ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales · Charity number 1172338

Details

Other names	IA
Status	Registered
Legal form	Charitable company
Company number	10375943
Registered	2017-03-30
Register	View on the Charity Commission register

Contact

Address	The Ileostomy & Internal Pouch Support Group Danehurst Court 35-37 West Street Rochford SS4 1BE
Phone	0800 0184724
Email	info@iasupport.org
Website	http://www.iasupport.org/

Activities

Objects: 2.1 THE CHARITY'S OBJECTS ARE:2.1.1 TO HELP ANYONE WHOSE COLON HAS BEEN, OR IS ABOUT TO BE, REMOVED BY SURGICAL PROCEDURE OR WHO HAS AN ILEOSTOMY OR AN INTERNAL POUCH; 2.1.2 TO PROMOTE AND CO-ORDINATE RESEARCH INTO BOWEL DISEASE AND OTHER CONDITIONS LEADING TO THE REMOVAL OF THE COLON, SURGICAL PROCEDURES PERTAINING THERETO, AND RELATED MATTERS, AND FURTHER TO PROMOTE THE DISSEMINATION OF KNOWLEDGE GAINED BY SUCH RESEARCH; 2.1.3 TO KEEP ILEOSTOMISTS AND OTHERS INFORMED OF ALL MATTERS OF INTEREST TO THE CHARITY BY THE PERIODIC DISSEMINATION OF INFORMATION BY WAY OF PUBLICATIONS, BY ARRANGING CONFERENCES, SEMINARS AND COURSES ON TOPICS OF INTEREST, AND IN ANY OTHER MANNER WHICH IS CHARITABLE AND WHICH THE TRUSTEES CONSIDER APPROPRIATE.

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Activities: IA'S PRIMARY AIM IS TO HELP PEOPLE WHO HAVE TO UNDERGO SURGERY WHICH INVOLVES THE REMOVAL OF THEIR COLON (KNOWN AS A COLECTOMY) AND THE CREATION OF EITHER AN ILEOSTOMY OR AN ILEO-ANAL POUCH. IA AIMS TO HELP THEM WITH ALL ASPECTS OF THEIR REHABILITATION, TO PROMOTE AND CO-ORDINATE RESEARCH AND TO IMPROVE KNOWLEDGE ABOUT THE MANAGEMENT OF ILEOSTOMIES OR POUCHES.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£343,448	£706,356	-	-
2024-09-30	£647,745	£759,110	£5,646,130	6
2023-09-30	£393,993	£615,069	-	-
2022-09-30	£390,382	£544,093	-	-
2021-09-30	£468,095	£488,941	-	-
2020-09-30	£453,566	£626,340	-	-

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Trustees

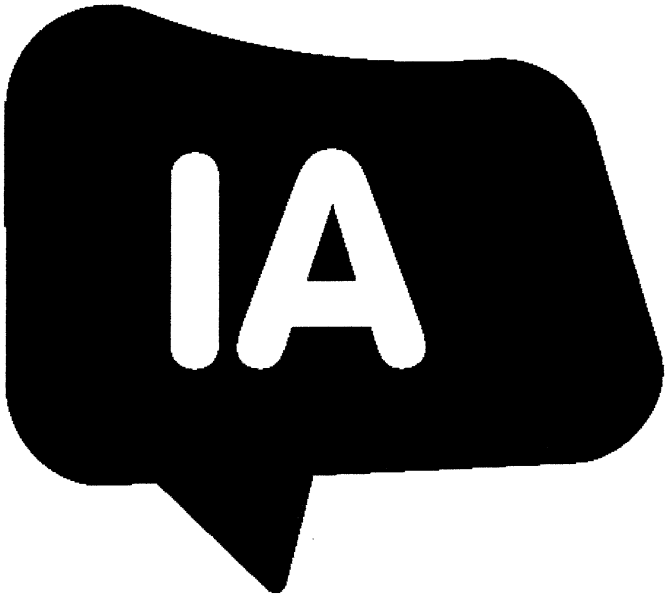
Name	Role	Appointed
ANNA RENNIE		2018-09-01
Brigitte Siefken		2022-03-25
Carol Katte		2022-03-25
Cepta Burke		2018-09-01
Jacqueline Sibbald		2018-09-01
Justin Bishop		2022-03-25
Richard Lovegrove		2025-10-28
STUART HAY		2018-09-01
Scott Clifford		2023-11-18
Thomas Pinkney		2025-09-13
Tracey Usher		2018-09-01

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ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales - Charity number 1172338

Accounts



Ileostomy and Internal Pouch Association

Registered Charity No. 1172338 (England and Wales) and SC048658 (Scotland)

A Company limited by guarantee in England and Wales No. 10375943

ANNUAL REPORT

and

ACCOUNTS

2025

Because we know, we care



Ileostomy and Internal Pouch Association

(Originally established 1956)

Registered Charity No. 1172338

Registered Company No. 10375943

PRINCIPAL ADDRESS AND REGISTERED OFFICE

Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE

PRESIDENT:

Professor Gordon Carlson CBE, BSc (Hons), MB ChB (Hons), MD, FRCS, FRCS (Gen), FRCSEd (Ad Hom)

BOARD OF TRUSTEES

Chair: Mr Stuart Hay

Vice-chair: Ms Anna Rennie

Trustees: Mr Justin Bishop
Ms Cepta Burke
Mr Scott Clifford
Mr David Drakeley (until 24 November 2024)
Mrs Carol Katté RGN, DipN(Lond), NDNCert, ENB216
Mr Richard Lovegrove MB, BS, MD, FRCS (from 28 October 2025)
Mr Amar Panchal (until 17 May 2025)
Professor Thomas Pinkney MBChB, MMedEd, MD, FRCS (from 13 September 2025)
Mrs Jacqui Sibbald
Ms Brigitte Siefken
Mr John Smail
Mr Neil Smart MBBS(Hons), MD, PhD, FRCSEd, MFMLM (until 6 June 2025)
Ms Tracey Usher

