 pandemic impact .....	2
A Welcome from our Chair & Chief Executive .....	4
Strategic Report .....	6
We want everyone to understand Crohn's and Colitis.....	6
We want to drive world class research into the disease .....	6
We want to support people and empower them.....	7
We want high quality, sustainable, clinical care across the UK.....	7
We want early and accurate diagnosis for all.....	8
Enabling the charity to achieve our goals.....	8
Funding our work.....	9
Governance, structure and management .....	11
Legal status and objects.....	11
Public benefit .....	11
Members.....	11
Trustees and organisational structure.....	12
Subsidiary undertaking .....	13
Employees.....	13
Volunteers.....	13
Risk review .....	14
Plans for the future.....	14
Compliance .....	15
2019 results.....	15
Reserves Policy.....	15
Cash and investments.....	16
Pension costs .....	16
Staff remuneration.....	16
Grant making policies .....	17
Research grants.....	17
Support grants .....	17
Local grants .....	17
Statement of responsibilities of trustees .....	18
Independent auditors' report.....	19
Financial statements .....	22
Consolidated Statement of Financial Activities .....	22
Balance sheets at 31 December 2019.....	23
Consolidated statement of cash flows .....	24
Notes to the Accounts.....	<b>Error! Bookmark not defined.</b>
Administrative details .....	38
Board of Trustees, officers and senior management team .....	38
Board Committees .....	38
Professional services.....	39
Thank you so much.....	40

## A Welcome from our Chair & Chief Executive

### Delivering greatest impact

In 2019 the charity focused its work as never before on delivering the impact our 5 year strategy aspires to for everyone living with Crohn's and Colitis. Our ongoing campaigns are achieving real change with restaurants and pubs across the UK taking up the challenge of making toilet facilities accessible to those with invisible disabilities and just as importantly, providing an opportunity to explain what living with Crohn's and Colitis is like every day. The very successful launch of our "It Takes Guts" campaign has provided the opportunity people with the conditions to describe in their own words what living with Crohn's and Colitis means to them.

We have continued our investment in research and allocated time and funding to collaborating with others, using our value of "Stronger together" to achieve greater impact through sharing. The innovative Pain Collaborative Research Network we have led brings together pain specialists from many disciplines and conditions to share ideas and learning on this area that people living with Crohn's and Colitis have told us is a priority.

We have also built on the opportunities for patient engagement in many ways: on page 6 you can read about our contribution to Gut Reaction - Health Data Research Hub for Inflammatory Bowel Disease, as the workstream leader for patient and public involvement and engagement and communications. On our website you can see our active promotion of opportunities not just to participate in, but to shape research.

Following agreement of the IBD Standards in 2018, we worked with our colleagues in IBD UK to audit services against the Standards. Many IBD clinical services assessed their service against the agreed Standards whilst a survey of involving over 10,000 patients provided a holistic view of what IBD services were delivering on the frontline.

We have overhauled our Information and Communications Technology (ICT) infrastructure to meet modern standards and improve our service to our supporters, members and service users. This timely decision has enabled us to move seamlessly to home working, keeping our staff safe and maintaining our services, following the outbreak of coronavirus. Our helplines have never been as busy and our information has never been more needed.

We cannot predict what 2020 will bring in these uncertain times except that we will continue to work for improved lives today and a world free from Crohn's and Colitis tomorrow. We know that we face unprecedented challenges in relation to income but the need to deliver support and information has never been clearer. We will succeed with the ongoing support of our passionate and generous community.



**Sue Cherrie**  
Chair



**Sarah Sleet**  
Chief Executive

**Signed on 1<sup>st</sup> May 2020**

## Who we are

We are the UK's leading charity for Crohn's and Colitis. Right now, over 300,000 people are living with these lifelong conditions that too many people have never heard of. We are working to improve diagnosis and treatment, and to fund research into a cure, to raise awareness and to give people hope, comfort and confidence to live freer, fuller lives.

### OUR VISION:

Improved lives today  
A world free from Crohn's and Colitis tomorrow

### OUR MISSION:

We break taboos  
We drive pioneering research  
We support and bring people together  
We campaign to improve lives  
We are leading the fight against Crohn's and Colitis

### OUR VALUES:

We are ambitious  
We are compassionate  
We are stronger together

## How are we working towards this goal?

We provide **high quality information, practical help and support** that enables people to manage their conditions. We believe people living with Crohn's and Colitis should be able to live their lives to the fullest.

We **work with the UK health sector** to improve diagnosis, treatment and management of IBD. We want everyone with the conditions to have access to the best specialist services.

We support **life-changing research** to increase knowledge of the causes and the best treatments for Crohn's and Colitis. We want to improve lives now and lead the mission to find a cure.

We **campaign vigorously** – for more knowledge, better services and more support for our ongoing fight against IBD.

And we're doing it in line with our **values** of being compassionate, ambitious, and stronger together.

# Strategic Report

This report represents a Directors' Report as required by S417 of the Companies Act 2006.

## We want everyone to understand Crohn's and Colitis

2019 was the year we made more impact than ever:

- **We launched our "It Takes Guts" campaign aimed at enabling the community to talk about how they live their lives with Crohn's and Colitis.** 90,000 website views have led to 12,000 campaigners taking action and 2,600 uses of the Talking Toolkit.
- **Our 'Not every disability is visible' campaign continued to make real impact** in its third year targeting restaurants and pubs to work with us to change their toilet signage and train staff to recognise and support people with Crohn's or Colitis. 12 major restaurant and pub chains have committed to signage with half of them providing additional staff training including Wetherspoon's. We know this matters deeply to our community where more than four out of five people said they feel more comfortable visiting a venue knowing Not every disability is visible signage has been installed.

## We want to drive world class research into the disease

2019 has been a year of building on a strategy of trying out new things

- **We continue to invest in research through increased funding** of £880,500 spent in 2019.
- **Our broad portfolio of funding** through highly competitive bidding assessed by peer review resulted in eight grant awards made utilising all of the funding available:
  - **Five Medical Research Awards**
  - A Comparison of anastomotic interventions in ileal pouch surgical patients
  - Harnessing ways to deliver precision medicine in Crohn's disease
  - Investigation into the role of optineurin and autophagy in gastrointestinal inflammation
  - Aberrant intestinal immune induction in ulcerative colitis: analysis of cutting-edge datasets
  - Investigation of Infliximab pharmacokinetics in acute severe Ulcerative Colitis
  - **One Living with IBD Research Award**
  - Trial of a group mindfulness and self-compassion intervention for young people with IBD
  - **Two Pain Collaborative Awards**
  - Feasibility testing of an acceptance and commitment group therapy intervention
  - Identifying risk factors for the development of chronic abdominal pain in patients with IBD
- **We continued to develop the experts of the future** with 8 applications for our Research Fellowship programme – Regrettably offers for 2020 have been postponed due to the COVID-19 crisis.
- **We have encouraged more patient engagement in IBD research** by promoting 39 studies, via our Take Part in Research programme, recruiting 48% of their overall targets.
- **Our 2019 PPI day live streamed sessions** attracted over 1,500 views on YouTube and we collected nearly 1,000 online questionnaires from patients on a range of studies hosted on the day.
- We are working collaboratively as part of **Gut Reaction - Health Data Research Hub for Inflammatory Bowel Disease**, a collaboration building a health data research hub for IBD

funded as part of the Industrial Strategy Challenge Fund. We are the Workstream executive leader for patient and public involvement and engagement (PPIE) and communications.

## We want to support people and empower them to be active participants in managing their life with Crohn's and Colitis

2019 has been a year in which we reached more people

- **More people found our support and information through our digital channels** such as Instagram Facebook, Companion website and Facebook Forum. Our Facebook page grew by over 6% to 196,597 likes, and our Forum membership was up by 16% (40,611). Twitter followers rose by 12% (36,900) and our fastest growing platform Instagram had 48% more followers (44,023).
- **We reached out with a new "Easier English" publication**, 83% of online users rated the resource 5/5 for usefulness, and 88% rated it 5/5 for ease of understanding.
- We distributed over 109,000 booklets and patient packs to hospitals, schools, pharmacies, GPs, networks and supporters and our new fatigue video received over 47,000 views
- Our membership magazine *Connect* won Magazine of the Year and Cover of the Year at the PPA Scottish Magazine Awards
- **Demand for our information grew**, we overhauled our webpages to make them easier to access resulting in a 23% increase in page views (compared to 2018). After reading our information
  - 87% understood their condition more
  - 57% felt more empowered to talk to their healthcare team
  - 52% felt more confident making decisions about their health or treatment
  - 67% will try out the tips we suggested
- **We supported more people** by extending our multichannel Helpline increasing use overall by 12% while use of Live Chat grew by 47% in 2019. 98% of users were positive about our support services.
- **We held 13 local education events across the UK** attended by 522 people affected by Crohn's and Colitis. 94.6% of attendees reported an increased understanding of the topics covered in the sessions. A further **354 varied events were run by our local networks** reaching 20,300 people.
- **We supported young people and families** holding 3 one day family activity days, 2 family information events and 2 residential camps for young people (in partnership with Over the Wall)
- **Two new apps went live in 2019** by partnering with providers/sponsors. "In my shoes" raises awareness of the impact of Crohn's and Colitis on daily life for carers, healthcare professionals. These were used by even more people than expected.