NATIONAL OFFICERS

Chief Executive Officer and National Treasurer:	Mr Michael Bell FCCA
National Office Manager:	Ms Leann Lepley
PR & Communications Manager/IA Journal Editor:	Mrs Caroline Bramwell

PROFESSIONAL ADVISERS

Legal advisers:	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Principal bankers:	The Co-operative Bank PO Box 250, Delf House, Southway, Skelmersdale WN8 6WT
Auditors:	Sumer Audit Piper House, 4 Dukes Court, Bognor Road, Chichester PO19 8FX
Investment manager:	Rathbone Investment Management Limited George House, 50 George Square, Glasgow G2 1EH

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

The Board of Trustees has pleasure in presenting its report for the year ended 30 September 2025. This report represents a Directors' Report as required by s417 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

LEGAL STATUS AND OBJECTS

Ileostomy and Internal Pouch Association is a Company Limited by Guarantee in England and Wales (10375943) and is a Charity registered in England and Wales no. 1172338 and in Scotland no. SC048658 with a working name of IA. The Charity is governed by its Articles of Association, last amended in August 2018. Although the Company was incorporated on 14 September 2016 it remained dormant until 30 September 2018, with the Charity operating until that date as an unincorporated association registered in England and Wales under charity number 234472 in the name of IA. The Charity's principal address and registered office is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

In setting the Charity's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need by reason of ill-health.

IA's objects are:

1. To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch;
2. To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research;
3. To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

ORGANISATIONAL STRUCTURE

This charity was originally founded in 1956 and operated as a charitable unincorporated association registered under charity number 234472 until 30 September 2018. At that point, it transferred its undertakings, including all activities, employees and assets subject to all its liabilities in its entirety to a charitable Company Limited by Guarantee, Ileostomy and Internal Pouch Association, company number 10375943 (England and Wales) through which it now operates.

Throughout its existence, IA has operated a number of local groups, known as member organisations, which are located throughout the United Kingdom. Member organisations operate either as an Integrated Branch (hereinafter termed "Branch") of the national charity, or as an Affiliated Member Organisation (hereinafter termed "Affiliate") which is a separate charity from the national charity, with the relationship between the Affiliate and the national charity being governed by an Affiliation Agreement. During the period under review there were 41 member organisations, of which 36 operated as Branches and 5 as Affiliates.

The trustees of the national charity, who are also the directors for the purposes of company law, who served during the year, are listed on page 2. None of the trustees has any beneficial interest

in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members of the Company consist of the board of trustees and one representative from each member organisation, ensuring that member organisations are central to the charity's governance and policy setting. There are generally four board meetings a year which was the case in the year under review, with three meetings taking place online and one in person. The Trustees believe that working in this way is both more economic and a more efficient use of time and resources, and that this does not affect their ability to discuss important issues and make decisions where appropriate.

Applications for elected trustee positions are invited from member organisations when a position becomes available and any applications are dealt with by the Trustee Recruitment and Selection sub-committee, who carry out an interview and selection process with the successful candidate(s) being put forward for election, subject to board approval. Trustees are elected at a general meeting of the company 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 an induction which includes visiting the charity's national office where possible and receiving training as and when required.

Authority for the day to day management of the charity is currently delegated to the Chief Executive Officer, Mr. Michael Bell, as per the charity's governing document. Remuneration for all staff including key management personnel is agreed by the remuneration sub-committee. Salaries are reviewed annually by the committee and are benchmarked against similar charities using independent data to ensure that salary levels are appropriate and competitive, whilst taking into account performance, the past year's achievements and other relevant factors.

The management committee, which consists of senior staff and Trustees, meets regularly to consider matters of both strategic and operational natures, making recommendations to the Board of Trustees where relevant. All meetings are held online as this has proved more effective logistically.

The unincorporated association IA (charity registration number 234472 (England & Wales)) remains in existence as a dormant shell charity in order to safeguard any future legacies in its name that might otherwise have failed due to the manner in which a particular will was written and therefore might have been distributed instead to another charity or beneficiary. The Company holds £100 on trust for the unincorporated association and is one of the two trustees of this shell charity, the other being the chair of the Company.

ACHIEVEMENT OF CHARITABLE OBJECTIVES

To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch.

After significant increases in the total number of enquiries received in the previous two years at IA national office from members of the public, healthcare professionals and others with a professional interest in the work of IA, enquiries in the year under review dropped back by 17%, although the underlying number of enquiries still exceed those reported in all years prior to 2023. Nevertheless, membership enquiries resulted in 15% more people joining as new members in 2025 than 2024, with 83% of those having joined on-line, in keeping with recent years where the majority of applications are made via our website.

Each new member received an information pack containing booklets and leaflets on a wide range of relevant subjects covering many aspects of life with an ileostomy or internal pouch. This literature has been specially written by IA's honorary consultant advisers and by members with particular experiences and expertise upon which they can draw. A total of 391 requests for literature and publications were received from a combination of healthcare professionals, members and member organisations this year, which was a slight decrease of 10% on the previous year's levels. During the year we continued to update our existing leaflets and this will work will continue in the current year.

Enquiries regarding travel were up 75% this year compared to the previous year, and there is still a demand our popular travel certificates which, in a range of languages, explain the conditions of ileostomy and internal pouch.

Promotional items were made available to local groups and members for distribution at exhibitions, meetings and open days to further publicise the support that is available from IA.