## We want high quality, sustainable, clinical care across the UK

2019 has been a pioneering year in which we led the way to improving the diagnosis, treatment and management of Crohn's and Colitis for patients all over the UK

- The IBD nursing caseload standard we championed in 2018 has led to development of a **sustainable model of charity badged Specialist IBD Nurses**. 17 IBD Nurse Specialists have been recruited and an IBD Nurse Advice Line training launched and oversubscribed. Website hits for finding an IBD Nurse continues to average 3,000 unique views/quarter, and for the healthcare professional page has reached 5,781 unique views/quarter.
- **We are working collaboratively with others to achieve more for IBD patients:**
  - **We chaired IBD UK**, a partnership of 17 organisations working together for everyone affected by Inflammatory Bowel Disease (IBD), driving improvement by establishing new IBD Standards attracting 24 items of press coverage with a reach of 3,054,334. In 2019, we translated the new IBD Standards into a digital benchmarking tool comprising a patient survey and a service self-assessment. The patient survey was completed by 10,224 patients

- from 99% of IBD services across the UK and the service self-assessment was successfully completed by 79% of IBD services. This work will make a major contribution to IBD service improvement, raising standards of care through quality improvement.
- We continue to work with the IBD Registry, a unique data resource for improvement in clinical care. The Registry continues to grow with a 20% increase in sites registering to supply data and use its services.
  - A new model of community-based patient care by IBD Clinical Nurse Specialists is being piloted in Scotland: Working in partnership with The Scottish Government's Modernising Patient Pathways Programme, three distinct projects in NHS Lothian, NHS Borders & NHS Grampian have been agreed with a consistent evaluation framework in place for each.

## We want early and accurate diagnosis for all

2019 has been a year of consolidation and planning for expansion

**After 3 years of our successful Spotlight Project in partnership with The Royal College of General Practitioners (RCGP) data analysis reveals:**

- The IBD Toolkit has been viewed over 13,000 times, the majority of which were from within the UK, but with access from 26 other countries including Malaysia, Saudi Arabia, Colombia, Faroe Islands, Brunei and beyond
- Since February 2018, the IBD Toolkit has contained an online eLearning course on IBD, accessed by 1,676 GPs – that's an average of almost 70 GPs every month actively seeking to increase their knowledge of IBD
- GPs completing this online learning material reported an increase in confidence in treating IBD which rose from 75.25% prior to the course to 92.64% on completion
- 8 IBD-related articles have been published to the RCGP's Clinical News which have been accessed over 3,250 times

**The six Regional IBD Clinical Champions we recruited** have supported their colleagues over a wide area based from Herts, Cardiff, Bangor, Stockport, Worcester and Bath, undertaking sessions from Bristol to Belfast, Gwynedd to Glasgow; Newport to Newcastle and London to Liverpool, reaching in excess of 2100 health care professionals of whom over 1800 were GPs with excellent feedback .

## Enabling the charity to achieve our goals

2019 has been a year of further substantial changes in the way we work

As reported last year, the Board has made substantial investment to benefit from digital technology. Building on the changeover to a system based on MS Office 365, in 2019 we focused on implementation of a new MS Dynamics Customer Relationship Management (CRM) database solution across the organisation. This is largely in place and we will be striving to ensure that this creates increased productivity along with better insight and analysis of the effectiveness of our work and improved stakeholder relationships.

We have reviewed our digital maturity overall and are planning to renew our website by 2021 to meet the growing demands for it to integrate seamlessly with other applications and the new CRM.

Our Data Protection Steering Group has evolved into Data Governance to meet the growing need to examine what data is really needed and its ethical use by the organisation as well as: learning from any incidents; monitoring and recommending on the comprehensive training put in place for staff; and developing further guidance and procedures as needed. In 2019 we received nine incident reports concerning data. We have learned from these and changed procedures where necessary. None were at a level that required further reporting.

## Funding our work

### Our pledge by the Board

**We could not do the work we do without you. This is why we value your trust so highly and why, when you make the decision to support us, we make this promise to you:**

**We will:**

- only contact you if you have expressed an interest in our work and have given your consent for us to do so
- communicate with our supporters and beneficiaries with respect and sensitivity
- provide information about our charitable spend to see what a difference your support makes
- change how we communicate with you, or stop communicating with you, if you ask us to
- abide by the Fundraising Regulator's codes of practice
- ensure all our activities are open, fair, honest and legal
- train, educate and monitor any fundraising agencies we use to ensure they live up to this promise
- make it easy for you to contact our supporter care team with any questions or queries you have about our fundraising
- protect your data, taking every effort to ensure it is both safe and up to date
- never sell or swap anyone's contact details with other organisations
- only use fundraising agencies that live up to our values and this pledge
- not conduct our fundraising with the use of persistent 'hard sell' techniques or unreasonable pressure to elicit your support.

We actively support the Fundraising Regulator's drive to establish acceptable fundraising standards across the sector and work within the General Data Protection Regulation requirements. We ensure that fundraising approaches are only made to individuals with an existing relationship with the charity and abide by our fundraising pledge to enable us to continue to deliver gold standard fundraising.

**Complaints:** In 2019 we received 6 complaints (22 in 2018) about our fundraising representing a tiny proportion of our interactions. A revised Complaints Policy was approved on 13 July 2018 to meet new legislative requirements and ensure that we learn from feedback effectively. The new Customer Relationship Management database will greatly assist tracking how we deal with this.

### How we have raised the money

Below are some of our fundraising highlights for 2019:

- We grew Membership by 10% reaching 45,101 members (40,857 in 2018) by the end of the year and raised £674,212 in subscriptions representing an increase of 6%.
- We are so grateful to our individual donors. In 2019 their donations rose by 22% (half of this increase through the lottery started in 2018) and with major donors doubling their contribution.
- Network fundraising saw the same increase of 22% through the efforts of our great volunteers.
- With an established corporate fundraising team in place, income from our corporate supporters grew to £622,696, the highest total in the charity's history (£619,894 in 2018).
- Events saw a mixed picture but still raised 6% more in 2019 than the previous year.
- We maintained the great performance in 2018 by the Trusts and Grants fundraising team.
- A review of our approach to investment netted over five times more interest income than the previous year.

## Charity of the Year

We were delighted to be chosen as Charity of the Year for the following 50 organisations across the UK this year:

Anytime fitness	Eastfield Vets	Oakridge Golf Club
Association of the Camping and Caravanning Club	EG Carter	Pennies from Heaven
Ayrshire Association of Inner Wheel Clubs in GB&I - District 2	Enfield Golf Club	Pick Everard
Aylsham High School	Epsom Golf Club	Rabbits Vehicle Hire
AWTE (UK)	Ergonomic Solutions	Redbourn Golf Club
Barrow Golf Club	Father and Son Golf	Rhondda Housing Association
Barnsley Golf Club	Garstang Running Club	Ruthless Cartel Clothing
Bedford Catenians	Herb Kingdom	Sandy Roundabout Club
Brit Insurance	Highwoods Golf Club	Skipton Building Society
Brynhill Golf Club	Hobson Golf Club	Smith and Nephew
Burton on Trent Golf Club	HSBC Golf Society Liverpool	Swansea Rotary Club
Channing Junior School	Innovative Trials	Towneley Golf Club
Clacton on Sea Golf Club	Insight Direct	University of Hertfordshire Sports Village
Cotswolds Golf Club	Keep Fit Association - SE Region	West Midlands Golf Club
Drayton Park Golf Club	Marlborough Golf Club	West Midlands District Association of the
Easingwold Golf Club	Merlin Golf Club	Camping and Caravanning Club
	Monmouth Golf Club	Whitstable and Seasalter Golf Club
	Nationwide Head Office	

Corporate income remained in excess of £600k for the year. In addition to being selected Charity of the Year for the above companies, we secured and retained partnerships or received donations from the following companies to whom we extend our sincere thanks for their support:

Aico	Gilead Sciences Ltd	Quality Solicitors - Mirza
Allergan	HSBC in the Community	Roche Products Limited
Amazon Smile	Invesco Cares	Rotary Club of London
Amgen	Janssen	Sainsbury's - Willerby
Arla Foods	Kendall & Co	Sandoz
Arthur J Gallagher	Knight Frank LLP	Smyths Toys Superstores
Aubrey Fish & Son Ltd	Lloyds Bank Foundation	Sofinnova
Bakkavor Group Plc	- England and Wales	St James's Place Charitable Foundation
BGC Partners	London Lash Pro	Takeda UK
Caledonian Society, Riyadh	MNB Properties Ltd	The Co-Operative Group
Celgene	Norgine	The Economist Group
CHS Agency	Olympus KeyMed	The Elsevier Foundation
Dodge & Cox Worldwide Investments	O'Neills Irish International Sports Co	The York Inn
Drug Stars	Pal International Ltd	Tillotts Pharmaceutical UK
Enterprise Rent-a-car	Peak Scientific	Total E&P UK Limited
Ferring Pharmaceuticals	Premier League	W.L. Gore & Associates (UK) Ltd

## Trusts and Foundations

After the significant increase in support from charitable trusts and foundations in 2018 we have continued to consolidate our trust income in 2019, securing awards from numerous new trusts as well as those which continue to value and support our work.

We would like to express our sincere and heartfelt gratitude to all these trusts, including:

Alice Ellen Cooper Dean Charitable Foundation	Millennium Global Charitable Trust	The Burdett Trust for Nursing
Bill Brown's 1989 Charitable Settlement	Norman Family Charitable Trust	The James Tudor Foundation
E M Whittome 2013 Charitable Trust	PF Charitable Trust	The Roger & Douglas Turner Charitable Trust
February Foundation	Peter Sowerby Foundation	The D'Oyly Carte Charitable Trust
Garfield Weston Foundation	Project Charity Trust	Waterloo Foundation
John James Bristol Foundation	Roger and Jean Jefcoate	Wixamtree Trust
Medicash Foundation	Schuh Trust	
	Shared Care Scotland	
	Sir Samuel Scott of Yews Trust	

# Governance, structure and management

## Legal status and objects

Crohn's and Colitis UK is a Company Limited by Guarantee in England and Wales (05973370) and is a charity registered in England and Wales no. 1117148 and in Scotland no. SCO38632. Until 2006, the charity was a Charitable Unincorporated Association registered in England and Wales under charity number 282732 in the name of The National Association for Colitis and Crohn's Disease. It adopted Crohn's and Colitis UK as a working name in 2010 and formally changed it in June 2016.

The charity is governed by its Articles of Association, last amended in September 2017.