We currently have 41 member organisations located throughout the United Kingdom. These continue to provide information, advice and assistance to existing, new and potential members. We also continue to offer valuable support via our One2One Support service, Support Through Therapy service and our Specialist Core Rehabilitation program, further details of which are provided below.

To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research.

No new funding applications for research were received during the year under review, which was also the case in the previous year, and this is disappointing given there are funds available. There has been a dearth of grant applications in the years since Covid, and we would encourage potential applicants to consider applying for grant funding as we continue to look for high quality research to support. As an organisation we continue to consider how we can improve take up of the funds available. The recent appointment of two new trustees onto the board with extensive colorectal surgical experience should assist in this regard.

Although there was no funded research undertaken this year, IA continues to assist with a variety of research projects involving members' participation through the dissemination of surveys and questionnaires covering a wide range of subjects. In the year under review this included -

- Proposed Questionnaire for Vegetarian Ileostomists to improve post-operative information: Oxford University Hospitals
- Research study exploring how adults with inflammatory bowel disease adjust to getting a stoma: Canterbury Christchurch University
- Sex-PROM study – developing a sexual function patient-reported outcome measure: Robin Phillips Fistula Research Unit, St Mark's Academic Institute
- PAVFCOMS Study: Development of a Core Outcome Measurement Set for Pouch Anal and Vaginal Fistulae: London North West University Healthcare NHS Trust
- To better understand the everyday life, experiences, and needs of patients living with a stoma, as well as discussing potential treatment approaches and how patients living with stomas can be better supported in their everyday life: Liberating Research
- Empowering Voices: Understanding Diverse Experiences in Gynaecological Cancer Care: University of Limerick
- Patient and Clinician Voices in Bladder and Bowel Care: Patients Association
- Validating a leak detection device: Uster University
- Digital Cohort for Colorectal Cancer Survivors': Universities of Leeds and Newcastle
- A 10-minute online survey about the different healthcare companies involved in manufacturing ostomy products: ExaField

To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

The quarterly IA Journal continues to be the primary form of communication between the Charity and members, providing updates with the latest developments in products and services along with human interest stories and other articles of interest, such as readers' letters, medical articles and

news items. The regular article from an exercise expert continues to be well received by readers, as does the regular article on diet from a qualified dietician. A series of articles focusing on employment challenges were also featured during the year. The Journal Editor continues to further develop the Journal so that it remains the valuable resource that it is to members and other interested parties moving forward.

Although the IA Journal still remains the primary form of communication with our members, social media channels also play an ever increasing role in communicating with members and the wider stoma community. Our channels include Facebook, Instagram, X (formerly Twitter) and YouTube and there are plans to put an even greater focus on this area over the coming year. Campaigns run during the year included Internal Pouch Awareness Month in October, which proved to be very popular. In addition to public social media channels, our private Facebook group IA Pouch Pals, which is there to help support those with internal pouches and offer them a private safe space to interact, continues to attract new members. All who have an interest in internal pouches are welcome, whether they are IA members or not.

Having held a new regional event, our Scottish Information Day in 2023, a second Scottish Information Day was held in Stirling in October. Over 45 delegates attended the day, with the feedback from delegates praising the excellent variety and calibre of the guest speakers and workshops, as well as the topics covered.

Following on previous successful events over the past few years, we held another Pouch Information Day in September 2025 in Birmingham with a theme of "Everything you ever wanted to know about pouches (but were afraid to ask)". Speakers included pouch surgeon Abi Patel, dietitian Sophie Turigel and Psychotherapist Carrie Helman, with formal presentations in the morning followed by informal small-group discussions in the afternoon. There was also the opportunity to speak with other "pouchies" about the lived experience of being a pouch patient, and to see a range of useful equipment.

We held our usual Annual Information Day in April 2025, this time in Manchester. The number of attendees continued at a similar level to the previous year. The programme contained presentations on matters such nutritional deficiencies and hydration issues for people with ileotomies or internal pouches, developing services that meet patient needs in relation to parastomal hernias, medicine matters, and the future of stoma care, as well as a number of popular workshops, and the event was once again well received. The event also allowed both members and non-members the opportunity to meet together in both formal and informal settings to discuss issues of common interest, share personal experiences and learn from the range of talks and workshops provided.

Other online events have been held throughout the year, including monthly Coffee and Chat online session run by the Internal Pouch sub-committee.

The Charity's website continues to be further developed and improved to ensure it remains relevant and informative for all its users.

SERVICES FOR MEMBERS

Services for members and potential members continued, as did the work of the association under the appropriate national officers as listed on page 3. At national office, enquiries of a general nature came from potential and existing members, healthcare professionals and commercial companies and working relationships continued with member organisations, Government bodies and associated patient support organisations.

IA's website remains a popular resource for information to those looking for guidance on living with an ileostomy and internal pouch.

There were five successful applications for welfare grants this year with total grant payments of £2,202 made from the Welfare Fund. This was a similar level to the previous year, where grants

awarded totalled £2,043. Further consideration will be given to updating the welfare grant application process and criteria to make the offer more attractive to potential applicants.

Matched funding continued to assist member organisations to support local projects such as equipment for hospitals and healthcare professionals. This year grants totalling £2,000 were paid out under this scheme (see Note 8 on page 31), compared to £1,458 last year.

Our Specialist Core Rehabilitation Program, run in association with clinical exercise specialist Sarah Russell and funded by the Robert Wainwright fund, continued to provide free online core rehabilitation classes for any member with an ileotomy or internal pouch, as well as those who have reversal surgery or a parastomal hernia. We would encourage members to apply for funding for these classes which have proved very useful for attendees to date.

Our One2One Support service, continues to offer high quality support to patients by volunteers who have lived experience with an ileostomy or internal pouch. IA Support Volunteers work in conjunction with stoma care nurses to offer a unique non-medical perspective which can be invaluable in recovery from surgery and at the start of a new life with an ileostomy or an internal pouch. Anyone can request support from the volunteers – there is no requirement to be an IA member to use One2One Support. Over the past year we continued to identify and train more volunteers using our new ASCN endorsed training course. We continue to further develop and actively promote One2One Support going forward. Although referrals were slightly down on the previous year, effort had been made to ensure the monitoring of local requests to ensure they were completed, and this helped enhance the service. We are also planning to offer an in person training course alongside our online course to help train more support volunteers.

Our Support Through Therapy service, launched in October 2024 and set up for members who require professional emotional support before or after their stoma or internal pouch surgery (this being in addition to and operating alongside our One2One support service) continued to offer support to members at a critical time in their lives. Our panel of therapists offer a safe space and an outlet for people to share their issues and get help to process what they are experiencing, and we have been gratified to see very positive feedback from those utilising this service.

GRANT MAKING POLICY

Members of IA benefit from a number of grants which enable them to apply for funding to attend events and purchase essential items.

- Bryan N Brooke IA Overseas Travel Fund: Professor Bryan Brooke, IA's national founding President, wanted to enable ordinary IA members to attend international meetings, which they otherwise might not consider. Therefore, the Bryan N Brooke (IA) Overseas Travel Fund (BBOTF) was set up to assist IA members with their travel costs for overseas meetings and events. The fund was established as Bryan Brooke's retirement gift from IA and in memory of his contribution as President for over 20 years.
- Victoria Wills (IA) Internal Pouch Bursary: This bursary is available for members with an internal pouch to assist with their travel costs to relevant IA meetings and events.
- Welfare Fund: This fund has been set up to assist IA members who are experiencing financial hardship to:
    - Purchase essential item(s) where ileostomy or internal pouch surgery has directly affected the need for the item(s).
    - Provide towards a convalescent break immediately following ileostomy or internal pouch surgery.
    - Purchase essential medical equipment which is not covered by a state grant or benefit.

- YIA Bursary Fund: The Young IA Bursary Fund has been set up to fund IA members under the age of 40 to attend events in circumstances whereby the IA member may not be able to attend the event through financial hardship.
- Research Fund: This fund supports research being carried out throughout the UK. This support can take the form of financial assistance, or promoting awareness of research being carried out that may be of benefit to members.

Each fund has its own set of grant making guidelines which must be adhered to and all applications are assessed by the appropriate board sub-committee. Information and instructions for making an application are available to members, and application forms available from national office.

These grant making activities contribute to the achievement of IA's aims and objectives by:

- Helping those with an ileostomy and internal pouch who are in financial hardship.
- Providing a service to its members, and keeping ileostomists and those with an internal pouch informed by giving them the opportunity to attend a variety of conferences, meetings and seminars.
- Promoting research by enabling members to attend a variety of research events and/or participate in research activities.

We continue to encourage the take up of the various grants available as the level of applications has remained low over recent years.

MEETING STRATEGIC OBJECTIVES

Our current strategic plan runs from 2022-25. During the year under review, we achieved a number of the strategic objectives contained in the plan, details of which were noted above. In addition to these activities, we also carried out the following in order to meet the strategic objectives included in the plan.

Raising awareness

- We managed to secure an article about one of our Internal Pouch advocates and their journey to an internal pouch in Chat magazine.
- In order to extend our reach, we attended a number events and exhibitions, including the Association of Stoma Care Nurses (ASCN) annual event, which was a joint congress this year between WCET (World Council of Enterostomal Therapists) and ASCN), the Association of Coloproctology of Great Britain & Ireland (ACPGBI) conference, and the Best Practice conference (an event aimed at UK healthcare professionals in general practice and primary care).
- We continued to advertise in relevant trade publications, such as the British Journal of Nursing, Community Nursing magazine and the Gastrointestinal Nursing magazine.

Advocating on behalf of our members and representing their interests externally

- IA was one of the patient and professional organisations working together in partnership with IBD UK to improve standards of care and treatment for everyone with Inflammatory Bowel Disease, culminating in a report titled "IBD UK report: The State of IBD Care in the UK". This report describes the results of the 2023 IBD Benchmarking, in which 17,654 people living with IBD and 150 IBD services took part, and supports the long-term outcome of everyone living with IBD in the UK receiving a timely diagnosis and equitable access to quality care. The report recommendations will drive national and local action to deliver improvements and tackle variation in IBD diagnosis and care across the UK.

- We continued to participate in the Advancing Stoma Care Services (ASCS) project being led by ASCN, with involvement in multiple workstreams. The aim of this ambitious project is to formulate an evidence-based 'best practice stoma pathway' with the aim of standardising stoma care services nationally.
- As part of the ASCS project, we participated in a number of episodes of a series of podcasts entitled 'Beyond the Bag: Challenging Differences in Stoma Care", with this podcast series being shortlisted for the Nursing Times Awards.
- We continue to be a member of the National Bowel Alliance, which is made up of charities with an interest in the field of bowel cancer, bowel diseases and bowel health, and has been established to bring together charities with an interest in these fields to promote more effective working for the benefit of patients, carers and the public.
- After our submission of a response to the government consultation on "Medical Devices in Primary Care: Proposals for updating Part IX of the Drug Tariff - medical devices available for prescribing in primary care", we were one of the patient charities invited to join "Protecting Patient Choice: A Coalition of Partners", a group of organisations and manufacturers aiming to engage with the government to express their concerns over the proposals and the effect they will have on users (patients). We continued to participate in meetings of the DHSC Patient Engagement Forum as part of this issue.
- Including contributions from many of our local member organisations along with input from a national perspective, we submitted a response to the NHS 10 Year Health Plan Survey.
- Along with the other patient stoma charities, we have been involved in discussions with the Civil Aviation Authority regarding their Airport Accessibility Framework and the negative experiences of those with stomas travelling through airports.
- We participated in meetings of the Bladder & Bowel Continence Care All Party Parliamentary Group.