The charity's objects, as set out in its constitution, are:

- the relief of those suffering from Ulcerative Colitis, Crohn's Disease or related inflammatory bowel diseases (together, generally referred to as IBD) including the support of those who care for them
- the promotion of the welfare of those suffering from Ulcerative Colitis, Crohn's Disease or related inflammatory bowel diseases
- the advancement of education and research into the causes, prevention, treatment and cure of Ulcerative Colitis, Crohn's Disease or related inflammatory bowel diseases, improvements in the management of the conditions, and the publication of the results of such research.

Mindful of the need to further strengthen governance with the growth of Crohn's and Colitis UK over recent years and the widespread publicity undermining confidence in charities, we have again continued to invest in ensuring legal compliance alongside high standards of governance and accountability.

## Public benefit

In accordance with s17 of the Charities Act 2011, Crohn's and Colitis UK is required to confirm that the activities it undertakes to achieve its objectives are all carried out for public benefit as described by the Charity Commission. It should be noted that all of the charity's information and support services are open to non-members to use as well as members. We have demonstrated in this report how we have met the objects above.

## Members

In 2019 our membership continued to grow by 10% taking our total membership to 45,101 This reach brings us real insight into how we can support those living with Crohn's and Colitis to live well. We are continuing to review the role of members and our membership interactions – such as communications on joining and our membership offer including member benefits. We welcomed over 10,000 new members to the charity in 2019 many of whom were newly diagnosed or joined to receive our Can't Wait Card.

	2019
Members start of the year	40,857
New members	10,244
Lapsed members	6,000
End of year figure	45,101
% change	10% growth
% retention rate	87%

## Trustees and organisational structure

The constitution provides for a Board of Trustees consisting of four honorary officers plus no fewer than three and not more than eight ordinary Trustees, elected at the annual general meetings of members. New Trustees are appointed through a transparent recruitment and selection process and are elected for an initial period of three years following which they are eligible for re-election for two further terms of three years. Once elected, they receive inductions that include spending time at the charity's offices, meeting with the Senior Leadership team, engaging with staff, attending an external Trustee induction course and being supplied with a Trustee Handbook.

The Board of Trustees has responsibility for the governance and strategic direction of the charity, ensuring that the charity upholds its ethos and values and delivers its objectives. Authority for the operation of the charity is delegated to the Senior Leadership Team (SLT), led by the Chief Executive, which reports to the Trustees to the levels described in a Scheme of Delegation last revised by the Board in November 2019. The SLT is responsible for advising the Trustees and carrying through the policies and activities in accordance with the direction and budget set out by the Trustees.

The Trustees have the power to co-opt advisers as non-voting members of the Board and appoint a number of committees. There were five committees of the Board: Finance and Audit; Research Strategy and Funding; Governance; and People and Organisational Development; and Fundraising – this Committee was stood down by the Board in April. In 2019 we also had a Task and Finish Project Group chaired by a Trustee to bring recommendations to the Board regarding IT/CRM systems.

The Trustees regularly review progress against its aims and objectives at every Board meeting and receive interim updates on important matters through Board Committees and electronic communication.

A recruitment process for new Trustees was undertaken in the later half of 2019 and completed in 2020 following a skills audit to identify gaps in the Board's skillset. The recruitment process used was refined to emphasise the Board's desire to improve diversity at the charity. At the end of the process four new Trustees were identified with a wide range of skills closing the skills gap and increasing our diversity.

The charity has maintained Trustee Liability cover with its insurers as permitted by our constitution.

The Trustee Board met five times during 2019 (four in 2018). The Honorary Officers, Trustees, Senior Leadership Team and committee members are as outlined on page 39 and 40

## Subsidiary undertaking

NACC Merchandise Ltd is a wholly owned subsidiary company of the charity. The principal activity of the company is the sale of Christmas cards and merchandise sold online and by mail order. Taxable profits of £11,208 (2018: £41,665) were transferred to the charity as Gift Aid under a deed of covenant arrangement. More information on the results of NACC Merchandise Ltd is given in note 10 to the Financial Statements.

## Employees

Crohn's and Colitis UK is committed to creating a great place to work. We recognise the direct link between employee satisfaction and great service delivery, which is evident in the impact we have on the people we work with and campaign for.

We place great value on ensuring our employees are well informed and engaged to deliver their best for people with IBD. Our HR provision has been reviewed in 2019 and a new framework for Pay and Reward is under development with the support of a staff working group. A Staff satisfaction survey conducted in November 2019 will direct further work in 2020 working with our Staff Forum.

It is the charity's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The charity does not condone or tolerate any form of discrimination in its recruitment or employment practices.

## Volunteers

Volunteers continue to play a vital role in the work of the charity and we value the time, dedication and support we receive from all our volunteers and supporters. We have been actively engaging with our Local Networks, we reviewed and updated the resources for volunteers on our website, the Volunteer team have hosted monthly training webinars and visited Network teams to support their activity. During the year we have conducted three training workshops in different locations to support Network leaders and hosted the second year of the Volunteer Awards in our Hatfield office to recognise and thank some of the exceptional individuals who volunteer for us. We have conducted our annual survey of volunteers to identify how we can better support all our volunteers in future.

## Risk review

The Trustees, with input from the Chief Executive and staff, have conducted a review of the risks to which the charity is exposed in its ongoing activities. In particular, the Trustees considered:

- the type of risks the charity faces
- the level of risks they regard as acceptable
- the likelihood of the risk concerned materialising
- the charity's ability to reduce the incidence and impact of risks that have been identified
- the costs of operating specific controls relative to the benefit obtained.

The Trustees review risks in relation to any new developments proposed and the Finance and Audit Committee reviews the full risk register (maintained by the SLT) at their quarterly meetings. The top line risks are also discussed at the full Trustees' meeting on a quarterly basis.

The Trustees have identified the following principal risks facing the charity:

- Consistent representation of the Crohn's and Colitis patient's voice is essential to our credibility and reputation. To ensure we build on this we are developing a Patient Engagement approach to ensure a cross organisational approach to place patients and their voices at the centre of our strategies.
- Ability to evaluate the impact of our activities against our strategy is essential to the effectiveness of our work. We worked to identify and embed impact measurement into the charity's activities.
- A fast-moving technology environment and our own rapid organisational growth meant that our previous systems could not deliver the level of service that we and our supporters require including allowing us to measure our impact. This risk was addressed by a Trustee led customer relationship management (CRM) ICT project that was set up in 2017 and considerable investment made in modern systems that enable agile working practices. Infrastructure changes were implemented with our relocation in 2018 and all new systems came online by the autumn of 2019. Failure to properly use the new IT infrastructure by identifying all the requisite skills needed by new and existing staff could impact the efficiency of the charity. Training requirements and ways of working are being actively assessed.

The COVID-19 pandemic will impact on this has presented an exceptional risk in 2020 which is dominating planning and action going forward. In particular, the income risk posed in the new circumstances will be considered in relation to the charity's reserves policy.

## Plans for the future

Within our detailed five-year strategy (which set out our aims and objectives) considerable time was spent in preparing an operational plan for 2020 and the review included our:

- impact and outcomes measurement
- volunteer and employee engagement
- supporter care
- information management
- grant making
- fundraising investment
- health service development

# Financial review

## Compliance

The financial results for the year are set out in the Consolidated Statement of Financial Activities (SOFA). This represents the total income and expenditure relating to all activities in the year, made up of the work of the charity at national level, local networks and the activities of the trading company, NACC Merchandise Ltd.

The figures in the following paragraphs are taken from the SOFA and from the notes to the Financial Statements.

## 2019 results

During 2019 the charity has made an overall deficit of £676,466 (2018: £336,035 deficit) split between an unrestricted funds deficit of £765,917 (2018: £260,820 deficit) and restricted funds surplus of £89,451 (2018: £75,215 deficit).

Income has fallen slightly to £6,247,473 from £6,522,303 in 2018. The main sources were legacies, donations, membership subscription, events and community fundraising (featuring the successful nationwide WALK IT events), trust and corporate partnership income.

In terms of expenditure, the charity's commitment to grants totalling £1,131,133 (2018: £1,287,457), included research grants, support grants and local grants alongside direct costs as detailed on page 17.

The establishment's headcount grew in 2019, with average staff numbers increasing from 71 to 78 providing additional resource across all departments.

## Reserves Policy

The Reserves Policy revised by the Board on 14<sup>th</sup> February 2018 outlines a framework to balance the need to maintain adequate funds to sustain future activity with that of making best use of those funds raised and donated by supporters and partners.

Total reserves fell to £2,070,285 (2018 £2,746,751) after the planned deficit in 2019.

The charity holds restricted funds to the value of £135,041 (2018: £45,590), which may only be used in accordance with specific restrictions imposed by the donor.

The charity also holds unrestricted funds to the value of £1,935,244 (2018: £2,701,161) of which £866,972 (2018: £1,185,534) were designated funds as follows:

- Customer Relationship Management (CRM) System Development - the charity identified the need for improved software and hardware to support better engagement with its supporters.
- Local Networks - The Trustees also agreed that any accumulated surpluses from the Volunteer Networks should be held for future use by Networks, and a designated fund has been established for this purpose. Networks are required to utilise these funds within 2 years of the end of the year in which they are reported.
- Fixed Assets - A designated fund has been created that represents the net book value of tangible fixed assets insofar as these funds are not available for immediate use.

The balance of unrestricted funds not otherwise designated represents the free reserves of the charity. The Trustees have agreed that in order to maintain adequate levels of working capital to fund day-to-day operations, and to protect the charity from income fluctuations and seasonal volatility, free reserves should represent a minimum of eight weeks' planned income, or eight weeks' planned expenditure. This was considered a more realistic approach than the previously held 16 weeks when used alongside the large working capital maintained to fund long term research grants. At the end of 2019, free reserves stood at £490,937 which represents 8 weeks' planned unrestricted expenditure for 2020. The sudden and unexpected effects of Covid-19 will impact this in the short-term, but by taking swift and immediately effective mitigating action it is planned that reserves return to 8 weeks within twelve months.