Improving our service offering

- We launched a new medicine card for both those with an internal pouch and those with a stoma, to highlight that not all capsules could be absorbed by the holder of the card.
- Our dedicated resource responsible for engaging and supporting our local member organisations travelled around the country holding a number of local meetings with the aim of strengthening links between local and national IA, identifying what local members wanted from IA, and attracting new volunteers to help bolster local resources.
- A number of local membership organsations which had been inactive were relaunched following the recruitment of new volunteers.

Collaboration and liaison with other organisations

We continue to maintain good working relationships with other ostomy associations in the UK such as Colostomy UK and the Urostomy Association, as well as with internal pouch support groups, with Crohn's & Colitis UK, and other relevant charities such as A Bear Named Buttony. Membership of the European Ostomy Association (EOA) enabled co-operation with ostomy support organisations in Europe and the worldwide ostomy community, and IA's PR & Communications Manager Caroline Bramwell sits on the EOA's Executive Committee, further strengthening ties and co-operation between our two associations and ensuring IA represents the UK at a European and wider level.

Mutual benefit was derived from the continued liaison with the Royal College of Nursing, the Association of Stoma Care Nurses UK, the Royal College of Surgeons of England, the World Council of Enterostomal Therapists, the Kingston Trust, the Association of Coloproctology of Great Britain & Ireland, the Association of Coloproctology Nurses, the Irish Stoma Care & Cancer Nurse

Association, the British Healthcare Trades Association, Patients, Industry and Professionals (PIPs) Forum and the Scottish Stoma Forum.

RISK AND RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- The maintenance of a risk register recording all identified risks.
- An annual review of the risk register including the principal risks and uncertainties that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the performance of its investments is the major financial risk for the charity. Investment income forms a significant proportion of overall income and any reduction in investment income levels could have an adverse effect on the income available to support day-to-day operations. This risk is mitigated by retaining expert investment managers, Rathbone Investment Management (Rathbones), on a discretionary basis and ensuring that an investment policy is in place which specifies both the level of risk to be applied to the management of the investment portfolio and the approach to income generation. The arrangement with Rathbones is reviewed on an annual basis to ensure that performance continues to meet with the charity's requirements. Although the usual in-person annual review meeting with Rathbones did not take place this year, regular communication between the charity and Rathbones has continued during this period and email updates are provided by our dedicated investment manager whenever changes to the portfolio's composition occur. The Trustees also review the portfolio composition and performance at each board meeting.

Attention has also been focused on non-financial risks, the principal ones relating to the employment of staff and the potential loss of key staff and officers. The former risk has been mitigated by the engagement of professional legal advice on employment matters, the latter by the creation of contingency plans that include the identification of alternate resources able to assume responsibility should the loss of key people occur.

FINANCIAL RESULTS AND REVIEW

The full accounts of IA are shown on pages 19 to 43. They show the activities of the principal charity and the Branch member organisations but do not include the activities of the Affiliate member organisations, who are separately registered charities responsible for preparing their own accounts in accordance with the appropriate legislation.

The accounts show a deficit of £234,853 in the financial year to 30 September 2025. This figure includes an amount of £128,055 in relation to gains on investments. Of the £234,853 deficit recorded, £269,839 related to a deficit on unrestricted funds whilst £34,986 related to a surplus on restricted funds. Taking these results into account, closing assets stood at £5,411,277.

RESERVES POLICY

The Board of Trustees has determined that the following policies will apply in respect of the various funds held.

General Fund

The General Fund provides resources for the day to day running of the charity and should hold reserves sufficient to cover a minimum of six months' payments based on the expenses incurred in the last full financial year, plus any future planned additional expenditure.

Designated funds

Any designated funds established by the Board of Trustees are intended to provide income for specific purposes. The Capital Investment Fund was established to provide income for the General Fund. All capital in any designated funds may be spent on the authority of the Board of Trustees. In addition to the designated funds noted above, each Branch member organisation has its own designated fund. Further information on this is provided in the section Branch Funds below.

Restricted Funds

Restricted funds have been established either where the donations received are restricted by the donors, or where the fund has been established for a restricted purpose. In the case of the Welfare Fund and the Bryan N. Brooke (IA) Overseas Travel Fund, the intention is to maintain the capital, adding any donations received, and to spend the income providing grants for the purposes for which the funds were established. All other restricted funds are holding donations until such time as they can be spent in accordance with the restriction. In addition to the named restricted funds, each Branch member organisation has its own restricted fund(s). Further information on this is provided in the section Branch Funds below.

When assessing levels of reserves in each fund, the Board of Trustees ignores unrealised profits on investments, as these are not considered sufficiently reliable to guarantee future spending levels.

Branch Funds

Each Branch member organisation has its own designated fund and restricted fund. All income for a particular Branch is credited to its designated fund, whilst all expenditure for that Branch is taken from its restricted fund until such time as that fund has been exhausted, when expenditure is then set against the branch's designated fund. Rather than set an individual reserves policy for each Branch and its funds, the Board of Trustees instead monitor the net position of each Branch on an ongoing basis to ensure that sufficient funds remain in each branch to continue their activities for the foreseeable future.

Overall

All fund balances are in line with or exceed their reserves policy. The total funds held by the charity at 30 September was £5,411,277 of which £4,802,643 was held as unrestricted funds and the remaining £608,634 held as restricted funds. Included in unrestricted funds are designated funds of £4,488,064 leaving £314,579 in general unrestricted funds.