## Cash and investments

The funds of the charity are largely represented by cash and term deposits including £296,904 (£262,478 in 2018) held by our Local Networks and investments held in a charity restricted ethical investment fund managed by CCLA Investment Management.

## Pension costs

The charity operates a defined contribution pension scheme, established in 2015 through Legal & General. New employees are automatically enrolled in the scheme, and staff that may subsequently opt to leave the scheme will be re-enrolled after three years.

## Staff remuneration

Crohn's and Colitis UK is committed to ensuring a proper balance between (i) paying our staff who work for us fairly so that we attract and retain the very best people with the right experience and leadership qualities and (ii) careful management of our charity funds. In so doing we ensure the greatest effectiveness in delivering our charitable objectives and meeting the needs of our beneficiaries.

Staff salaries are determined by reference to bands that take account of the levels of capability and experience required, authority and discretion levels. Our salaries need to be competitive within the charity sector, but we do not aim to compete on pay with the public or private sectors.

Our salary bands are independently benchmarked against charities of similar size, income, location and structure, to ensure that salary levels are both appropriate and competitive. Salaries are reviewed annually by line managers on the basis of performance against key objectives, and on evidence of behaviours exemplifying the charity's values. The Trustees have oversight of and agree any annual staff salary award which may be made.

Salaries of the Senior Leadership Team including the CEO are agreed by the Board of Trustees and will take account of the past year's achievements, environmental and market conditions, and of sector comparison.

Our overall staff numbers are closely monitored to ensure that we have the necessary capacity to deliver the charity's work whilst ensuring that any future growth in staff numbers is in line with the charity's overall growth plans.

Our work is dependent on voluntary donations and we act in an open and transparent way that respects the money, time and energy given by donors and volunteers. In our commitment to openness, we disclose information about senior staff salaries within our annual report. This is in line with recommendations and guidelines from the National Council for Voluntary Organisations (NCVO).

## Grant making policies

### Research grants

Applications for grants for: Medical; Living with IBD; and Health Service Development research are invited on an annual basis. Applications are considered by members of the Awards Panels, comprising academic and medical specialists as well as lay representatives. External specialist referees are asked to comment confidentially on applications.

Crohn's and Colitis UK has been awarded a Certificate of Good Practice for its peer review procedures by the Association of Medical Research Charities. Grants are normally made for periods of up to three years, with reports required at annual intervals. Funds are normally set aside for the total cost of the project in the year of the award.

The Research Strategy and Funding Committee review and approve the recommendations of the panel by delegated authority from Board of Trustees. Our website now has an area dedicated to reporting back, in 'plain English', on the findings from the research projects we fund.

### Support grants

Following the decision to discontinue the support grants in 2018 to reinvest the money in educational support and patient education, in 2019 we also reviewed the cost and impact of the education grants. We considered the benefits of the grants to the small number of people who received them alongside the costs of the grants, the associated staff and administration costs and the availability of other sources of support. We decided to stop awarding educational grants at the end of 2019, the funds released will provide additional resource for supporting improved clinical services and research.

### Local grants

Local Networks may make grants to local hospitals to support or enhance aspects of the provision for IBD patients. Grants have to be made according to the policy guidelines approved by the Trustees and generally cannot be made for items that should otherwise be funded by the relevant NHS Trust.

# Statement of responsibilities of trustees

The Trustees (who are also Directors of Crohn's and Colitis UK for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP FRS102
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the Trustees are aware:

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

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

The Strategic Report and The Financial Review were approved by the Trustees on 1 May 2020 and signed on their behalf by



Sue Cherrie – Chair of the Board of Trustees.

# Independent auditors' report

## Independent auditor's report to the Trustees and members of Crohn's & Colitis UK

### Opinion

We have audited the financial statements of Crohns and Colitis UK (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

**Other information**

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

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

**We have nothing to report in this regard.**

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

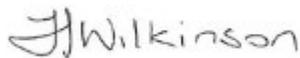
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)**

For and on behalf of **Price Bailey LLP**  
Chartered Accountants  
Statutory Auditors  
7th Floor Dashwood House  
69 Old Broad Street  
London  
United Kingdom EC2M 1QS

Date 5 May 2020

# Financial statements

## Crohn's and Colitis UK Consolidated Statement of Financial Activities

Including Income and Expenditure Account for the year ended 31 December 2019

	Note	Unrestricted funds (inc. designated funds note 22)	Restricted funds	Total funds 2019	Total funds 2018
		£	£	£	£
<b>Income :</b>					
Donations and legacies	2	1,676,881	486,724	2,163,605	2,608,180
Charitable activities	5	664,164	10,048	674,212	636,858
Other trading activities	3	2,998,625	355,203	3,353,828	3,238,577
Investments	4	53,538	-	53,538	25,279
Other		2,290	-	2,290	13,409
<b>Total income</b>		<b>5,395,498</b>	<b>851,975</b>	<b>6,247,473</b>	<b>6,522,303</b>
<b>Expenditure :</b>					
Raising funds	9	2,012,575	107,369	2,119,944	2,144,118
Charitable activities:					
Grantmaking	11	27,916	1,103,217	1,131,133	1,287,457
Supporter Services		747,197	146,089	893,286	770,690
Marketing and Communications		794,626	44,650	839,276	854,159
Policy, Public Affairs and Campaigns		806,685	153,967	960,652	733,264
Networks & Volunteering		407,076	15,227	422,303	458,502
Membership costs		646,134	-	646,134	602,846
<b>Total expenditure</b>	<b>6</b>	<b>5,442,209</b>	<b>1,570,519</b>	<b>7,012,728</b>	<b>6,851,036</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<b>(46,711)</b>	<b>(718,544)</b>	<b>(765,255)</b>	<b>(328,733)</b>
Gains/(losses) on investments	17	88,789	-	88,789	(7,302)
<b>Net income/(expenditure)</b>		<b>42,078</b>	<b>(718,544)</b>	<b>(676,466)</b>	<b>(336,035)</b>
Transfers between funds	15	(807,995)	807,995	-	-
<b>Net movement in funds</b>		<b>(765,917)</b>	<b>89,451</b>	<b>(676,466)</b>	<b>(336,035)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,701,161	45,591	2,746,752	3,082,786
<b>Total funds carried forward</b>		<b>1,935,244</b>	<b>135,042</b>	<b>2,070,286</b>	<b>2,746,751</b>
		Note 22	Note 23		

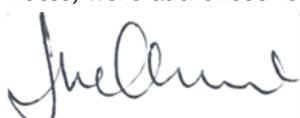
The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts to continuing activities.

The net deficit of the Charitable Company for the year was £676,466 (2018 £336,035).

**Crohn's and Colitis UK**  
**Balance sheets at 31 December 2019**

	Note	Group*		Charitable Company	
		2019 £	2018 £	2019 £	2018 £
<b>Fixed assets</b>					
Intangible assets	16	577,335	272,237	577,335	272,237
Tangible assets	16	505,610	611,118	505,610	611,118
Investment	17	1,088,789	0	1,088,790	1
<b>Total Fixed Assets</b>		<b>2,171,734</b>	<b>883,355</b>	<b>2,171,735</b>	<b>883,356</b>
<b>Current assets</b>					
Debtors	18	884,717	861,091	917,004	860,757
Cash at bank and in hand	19	1,990,704	3,731,518	1,919,899	3,705,397
<b>Total Current Assets</b>		<b>2,875,421</b>	<b>4,592,609</b>	<b>2,836,903</b>	<b>4,566,154</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	20	(2,171,301)	(2,238,551)	(2,132,784)	(2,212,097)
<b>Net current assets</b>		<b>704,120</b>	<b>2,354,058</b>	<b>704,119</b>	<b>2,354,057</b>
<b>Total assets less current liabilities</b>		<b>2,875,854</b>	<b>3,237,413</b>	<b>2,875,854</b>	<b>3,237,413</b>
Creditors: amounts falling due after one year	20	(755,568)	(440,662)	(755,568)	(440,662)
Provisions for liabilities	21	(50,000)	(50,000)	(50,000)	(50,000)
<b>Total net assets</b>		<b>2,070,286</b>	<b>2,746,751</b>	<b>2,070,286</b>	<b>2,746,751</b>
<b>The funds of the charity</b>					
<b>Unrestricted funds</b>					
Designated funds held nationally	22	577,336	566,993	577,336	566,993
Designated funds held by Networks		361,362	618,541	361,362	618,541
General Reserve Fund held nationally		996,546	1,515,627	996,546	1,515,627
<b>Total unrestricted funds</b>		<b>1,935,244</b>	<b>2,701,161</b>	<b>1,935,244</b>	<b>2,701,161</b>
<b>Restricted funds</b>					
Held nationally	23	135,042	45,590	135,042	45,590
<b>Total restricted funds</b>		<b>135,042</b>	<b>45,590</b>	<b>135,042</b>	<b>45,590</b>
<b>Total charity funds</b>		<b>2,070,286</b>	<b>2,746,751</b>	<b>2,070,286</b>	<b>2,746,751</b>

The accounts, which comprise the consolidated statement of financial activities, the balance sheets and the related notes, were authorised for issue by the Board of Trustees on 1 May 2020 by:



Sue Cherrie, Chair

Company Number : 05973370  
English Charity Number : 01117148  
Scottish Charity Number : SC038632

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

**Crohn's and Colitis UK**  
**Consolidated statement of cash flows**  
**for the year ended 31 December 2019**

	2019	2018
	£	£
<b>Cash flows from operating activities</b>		
Net cash provided by (used in) operating activities	<u>(368,582)</u>	<u>(43,478)</u>
Cash flows from investing activities:		
Interest from investments	53,538	25,279
Purchase of property, plant & equipment	(425,770)	(716,723)
Sale/(purchase) of investments	(1,000,000)	589,495
Net cash provided by (used in) investing activities	<u>(1,372,232)</u>	<u>(101,949)</u>
Change in cash and cash equivalents in the year	(1,740,814)	(145,426)
Cash and cash equivalents at 1 January 2019	3,731,518	3,876,944
Cash and cash equivalents at 31 December 2019	<u>1,990,704</u>	<u>3,731,518</u>
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities:</b>		
Net income/(expenditure) for the year (as per the SOFA)	(676,466)	(336,035)
Depreciation charges	226,181	109,057
(Gains)/losses on investments	(88,789)	7,302
Dividends and interest from investments	(53,538)	(25,279)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in debtors	(23,626)	(9,616)
Increase/(decrease) in creditors	247,656	212,593
Increase/(decrease) in provision	-	(1,500)
Net cash provided by (used in) operating activities	<u>(368,582)</u>	<u>(43,478)</u>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	797,807	486,045
Notice deposits	1,192,897	3,245,473
Total cash and cash equivalents (a)	<u>1,990,704</u>	<u>3,731,518</u>
<b>Analysis of changes in net debt</b>		
Cash and Cash equivalents 1.1.19	3,731,518	3,876,944
Cash flows	(1,740,814)	(145,426)
Other non cash changes	-	-
Cash and Cash equivalents 31.12.19	<u>1,990,704</u>	<u>3,731,518</u>

**Crohn's and Colitis UK**  
Notes to the Accounts  
for the year ended 31 December 2019

**1 Accounting policies****Basis of accounting**

The Charity is a public benefit entity and the accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Charities (SORP), FRS102, the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, relevant law and accounting standards and are reported in £ sterling.

**Going Concern**

The Trustees have reviewed the financial plans and cash flows for the coming twelve months and are satisfied that it is appropriate for the accounts to be prepared on a going concern basis.

**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, using the purchase method. A separate statement of financial activities (SOFA) and separate statement of cash flows are not presented because the Charity has taken advantage of the provisions of paragraph 408 of the Companies Act 2006.

**Local Networks**

The Charity had fifty local networks 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.

**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 on the accruals basis.
- iv) Donations received are treated as unrestricted funds unless they are specifically designated by the donor.
- v) Legacy entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either:
  - the estate has been finalised and estate accounts have been received by the charity; or
  - notification has been made by the executor(s) to the charity that a distribution will be made; or
  - when a distribution is received from the estate.

Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

**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 the funding commitment is agreed with the third party.

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 and after 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. Included in support costs are Governance costs, which comprise those costs associated with meeting the constitutional and statutory requirements of the Charity. Support costs are allocated across all areas of activity on the basis of staff time spent on each activity.
- vi) Irrecoverable VAT has been analysed and apportioned across the costs to which it relates.

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

**1 Accounting policies (continued)****Debtors**

Debtors are stated in the balance sheet at estimated net realisable value, being the invoiced amount less provisions for bad and doubtful debts.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and interest bearing deposits.

**Creditors**

Expenditure is recognised in the accounts on the accruals basis, giving rise to creditors at the year end. Other than grants (discussed below), these are all payable within one year.

**Grants**

Grants are split between current and non-current liabilities. The provision for a multi-year grant is recognised at its actual value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions that would permit the Charity to avoid making the future payment(s) and settlement is probable. The effect of discounting has been discussed and is considered immaterial in both current and prior year ends.

**Capitalisation and depreciation of tangible and intangible fixed assets**

All fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	straight line over the lease period
Fixtures and fittings	25% per annum straight line
Software development	20% per annum straight line
Computer equipment	33% per annum straight line

Capital commitments are disclosed as at the year end.

**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 either 5% or 8% of gross pay.

**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 Local Networks. 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 on a straight line basis as they arise.

**Financial Instruments**

Crohn's and Colitis UK only has financial assets and financial liabilities of the kind that qualify as basic financial instruments.

- Investments measured at their fair value as at the balance sheet date;
- Fixed assets are measured at amortised cost; and
- All other assets and liabilities are held at cost.

**Judgements and key sources of uncertainty**

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies

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

- Estimation of the useful economic life of buildings, furniture and office equipment and IT equipment.

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

<b>2 Donations and legacies</b>				<b>2019</b>	<b>2018</b>
				<b>£</b>	<b>£</b>
Donations from members				167,732	144,149
Donations to Local Networks				81,627	63,537
Other donations (in memoriam, payroll, gift aid)				1,197,999	1,104,066
				<u>1,447,358</u>	<u>1,311,752</u>
<b>Legacies</b>					
Research				52,682	171,605
Unrestricted				663,565	1,124,823
				<u>2,163,605</u>	<u>2,608,180</u>
<b>3 Income from other trading activities</b>				<b>2019</b>	<b>2018</b>
				<b>£</b>	<b>£</b>
National fundraising				3,149,228	3,093,081
Local networks' fundraising				77,621	68,863
External turnover of trading subsidiary				126,979	76,633
				<u>3,353,828</u>	<u>3,238,577</u>
<b>4 Investment income and interest</b>				<b>2019</b>	<b>2018</b>
				<b>£</b>	<b>£</b>
Other Interest:					
Charity				53,536	25,259
Trading subsidiary				2	20
				<u>53,538</u>	<u>25,279</u>
<b>5 Income from charitable activities</b>				<b>2019</b>	<b>2018</b>
				<b>£</b>	<b>£</b>
Subscriptions				674,212	636,858
				<u>674,212</u>	<u>636,858</u>
<b>6 Expenditure on charitable activities</b>					
	<b>Direct staff costs</b>	<b>Direct other costs</b>	<b>Support costs</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>2019 £</b>	<b>2018 £</b>
Cost of generating funds (note 9)	628,153	1,156,057	335,734	2,119,944	2,144,118
Charitable activities					
Grantmaking (note 11)	152,751	978,382	-	1,131,133	1,287,457
Supporter Services	572,613	187,916	132,757	893,286	770,690
Marketing and Communications	520,575	174,260	144,441	839,276	854,159
Policy, Public Affairs & Campaigns	430,124	385,197	145,331	960,652	733,264
Networks & volunteering	246,617	101,891	73,795	422,303	458,502
Membership costs	187,951	344,122	114,061	646,134	602,846
	<u>2,738,784</u>	<u>3,327,825</u>	<u>946,119</u>	<u>7,012,728</u>	<u>6,851,036</u>
	(note 7)		(note 8)		

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

<b>6 Expenditure on charitable activities (continued)</b>				
	<b>Direct staff costs £</b>	<b>Direct other costs £</b>	<b>Support costs £</b>	<b>Total 2018 £</b>
The comparative from last year is detailed below				
Cost of generating funds	685,468	1,072,170	386,480	2,144,118
Charitable activities				
Grantmaking	106,297	1,181,160	-	1,287,457
Supporter Services	551,846	121,326	97,518	770,690
Marketing and Communications	424,954	283,267	145,938	854,159
Policy, Public Affairs & Campaigns	329,074	277,740	126,450	733,264
Networks & volunteering	252,044	135,398	71,060	458,502
Membership costs	209,953	280,615	112,278	602,846
	<u>2,559,636</u>	<u>3,351,676</u>	<u>939,724</u>	<u>6,851,036</u>
<b>7 Staff costs</b>			<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>
Wages and salaries			2,362,678	2,212,001
Social security costs			235,025	212,518
Pension costs			141,081	135,117
			<u>2,738,784</u>	<u>2,559,636</u>
The average number of staff and the allocation of their time was:			<b>2019</b>	<b>2018</b>
Charitable activities			No.	No.
Direct			49	37
Support			12	11
Cost of generating funds			17	23
			<u>78</u>	<u>71</u>
The Charity was supported by 850 volunteers across the UK, engaged in events delivery as well as awareness, fundraising and information sharing. Volunteers also support the Charity on a variety of internal panels, as well as in the media, as Trustees, in our office and providing three separate Helpline services.				
<b>Key management compensation</b>				
Operational management of the Charity is overseen by the Chief Executive, supported by a Senior Leadership Team of 6 (2018: seven). Total remuneration, including pension costs in 2019 was £489,974 (2018: £595,094). No member of staff was paid more than £120,000 and less than £130,000 (2018: one). Two members of staff were paid more than £70,000 and less than £80,000 in the year (2018: one). Three members of staff were paid more than £60,000 and less than £70,000 in the year (2018: two). Pension contributions in respect of these staff members totalled £25,897 (2018: £30,767).				
<b>8 Support Costs</b>			<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>
Other staff related costs			89,517	109,804
Premises costs			362,003	416,366
Office operating costs			470,570	355,487
Other costs			24,029	58,067
			<u>946,119</u>	<u>939,724</u>
Included in support costs are the following:				
Amortisation of intangible fixed assets			105,100	16,736
Depreciation of tangible fixed assets			121,081	92,322
Property rental			<u>289,889</u>	<u>331,221</u>
Support costs are allocated across the activity areas of the Charity on the basis of direct staff time related to that activity.				
<b>8a Net incoming/(outgoing) resources for the year - Group</b>			<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>
This is stated after charging:-				
Depreciation			226,181	109,058
Operating Leases			289,889	331,221
Auditors' remuneration - Crohn's & Colitis UK			10,100	14,050
Auditors' remuneration - NACC Merchandise Ltd			<u>2,400</u>	<u>2,850</u>

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

<b>9 Direct cost of generating funds</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
External costs of trading subsidiary	110,773	76,653
National fundraising direct costs	1,980,061	2,033,202
Local Networks' fundraising	29,110	34,263
	<u>2,119,944</u>	<u>2,144,118</u>

**10 Trading Subsidiary**

The charity has a wholly owned trading subsidiary NACC Merchandise Limited, a company incorporated in England & Wales Reg. no. 03297441. The company sells Christmas cards and other products. The company transfers its taxable profits to the charity. A summary of the trading results of the company is shown below. Audited accounts have been filed with the Registrar of Companies.