INCOMING AND OUTGOING RESOURCES

Income for the year was £343,448 compared to £647,745 in the prior year, a 47% decrease year on year.

Looking at income in more detail, income from donations and legacies was £124,511, a decrease of £285,677 on the 2024 figure of £410,188. This decrease can be attributed to a fall in legacy income, which was down from £342,396 in 2024 to £22,314 in the year under review. It is in the nature of income from legacies that levels can fluctuate significantly year on year and are neither controllable nor forecastable. Partially offsetting the decrease in legacy income was an increase in external donation income, up from £32,792 in 2024 to £46,753 in 2024.

Income from charitable activities was broadly static this year, coming in at £95,950 compared to ££93,168 in 2024, which equates to a marginal 3% rise year on year. Of the £95,590 figure, income from advertising in the IA Journal contributed £34,053, a 9% increase on the previous

year's figure of £31,229. This was pleasing given last year's advertising revenue had been down on the two years prior to that. Also included within income from charitable activities, member organisation annual subscription income of £30,661 (2024: £26,151) credited to unrestricted funds relates to the annual charge payable by member organisations to the national charity and includes £28,204 of annual subscription income charges to Branch member organisations. As the £28,204 is also a cost to the Branches, the same amount is also included in expenditure on charitable activities as this was charged against the Branches' individual restricted funds. Income from member subscriptions fell to £23,477 (2024: £28,147), partly due to overdue subscriptions not being paid in good time.

Income from investments was down to £122,987 in 2025 compared to a figure of £144,389 in 2024 and £133,755 in 2023. Our investment portfolios have a balanced investment objective, which looks to combine the generation of a good level of income with longer term capital growth, rather than a specific income objective, so some fluctuations on income levels are to be expected. In addition, from time to time capital is drawn down from the portfolio in order to fund operational activities and this can have the effect of reducing investment income give the reduction in investment capital.

Expenditure for the year was £706,356 (2024: £759,110), of that £668,293 (2024: £682,235) being charged to unrestricted funds and £38,063 (2024: £76,875) to restricted funds. Of total expenditure, 96% (2024: 96%) or £679,113 (2024: £730,610) was in support of IA's charitable activities with 4% (2024: 4%) or £27,243 (2024: £28,500) being the cost of raising funds. Of the £679,113 incurred as expenditure on charitable activities, £40,950 (2024: £31,963) related to costs borne by Branches as a result of their charitable activities.

INVESTMENT POLICY

Investments are shown in the accounts at market value. The charity has two investment portfolios managed under a discretionary management agreement with Rathbone Investment Management using a medium risk stance, one main portfolio being the funds of the national charity and a "B" portfolio being the investment of a proportion of funds held on behalf of Branches.

The charity's investment policy is shown in the Financial Regulations document and is "to hold investments to provide income in support of its core operations". Income generated from the "B" portfolio is credited to Branches taking into account their average funds over the financial year as a proportion of total funds. There are no social, environmental or ethical considerations contained within the investment policy.

As noted above, combined total investment income from both portfolios was £122,987 this year compared to £144,389 in 2024. Net gains on investment stood at £128,055 (2024: £459,292). Of the total net gains of £128,055, unrealised gains on investments held within the portfolios at year end were £229,358, whilst realised losses on investment sales were £101,303.

Total return on investments over the 12-month period to 30 September 2025 for the main portfolio was 2.71% when compared to the portfolio's long term investment objective of CPI+3%, which was 5.69% over the same period. However, when looking over the longer term on an annualised basis, whilst over 3 years the portfolio returned 6.39% compared to the CPI+3% benchmark return of 7.31%, over the period from the market bottom during Covid on 19 March 2020 to 30 September 2025, the annualised returns realised on the portfolio come in at 8.29% compared to the CPI+3% figure of 7.70%, which is pleasing and demonstrates that long term performance has met the benchmark set.

The "B" portfolio, which has a slightly more defensive strategy than the main portfolio, posted a total return over the 12-month period to 30 September 2025 of 0.64% when compared to the portfolio's long term investment objective of CPI+2% which was 4.67% over the same period. As with the main portfolio, longer term returns look healthier, with an annualised return of 6.39% since the market bottom during Covid on 19 March 2020 to 30 September 2025, compared to the CPI+2% benchmark over the same period of 6.67%.

In accordance with the requirements of the Trustee Act, 2000, Part II, section 4(2), from time to time, the trustees review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied. Changes in policy would be reflected in the investment management agreement and in the targets set for IA's investment managers. There were no changes to the investment policy document during the year.

FUTURE PLANNING

IA reaches its 70th anniversary in 2026, a milestone in our history and an achievement in terms of our longevity. We are pleased that we have been able to provide support to so many people with, or about to have, either ileostomies or internal pouches, over those 70 years. As we come to the end of our current strategic planning period 2022-25 and look ahead to 2026 and beyond, we need to ensure that the organisation continues to remain relevant to our members and the wider community for the next 70 years.

Our current Chief Executive Officer (CEO) & National Treasurer, Michael Bell, has informed the Board of Trustees of his intention to step down from his CEO role. The Board remains indebted to Michael for his dedication and leadership over the last seven years as CEO while the charity navigated its new path, delivered new services and implemented IA's strategic plan. The Board also recognise that IA must continue to evolve and that this represents a real opportunity to reflect on our current position, review our strategic direction and chart our future path under new leadership. With a new CEO in place, we will be developing a new strategic plan to meet the challenges our charity faces over the coming months and years.

Whilst we will be working hard to recruit a new CEO, we have not lost sight of our current strategic objectives, and will continue to meet these whilst we develop our new plan. In particular, we will aim to:

- Recruit a dedicated Stoma and Pouch Care Specialist Nurse to help us lead and develop our strategic clinical support services to people living with an ileostomy or an internal pouch. This person will also help us further develop our telephone support service with the introduction of a nursing helpline, allowing access to a dedicated stoma care nurse (SCN).
- Review our current organisational structure and staffing, and carry out further recruitment where identified to ensure we have the appropriate resources in place to help us deliver our services.
- Continue to develop our research portfolio to broaden and deepen knowledge of bowel disease and the patient journey for those with ileostomies and internal pouches, ultimately leading to better care.

The Trustees consider that the charity will be able to continue to meet its charitable objectives over the coming year.

CONCLUSION

IA continues to have a significant level of assets which offers a cushion against future problems. All current activities can therefore continue as planned, and the Trustees are satisfied that all known commitments can be met for the foreseeable future. They also recognise that further consideration is required regarding income generation in the longer term to ensure that expenditure can be covered by income rather than by a drawdown of capital.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also the directors of IA for the purposes of company law, are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing the financial statements, the trustees are required to:

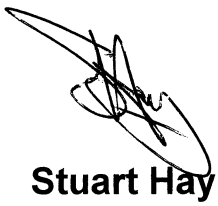
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Stuart Hay
Chair of the Trustees
14 February 2026

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

Opinion

We have audited the financial statements of Ileostomy and Internal Pouch Association (the 'charity') for the year ended 30 September 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

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 charity 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

Identification and assessment of irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements and *operations*;

- Obtaining an understanding of the charity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud;
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the company and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the association for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: health & safety and employment law, as well as compliance with the UK Companies and Charities Acts.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management.
- Reading correspondence with regulators
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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, for our audit work, for this report, or for the opinions we have formed.

Robin Evans

23/03/2026

Robin Evans BA FCA CTA DChA (Senior Statutory Auditor)
for and on behalf of Sumer Audit
Chartered Accountants
Statutory Auditor
Chichester

Sumer Audit is the trading name of Sumer Auditco Limited

Statement of Financial Activities (including income and expenditure account) for the year ended 30 September 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2025 £	Total funds 30/9/2024 £ (Note 2)
Income from:					
Donations and legacies	3	68,460	56,051	124,511	410,188
Charitable activities	4	95,950	-	95,950	93,168
Investments	5	114,772	8,215	122,987	144,389
Total income		**279,182**	**64,266**	**343,448**	**647,745**
Expenditure on:					
Raising funds	6	25,439	1,804	27,243	28,500
Charitable activities	7	642,854	36,259	679,113	730,610
Total expenditure		**668,293**	**38,063**	**706,356**	**759,110**
Net income/(expenditure) before *gains and losses on* investments		**(389,111)**	**26,203**	**(362,908)**	**(111,365)**
Net gains (losses) on investments		119,272	8,783	128,055	459,292
Net income/(expenditure)		**(269,839)**	**34,986**	**(234,853)**	**347,927**
Transfers between funds	20	(3,344)	3,344	-	-
Net movement in funds		**(273,183)**	**38,330**	**(234,853)**	**347,927**
Reconciliation of funds:					
Total funds brought forward		5,075,826	570,304	5,646,130	5,298,203
Total funds carried forward		**4,802,643**	**608,634**	**5,411,277**	**5,646,130**

IA has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 30 September 2025

	Notes	£	Total 30/9/2025 £	£	Total 30/9/2024 £
Fixed Assets					
Investments	14		5,344,761		5,601,026
Total Fixed Assets			**5,344,761**		**5,601,026**
Current Assets					
Debtors	16	32,273		53,153	
Cash on deposit and in hand	17	100,820		147,438	
Total Current Assets		133,093		200,591	
Liabilities					
Creditors falling due within one year	18	66,577		155,487	
Net Current Assets			**66,516**		**45,104**
Total assets less current liabilities			**5,411,277**		**5,646,130**
Net Assets			**5,411,277**		**5,646,130**
The Funds of the Charity					
General unrestricted income funds	20 & 21	4,138,557		4,594,753	
Revaluation reserve		664,086		481,073	
Total unrestricted income funds			**4,802,643**		**5,075,826**
General restricted income funds	20 & 21	520,186		518,171	
Revaluation reserve		88,448		52,133	
Total restricted income funds			**608,634**		**570,304**
Total Charity Funds			**5,411,277**		**5,646,130**

Approved by the board on 14 February 2026 and signed on its behalf by

Mr. Stuart Hay
Chair

Company Registration No. 10375943

Statement of Cash Flows for the year ended 30 September 2025

	Notes	Total Funds 2025 £	Total Funds 2024 £
Net cash used in operating activities	23	**(553,925)**	**(212,859)**
Cash flows from investing activities			
Interest and dividend income		122,987	144,389
Proceeds from sale of investments		2,016,278	1,393,081
Purchase of investments		(1,631,958)	(1,310,202)
Net cash provided by/(used in) investing activities		**507,307**	**227,268**
Change in cash and cash equivalents in the year		**(46,618)**	**14,409**
Cash and cash equivalents brought forward		147,438	133,029
Cash and cash equivalents carried forward		**100,820**	**147,438**
Relating to:			
Cash on deposit and in hand		**100,820**	**147,438**

Notes to the Accounts for the Year ended 30 September 2025

1 ACCOUNTING POLICIES

Charity information

Ileostomy and Internal Pouch Association is a private company limited by guarantee incorporated in England and Wales. The registered address is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

1.1) Basis of preparation and assessment of going concern

The Charity is a public benefit entity and the financial statements have been prepared in accordance with the governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting periods commencing from 1 January 2019), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011, relevant law and accounting standards.

The charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in the financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and that they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts of the *incorporated association.*

1.2) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount of the income can be measured reliably.