<b>Profit and loss account</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Turnover	126,979	76,633
Cost of sales	(106,030)	(23,072)
Gross profit	<u>20,949</u>	<u>53,561</u>
Administrative expenses	(9,743)	(11,916)
Interest receivable	2	20
Net Profit/(loss) on ordinary activities	<u>11,208</u>	<u>41,665</u>
Amount gift aided to Crohn's & Colitis UK	(11,208)	(41,665)
Net Profit for the year	<u>-</u>	<u>-</u>
Retained profit brought forward	-	-
Retained profit carried forward	<u>-</u>	<u>-</u>

**11 Grant making expenditure**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Support grants	15,254	175,265
Medical research	469,125	469,790
Living with IBD research	194,603	243,427
IBD Health Services	232,371	119,952
Research partnership grants	70,000	-
Other - Local Grants made by Networks	27,916	45,136
	<u>1,009,269</u>	<u>1,053,570</u>
Direct costs of grant making process	121,864	233,887
	<u>1,131,133</u>	<u>1,287,457</u>

**Support grants**

Grants are made to individual people who have a particular need arising as a result of their inflammatory bowel disease. 24 grants were made in the year totalling £15,254 (2018: £175,265).

A new scheme has been introduced with regards IBD nurses bursaries. During the year 16 bursaries were made in the year totalling £73,770. This scheme will replace the support grants.

**Research grants**

Grants are awarded by Crohn's & Colitis UK 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 2019 are listed below. Crohn's & Colitis UK does not contribute to the overhead costs of such institutions.

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

**11 Grant making expenditure (continued)**

	2019	2018		
	£	£		
<b>Medical research</b>				
University of Cambridge	-	157,450		
University of Exeter	-	120,000		
MRC Laboratory of Inflammation	-	118,767		
Queen Mary University of London	-	73,573		
Royal Liverpool	87,164	-		
St Marks Hospital	18,150	-		
University College London	179,775	-		
Kings College London	184,036	-		
	<u>469,125</u>	<u>469,790</u>		
<b>Other grants</b>				
Local Networks raised funds for local projects to which grants totalling £27,916 (2018 £45,136) were made.				
	2019	2018		
	£	£		
<b>Social &amp; Psychological Research</b>				
University of Sheffield	117,942	-		
University of Traditional medicine	76,661	-		
University of Aston	-	33,790		
Sheffield Teaching Hospitals	-	119,967		
St Georges University	-	89,670		
Completed grants reattributed	-	-		
	<u>194,603</u>	<u>243,427</u>		
<b>IBD Health Service Grants</b>				
Addenbrooke's Hospital Cambridge	117,378	-		
Queen Mary's	114,993	-		
University of Cambridge	-	119,562		
	<u>232,371</u>	<u>119,562</u>		
<b>Research Partnership grants</b>				
Royal College of Surgeons	35,000	-		
Coeliac UK	35,000	-		
	<u>70,000</u>	<u>-</u>		
<b>12 Governance direct costs</b>	2019	2018		
	£	£		
Auditors' remuneration - current year	12,500	16,900		
Legal and professional expenses	6,500	1,039		
Meetings and trustee expenses	12,778	14,776		
	<u>31,778</u>	<u>32,715</u>		
<b>13 Transactions with Trustees</b>				
No Trustee received any remuneration for their services as a Trustee.				
A total of £3,760 (2018 - £3,866) was reimbursed to or paid on behalf of 9 (2018: 5) Trustees in respect of travelling expenses and other costs incurred in carrying out their responsibilities as Trustees.				
<b>14 Operating Leases</b>				
At 31 December 2019 the group had commitments under non-cancellable leases as follows:-				
	Equipment	Land and Buildings	Equipment	Land and Buildings
	2019	2019	2018	2018
	£	£	£	£
Amounts payable within 1 year	7,024	288,958	-	288,958
Amounts payable between 2 and 5 years	6,277	818,713	-	818,713
	<u>13,301</u>	<u>1,107,671</u>	<u>-</u>	<u>1,107,671</u>

Total operating lease expenditure recognised in in the SOFA amounted to £289,889 (2018: £331,221)

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

**15 Transfers**

Transfers are made for a variety of reasons, between types of funds and between National and Local Networks, the note below illustrates these:

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
National	£	£	£	£
Transfers between national funds:-				
Fixed assets movement in net book value (1)	(296,370)	296,370		-
CRM designated fund release (2)	286,027	(286,027)		-
Network funds in excess of 3 year policy (3)	337,698	(337,698)		-
Research and Welfare grants under funded (4)	(798,673)		798,673	-
Restricted projects under funded (5)	(9,322)		9,322	-
<b>Total funds</b>	<u>(480,640)</u>	<u>(327,355)</u>	<u>807,995</u>	<u>-</u>
	(note 22)	(note 22)	(note 23)	
2018 transfers between national funds	<u>(17,804)</u>	<u>(536,835)</u>	<u>554,639</u>	<u>-</u>

**Notes**

1. The net movement of fixed asset additions and disposals during the year
2. Release of the fully utilised designated funds relating to the CRM purchase
3. Release of network funds relating to those net funds in excess of the 3 year policy
4. This relates to a shortfall in restricted income raised towards the Research and Welfare grants expenditure
5. For 5 restricted projects, expenditure was in excess of the income which necessitated this transfer

**16 Intangible fixed assets**

All assets held for use by the Charity

Charity	Software development	Total
Cost	£	£
Brought forward 1 January 2019	288,973	288,973
Additions in year	410,198	410,198
Disposals	-	-
Carried forward at 31 December 2019	<u>699,171</u>	<u>699,171</u>
<b>Amortisation</b>		
Brought forward 1 January 2019	16,736	16,736
Charge for the year	105,100	105,100
Disposals	-	-
Carried forward at 31 December 2018	<u>121,836</u>	<u>121,836</u>
<b>Net book value</b>		
At 31st December 2019	<u>577,335</u>	<u>577,335</u>
At 31st December 2018	<u>272,237</u>	<u>272,237</u>
<b>Group*</b>		
<b>Cost</b>	£	£
Brought forward 1 January 2019	288,973	288,973
Additions in year	410,198	410,198
Disposals	-	-
Carried forward at 31 December 2019	<u>699,171</u>	<u>699,171</u>
<b>Amortisation</b>		
Brought forward 1 January 2019	16,736	16,736
Charge for the year	105,100	105,100
Disposals	-	-
Carried forward at 31 December 2019	<u>121,836</u>	<u>121,836</u>
<b>Net book value</b>		
At 31st December 2019	<u>577,335</u>	<u>577,335</u>
At 31st December 2018	<u>272,237</u>	<u>272,237</u>

At 31 December 2019 there are capital commitments relating to the CRM software development of £28,233k (2018 : £78,027)

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

**16 Tangible fixed assets (continued)**

All assets held for use by the Charity

<b>Charity</b>	<b>Leasehold Improvements</b>	<b>Fixtures and Fittings</b>	<b>Computer Equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought forward 1 January 2019	461,291	277,928	136,131	875,350
Additions	-	4,484	11,088	15,572
Disposals	-	-	-	-
Carried forward at 31 December 2019	<u>461,291</u>	<u>282,412</u>	<u>147,219</u>	<u>890,922</u>
<b>Depreciation</b>				
Brought forward 1 January 2019	27,831	214,639	21,761	264,231
Charge for the year	48,142	24,790	48,149	121,081
Disposals	-	-	-	-
Carried forward at 31 December 2019	<u>75,973</u>	<u>239,429</u>	<u>69,910</u>	<u>385,312</u>
<b>Net book value</b>				
At 31st December 2019	<u>385,319</u>	<u>42,983</u>	<u>77,309</u>	<u>505,610</u>
At 31st December 2018	<u>433,460</u>	<u>63,289</u>	<u>114,370</u>	<u>611,119</u>
<b>Group*</b>	<b>Leasehold Improvements</b>	<b>Fixtures and Fittings</b>	<b>Computer Equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought forward 1 January 2019	461,291	277,928	136,131	875,350
Additions	-	4,484	11,088	15,572
Disposals	-	-	-	-
Carried forward at 31 December 2019	<u>461,291</u>	<u>282,412</u>	<u>147,219</u>	<u>890,922</u>
<b>Depreciation</b>				
Brought forward 1 January 2019	27,831	214,639	21,761	264,231
Charge for the year	48,142	24,790	48,149	121,081
Disposals	-	-	-	-
Carried forward at 31 December 2019	<u>75,973</u>	<u>239,429</u>	<u>69,910</u>	<u>385,312</u>
<b>Net book value</b>				
At 31st December 2019	<u>385,319</u>	<u>42,983</u>	<u>77,309</u>	<u>505,610</u>
At 31st December 2018	<u>433,460</u>	<u>63,289</u>	<u>114,370</u>	<u>611,119</u>

\*Group represents the consolidation of the Charity with its trading company

At 31 December 2019 there are capital commitments of £0 (2018 : £0)

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

17 Investments	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Market value of investments at 1 J	-	596,797	-	596,797
Acquisitions at cost	1,000,000	-	1,000,000	-
Disposals/proceeds	-	(589,495)	-	(589,495)
Gains/(losses) on investments	88,789	(7,302)	88,789	(7,302)
Market value of investments at 31	<u>1,088,789</u>	<u>-</u>	<u>1,088,789</u>	<u>-</u>

In October 2016, the charitable company invested £600,000 in M&G's Charibond Fixed Interest Common Investment Fund. This was sold on 26 July 2018 for £589,496.

In April 2019, the charity invested £1,000,000 in an Investment Fund with COIF, the Market Value at 31.12.19 was £1,088,789. The charitable company's balance sheet includes a £1 investment in NACC Merchandise Ltd (see note 10).

18 Debtors	Group		Charity	
	2019	2018	2019	2018
All amounts fall due within one y	£	£	£	£
Balance with trading subsidiary	-	-	-	-
Prepayments	321,864	363,404	321,864	363,403
Tax recoverable	143,734	65,714	143,734	65,714
Other debtors	81,956	60,143	114,947	60,143
Accrued income	337,163	371,830	336,459	371,497
	<u>884,717</u>	<u>861,091</u>	<u>917,004</u>	<u>860,757</u>

19 Analysis of cash at bank and in i	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Current accounts and cash balance:	500,903	223,567	430,098	197,446
Interest-bearing account balances	1,192,897	3,245,473	1,192,897	3,245,473
Local Networks	296,904	262,478	296,904	262,478
	<u>1,990,704</u>	<u>3,731,518</u>	<u>1,919,899</u>	<u>3,705,397</u>

20 Creditors: amounts falling due within one year	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Unpaid balances of research grants	1,361,103	1,503,626	1,361,103	1,503,626
Trade creditors	327,883	396,538	289,365	372,199
Social security and other taxes	71,141	56,287	71,141	56,020
Accruals and deferred income	411,174	282,100	411,175	280,252
	<u>2,171,301</u>	<u>2,238,551</u>	<u>2,132,784</u>	<u>2,212,097</u>

Creditors: amounts falling due after one year	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Unpaid balances of research funds	<u>755,568</u>	<u>440,662</u>	<u>755,568</u>	<u>440,662</u>

21 Provisions for liabilities	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Dilapidations provision	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

A dilapidations provision has been recognised in respect of the short term leasehold. A

This relates to dilapidations on a previous lease agreement

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

17 Investments	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Market value of investments at 1 J	-	596,797	-	596,797
Acquisitions at cost	1,000,000	-	1,000,000	-
Disposals/proceeds	-	(589,495)	-	(589,495)
Gains/(losses) on investments	88,789	(7,302)	88,789	(7,302)
Market value of investments at 31	<u>1,088,789</u>	<u>-</u>	<u>1,088,789</u>	<u>-</u>

In October 2016, the charitable company invested £600,000 in M&G's Charibond Fixed Interest Common Investment Fund.

This was sold on 26 July 2018 for £589,496.

In April 2019, the charity invested £1,000,000 in an Investment Fund with COIF, the Market Value at 31.12.19 was £1,088,789.

The charitable company's balance sheet includes a £1 investment in NACC Merchandise Ltd (see note 10).

18 Debtors	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
<b>All amounts fall due within one y</b>				
Balance with trading subsidiary	-	-	-	-
Prepayments	321,864	363,404	321,864	363,403
Tax recoverable	143,734	65,714	143,734	65,714
Other debtors	81,956	60,143	114,947	60,143
Accrued income	337,163	371,830	336,459	371,497
	<u>884,717</u>	<u>861,091</u>	<u>917,004</u>	<u>860,757</u>

19 Analysis of cash at bank and in f	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Current accounts and cash balance:	500,903	223,567	430,098	197,446
Interest-bearing account balances	1,192,897	3,245,473	1,192,897	3,245,473
Local Networks	296,904	262,478	296,904	262,478
	<u>1,990,704</u>	<u>3,731,518</u>	<u>1,919,899</u>	<u>3,705,397</u>

20 Creditors: amounts falling due within one year	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Unpaid balances of research grants	1,361,103	1,503,626	1,361,103	1,503,626
Trade creditors	327,883	396,538	289,365	372,199
Social security and other taxes	71,141	56,287	71,141	56,020
Accruals and deferred income	411,174	282,100	411,175	280,252
	<u>2,171,301</u>	<u>2,238,551</u>	<u>2,132,784</u>	<u>2,212,097</u>

Creditors: amounts falling due after one year	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Unpaid balances of research funds	<u>755,568</u>	<u>440,662</u>	<u>755,568</u>	<u>440,662</u>

21 Provisions for liabilities	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Dilapidations provision	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

A dilapidations provision has been recognised in respect of the short term leasehold. A

This relates to dilapidations on a previous lease agreement

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

22 Unrestricted funds		2019 Brought forward	Income	Expenditure	Transfers	2019 Carried forward
		£	£	£	£	£
<b>Designated funds:</b>						
Fixed Assets	(a)	280,966	-	-	296,370	577,336
CRM	(b)	286,027	-	-	(286,027)	-
Networks retained funds	(c)	618,541	159,248	78,729	(337,698)	361,362
		<u>1,185,534</u>	<u>159,248</u>	<u>78,729</u>	<u>(327,355)</u>	<u>938,698</u>
<b>Designated total</b>						
<b>Other unrestricted funds</b>						
General Reserve Fund held Nationally		1,515,627	5,198,058	5,236,499	(480,640)	996,546
Non charitable trading funds		-	126,981	126,981	-	-
		<u>1,515,627</u>	<u>5,325,039</u>	<u>5,363,480</u>	<u>(480,640)</u>	<u>996,546</u>
<b>Total</b>		<u><u>2,701,161</u></u>	<u><u>5,484,287</u></u>	<u><u>5,442,209</u></u>	<u><u>(807,995)</u></u>	<u><u>1,935,244</u></u>

- (a) A fund is maintained that represents the net book value of tangible fixed assets in so far as these funds are not available for immediate use.
- (b) The CRM designated fund has now been depleted in full.
- (c) The Trustees have agreed that accumulated surpluses from the Networks should be designated for future use by Networks. Networks are required to utilise these funds within three years in which they are reported.

Unrestricted funds		2018 Brought forward	Income	Expenditure	Transfers	2018 Carried forward
		£	£	£	£	£
<b>Designated funds</b>						
Fixed Assets	(a)	275,691	-	-	5,275	280,966
Property Fund	(b)	331,645	-	-	(331,645)	-
CRM	(c)	538,206	-	-	(252,179)	286,027
Networks retained funds	(d)	576,827	-	-	41,714	618,541
		<u>1,722,369</u>	<u>-</u>	<u>-</u>	<u>(536,835)</u>	<u>1,185,534</u>
<b>Designated total</b>						
<b>Other unrestricted funds</b>						
General Reserve Fund held Nationally		1,239,612	5,248,807	4,954,988	(17,804)	1,515,627
Non charitable trading funds		-	76,653	76,653	-	-
		<u>1,239,612</u>	<u>5,325,460</u>	<u>5,031,641</u>	<u>(17,804)</u>	<u>1,515,627</u>
<b>Total</b>		<u><u>2,961,981</u></u>	<u><u>5,325,460</u></u>	<u><u>5,031,641</u></u>	<u><u>(554,639)</u></u>	<u><u>2,701,161</u></u>

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

23 Restricted funds		2019			2019 Carried forward	
		Brought forward	Income	Expenditure		Transfers *
National		£	£	£	£	
Research	(a)	-	358,594	1,142,619	784,025	-
Welfare - support grants	(b)	-	20,865	35,513	14,648	-
Publications and Videos	(c)	-	(2,000)	5,000	7,000	-
Patient Map/IBD Companion	(d)	308	-	309	1	-
Young people and families	(e)	-	13,066	11,726	-	1,340
London Walk - Corporate Income	(f)	-	1,490	1,331	-	159
Helplines	(g)	-	35,809	15,174	-	20,635
IBD Nurses	(h)	-	162,401	130,685	-	31,716
Clinical Connect	(i)	121	-	121	121	121
Grant for training		-	-	-	-	-
Patient Information	(j)	-	95,994	82,856	-	13,138
IBD Register	(k)	-	-	1	1	-
Patient Engagement	(l)	-	1,389	1,389	-	-
In Their Shoes	(m)	14,232	-	16,107	1,875	0
Richard Driscoll IBD fellowship	(o)	467	-	318	-	149
Spotlight	(p)	-	37,388	37,663	275	-
IBD Boost	(q)	2,462	31,706	13,263	-	20,905
Volunteer Development	(r)	2,500	1,000	3,501	1	-
Patient Empowerment Guide	(s)	5,500	7,000	12,550	50	-
Not Every Disability is Visible	(t)	20,000	20,000	19,915	-	20,085
Wales Project	(u)	-	10,000	9,971	-	29
PEP Programm	(v)	-	42,273	30,509	-	11,764
Health Service Development	(w)	-	15,000	-	-	15,000
<b>Total restricted funds</b>		<b>45,590</b>	<b>851,975</b>	<b>1,570,519</b>	<b>807,995</b>	<b>135,042</b>

\* Where expenditure on a particular fund exceeds income, a transfer has been made from Unrestricted funds.

- (a) Research - Medical and Living with IBD research grants funded by individual supporters  
(b) Welfare - personal grants funded by individual supporters final year 2019  
(c) Publications and Videos - Corporate and supporter funding for publications made available to the public  
(d) Patient Map/IBD Companion - Corporate funding to support this programme  
(e) Young people and families - funds received for events and support of younger people and families  
(f) London Walk - corporate funding received in support of the London Walk supporter event  
(g) Helplines - funds received to support the running and staffing of the Charity's helplines  
(h) IBD Nurses - funding to support the achievement of the IBD Standard regarding provision and access to IBD Nurses  
(i) Clinical Connect - funds to support the development of a designated area of the website for Health Care Professionals  
(j) Patient Information - funds received to support the re-printing and distribution of patient literature provided to hospitals  
(k) IBD Register - to help fund a new CEO of the newly incorporated IBD registry  
(l) Patient Engagement - allow IBD patients participation in the planning, development and delivery of their healthcare services  
(m) In Their Shoes - to help everyone understand what sufferers of the disease experience  
(n) Living with IBD research - helping to understand the full effects of the disease  
(o) Richard Driscoll IBD Fellowship  
(p) Spotlight - to improve understanding of IBD amongst GPs, and to produce a toolkit and educational materials  
(q) IBD Boost - utilise digital platforms to import Patient Reported Outcomes Measurement data into the IBD Registry  
(r) Volunteer Development- support for volunteer networks hosting events for patients, families and medical professionals  
(s) Patient Empowerment Guide - help patients feel in control of their condition and allow them to actively manage it  
(t) Not Every Disability is Visible - change accessible toilet signage to help raise awareness  
(u) Wales Project  
(v) PEP Programm  
(w) Health Service Development

Restricted funds		2018			2018 Carried forward	
		Brought forward	Income	Expenditure		Transfers *
National		£	£	£	£	
Research	(a)	-	554,648	648,436	93,788	-
Welfare - support grants	(b)	-	36,110	175,265	139,155	-
Publications and Videos	(c)	11,324	64,500	75,824	(1)	-
Health Support Scotland	(d)	18,455	2,000	20,455	-	-
Northwest Nurses PEP	(e)	427	-	427	-	-
Patient Map/IBD Companion	(f)	12,018	-	11,710	-	308
Family Network	(g)	-	11,910	11,910	-	-
Young people and families	(h)	36,639	39,614	76,684	431	-
London Walk - Corporate Income	(i)	-	1,000	1,000	-	-
Helplines	(j)	11,500	73,018	84,518	-	-
IBD Nurses	(k)	7,494	18	7,512	-	-
Clinical Connect	(l)	6,000	-	5,879	-	121
Patient Information	(m)	12,000	94,471	106,471	-	-
IBD Register	(n)	-	43,953	43,953	-	-
Travel with IBD	(o)	4,948	-	4,948	-	-
Patient Engagement	(p)	-	16,922	16,922	-	-
External events	(q)	-	7,500	7,500	-	-
In Their Shoes	(r)	-	60,450	46,218	-	14,232
Living with IBD Research	(s)	-	-	363,379	363,379	-
Richard Driscoll IBD fellowship	(t)	-	467	-	-	467
Spotlight	(u)	-	27,000	27,000	-	-
IBD Boost	(v)	-	2,462	-	-	2,462
Volunteer Development	(w)	-	2,500	-	-	2,500
Patient Empowerment Guide	(x)	-	5,500	-	-	5,500
Not Every Disability is Visible	(y)	-	20,000	-	-	20,000
Property	(z)	-	400	-	(400)	-
<b>Total restricted funds held nationally</b>		<b>120,805</b>	<b>1,064,443</b>	<b>1,736,011</b>	<b>596,353</b>	<b>45,590</b>
Local Networks - Transferred to designa (u)		-	132,400	90,687	(41,714)	-
<b>Total restricted funds</b>		<b>120,805</b>	<b>1,196,843</b>	<b>1,826,697</b>	<b>554,639</b>	<b>45,590</b>

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

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

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2019 are represented by:			
Fixed assets	1,082,945	-	1,082,945
Investments	1,088,789	-	1,088,789
Current assets	623,708	2,251,713	2,875,421
Current liabilities	(810,198)	(1,361,103)	(2,171,301)
Long term liabilities	-	(755,568)	(755,568)
Provisions for liabilities	(50,000)	-	(50,000)
	<u>1,935,244</u>	<u>135,042</u>	<u>2,070,286</u>

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2018 are represented by:			
Fixed assets	883,355	-	883,355
Current assets	2,605,682	1,986,927	4,592,609
Current liabilities	(737,876)	(1,500,675)	(2,238,551)
Long term liabilities	-	(440,662)	(440,662)
Provisions for liabilities	(50,000)	-	(50,000)
	<u>2,701,161</u>	<u>45,590</u>	<u>2,746,751</u>

**25 Related Party**

Apart from the Gift Aid transfer of profits from NACC Merchandise Ltd as detailed in Note 10, and the £5,000 char for administration and merchandise (2018:£8,000) there are no other related party transactions in the year. At the year end the subsidiary owed the charity £32,991 (2018: £2,592 creditor).

**26 Gifts in kind**

Crohn's & Colitis UK received gifts in kind during the year relating to the goods and services to a value of £63,841 relating to Google grants. These amounts have not been included in the financial statements as their value is not considered to be material

**27 Financial Instruments**

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
<b>Financial assets</b>				
Financial assets that are measured at amortised cost	<u>419,119</u>	<u>431,640</u>	<u>451,406</u>	<u>431,640</u>
<b>Financial liabilities</b>				
Financial liabilities that are measured at amortised cost	<u>2,855,728</u>	<u>2,622,926</u>	<u>2,817,211</u>	<u>2,596,739</u>

Financial assets measured at amortised cost comprise trade and other debtors, and accrued income. Financial liabilities measured at amortised cost comprise the unpaid balance of research grants, trade creditors, accruals and deferred income.

In addition, balances at bank as detailed on the balance sheet, represent financial instruments.

**Crohn's and Colitis UK Notes to the Accounts  
for the year ended 31 December 2019 (continued)**

## Administrative details

### Board of Trustees, officers and senior management team

#### Life President

Professor John Lennard-Jones (deceased 2019)

#### Vice Presidents

Rod Mitchell

Bradley Brown (deceased 2019)

Elaine Steven

#### Board of Trustees

Sue Cherrie (Chairman)

Caroline Silke

Sarah Denselow (Hon Secretary)

Dr Gill Holdsworth

Tom Reddy (Hon Treasurer)(Vice Chair from June 2019)

Justine Woolf

Alan Thackrey (Vice Chair until June 2019)

Graham Bell

Deborah Hodges (until June 2019)

Amanda Quincey

#### Co-opted Advisors

Dr Barney Hawthorne – Chief Medical Advisor

Isobel Mason - IBD Nursing Advisor

Deborah Hodges – Safeguarding and HR (from July 2019)

#### Senior Leadership Team

Sarah Sleet, Chief Executive (from March 2019)

Helen Terry, Director of Research

Dan McLean, Director of Marketing Communications and Membership

David Risser, Director of Information and Support Services (until March 2019)

Andrew Adie, Director of Finance and Corporate Services

Rukshana Kapasi, Director of Health Service Development

Sam Afhim, Director of Income Generation (until March 2019)

Charlie Keep, Director of Income Generation (from March 2019)

Ruth Wakeman, Director of Information and Support Services (from October 2019)

### Board Committees

#### Research Strategy and Funding Committee

Dr Gill Holdsworth (Chair)

Sarah Denselow (from October 2019)

Kati Simpson

Prof. Jonathan Rhodes (until April 2019)

Dr Barney Hawthorne (from April 2019)

Mr Omar Faiz

Prof. Christine Norton

Dr Karen Kemp

Prof. David Rampton

#### Finance and Audit Committee

Tom Reddy (Chair)

Alan Thackrey (until June 2019)

Caroline Silke (from Sept 2019)

Justine Woolf (from Sept 2019)

Sue Cherrie

Angus McLean

Sarah Sleet (Ex officio) from March 2019

Andrew Adie (Ex officio)

Kate Metcalfe (Ex officio)

Dr. Miles Parkes  
 Dr. Ailsa Hart  
 Prof. Richard Russell  
 Helen Terry (Ex officio)  
 Sarah Sleet (Ex officio) from March 2019

#### **IT/CRM Project Group**

Graham Bell (Chair)  
 Sam Afhim (until March 2019)  
 Andrew Adie  
 Productle (external adviser)

#### **People and Organisational Development Committee**

Deborah Hodges (Chair)  
 Sue Cherrie  
 Amanda Quincey  
 Janice Byrne (Ex officio)  
 Sarah Sleet (Ex officio) from March 2019

#### **Governance Committee**

Sarah Denselow (Chair)  
 Sue Cherrie  
 Deborah Hodges  
 Tim Mutum  
 Sarah Sleet (Ex officio) from March 2019  
 Jane Roberts (Ex officio)

#### **Fundraising Committee**

**This committee stood down in April 2019**

### **Professional services**

#### **Auditors**

Price Bailey LLP  
 7<sup>th</sup> floor Dashwood House  
 Broad Street  
 LONDON  
 EC2M 1QS

#### **Solicitors**

Bates, Wells & Braithwaite  
 10 Queen Street Place  
 London EC4R 1BE

Debenhams Ottaway Solicitors

Ivy House  
 107 St. Peter's Street  
 St. Albans  
 Herts AL1 3EW

#### **Bankers**

##### **Principal bankers:**

Lloyds TSB plc  
 36 Chequer Street  
 St. Albans  
 Herts AL1 3YQ

##### **Other relevant bankers:**

##### **CCLA**

Senator House  
 85 Queen Victoria Street  
 LONDON  
 EC4V 4ET

##### **Clydesdale Bank**

4th Floor, Verulam Point  
 Station Way  
 St. Albans  
 Herts AL1 5HE

##### **Close Brothers Treasury**

10 Crown Plaza  
 London EC2A 4FT

##### **CAF Bank Ltd**

25 Kings Hill Avenue  
 Kings Hill  
 West Malling  
 ME19 4JQ

##### **Cater Allen Private Bank**

2 Triton Square  
 Regent's Place  
 London NW1 3AN

##### **Santander Corporate & Commercial**

2 Triton Square,  
 Regent's Place,  
 London, NW1 3AN

##### **Metro Bank**

One Southampton Row, LONDON, WC18 5HA

## Thank you so much

We are incredibly grateful to each and every one of our supporters for enabling us to reach so many people living with Crohn's, Colitis and other forms of IBD in 2019.

For more information about who we are, what we do and how you can help, please get in touch.

Crohn's and Colitis UK  
Helios Court  
1, Bishop's Square  
HATFIELD  
Herts  
AL10 9NE

[www.crohnsandcolitis.org.uk](http://www.crohnsandcolitis.org.uk)

[info@crohnsandcolitis.org.uk](mailto:info@crohnsandcolitis.org.uk)

Office Direct Line: **01727 830038**

Helpline Service (including Disability Benefits and Parent to Parent service)

0300 222 5700

Monday to Friday: 09:00 – 17:00

Or email [helpline@crohnsandcolitis.org.uk](mailto:helpline@crohnsandcolitis.org.uk)

### Press & Media

01727 73 44 78

[media@crohnsandcolitis.org.uk](mailto:media@crohnsandcolitis.org.uk)

For out-of-hours media enquiries only: 07921 45 45 78

### Membership

01727 73 44 65

[membership@crohnsandcolitis.org.uk](mailto:membership@crohnsandcolitis.org.uk)

### Fundraising & donations

01727 73 44 85

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### Volunteering & local networks

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[volunteering@crohnsandcolitis.org.uk](mailto:volunteering@crohnsandcolitis.org.uk)

### Research

01727 73 44 68

[research@crohnsandcolitis.org.uk](mailto:research@crohnsandcolitis.org.uk)

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[Charity SORP revision](#)