Journal advertising is taken on an accruals basis. Donations are recognised when the charity has been notified in writing of both the amount and the settlement date. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receipts basis upon notification by the charity's investment manager.

All other income has been taken into account on a cash received basis.

1.3) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

"Raising funds" includes all direct costs incurred in running fundraising events and investment management costs.

"Charitable activities" includes all costs incurred in meeting our charitable objects and providing support and information to our beneficiaries. Half of the costs of the annual meeting (formerly known as the National Council meeting) are charged under this heading since this meeting not only fulfils the requirements of an annual general meeting but also includes activities designed to help representatives of IA's member organisations to run their charities effectively. Included are updates on research undertaken and other matters important to the running of the charity.

In addition 50% of the costs of our national office are included. The national office of IA not only provides administrative support to the Board of Trustees but also acts as the first point of contact for patients needing our advice and support, as well as supporting IA's member organisations. For this reason the costs are divided between this category and "governance costs".

Much of the work of IA is managed by sub-committees of the main board. The costs of their meetings are included as part of our charitable activities. In addition, since the responsibilities of the board include much direct charitable work, 50% of the cost of the board meetings is included as charitable activities.

"Governance costs" include all costs incurred in the financial management of IA. In addition, 50% of the cost of the annual meeting, the running of national office and the meetings of the board are shown here. Any other costs of an administrative nature are also charged to this heading.

Grants for research and other purposes are recognised as soon as a written agreement between the parties confirming the amount committed and the work to be carried out has been made. Provisions for grants for research and other purposes are recognised when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of the grant payable.

1.4) Tangible and intangible fixed assets

Expenditure on tangible and intangible fixed assets is normally charged to revenue in the year of purchase, unless the level of expenditure on individual items would distort the accounts, or if the asset has been donated to a research project while ownership has been retained by IA. In such cases assets are written off on a straight-line basis at rates calculated to reduce their cost to expected residual value over the term of their anticipated useful lives as follows:

Software	33%

1.5) Investments

All investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired on or subsequent to the first day of the

financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

1.6) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7) Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments" of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are an obligation to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8) Funds

IA has both unrestricted and restricted funds, but no endowment funds, as shown below.

Unrestricted Funds

1. General Fund
2. Capital Investment Fund (designated to provide income for the General Fund)
3. Branch member organisation Designated funds

Restricted Funds

1. Research Fund (to provide grants for research projects relevant to our beneficiaries)
2. Welfare Fund (to provide small financial grants to members)
3. Bryan N. Brooke (IA) Overseas Travel Fund (established by our founding president, Professor Bryan N. Brooke, to provide grants to assist members to attend related meetings abroad)
4. Young IA Bursary Fund (to provide grants to young people to attend events which will aid their recovery after surgery)
5. The Victoria Wills IA Internal Pouch Bursary (established in memory of Victoria Wills to provide grants to those with an internal pouch to attend events which will aid their recovery after surgery)
6. IA Annual Award for Innovation (established by former executive committee chairman Carolyn Stammers to provide funds for an annual award offered to IA member organisations for innovative ideas and activities).
7. Robert Wainwright Fund (established as a result of a pecuniary legacy from the estate of Robert Wainwright to promote exercise and fitness in stoma patients through online classes, videos, workshops and other similar services).
8. Branch member organisation Restricted funds

One of the unrestricted funds, the Capital Investment Fund, was designated to special purposes (to provide income for the General Fund) by decision of the board, which could be changed in the future.

For the purposes of clarity in these financial statements, all Branch designated funds have been amalgamated into a single reporting line shown as Branch Designated within unrestricted funds and similarly all Branch restricted funds have been amalgamated into a single reporting line shown as Branch Restricted funds under restricted funds.

Further details of each fund are disclosed in note 20.

1.9) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

1.10) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

As required by law, the charity offers a workplace pension scheme to all eligible employees. The scheme is operated by the National Employment Savings Trust (NEST) and is a defined

contribution scheme with contributions made by both employer and employee. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable by the charity in the year.

1.11) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and the future periods where the revision affects both current and future periods.

2 ANALYSIS OF PRIOR YEAR TOTAL FUNDS SHOWN ON STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2024 £
Income from:				
Donations and legacies	3	374,017	36,171	410,188
Charitable activities	4	93,168	-	93,168
Investments	5	134,843	9,546	144,389
Total income		**602,028**	**45,717**	**647,745**
Expenditure on:				
Raising funds	6	26,606	1,894	28,500
Charitable activities	7	655,629	74,981	730,610
Total expenditure		**682,235**	**76,875**	**759,110**
Net income/(expenditure) before gains and losses on investments		**(80,207)**	**(31,158)**	**(111,365)**
Net gains (losses) on investments		427,555	31,737	459,292
Net income/(expenditure)		**347,348**	**579**	**347,927**
Transfers between funds	20	(1,534)	1,534	-
Net movement in funds		**345,814**	**2,113**	**347,927**
Reconciliation of funds:				
Total funds brought forward		4,730,012	568,191	5,298,203
Total funds carried forward		**5,075,826**	**570,304**	**5,646,130**

3 INCOME FROM DONATIONS AND LEGACIES

	Funds transferred in from Branch member organisations	Member organisation donations £	Other donations £	Legacies £	Total 2025 £	Total 2024 £
General Fund	-	-	28,609	10,860	39,469	354,813
Branch Designated funds	-	-	17,537	11,454	28,991	19,204
Total unrestricted funds	**-**	**-**	**46,146**	**22,314**	**68,460**	**374,017**
Research Fund	-	-	107	-	107	36,171
Robert Wainwright Fund	-	-	500	-	500	-
Branch Restricted funds	55,444	-	-	-	55,444	-
Total restricted funds	**55,444**	**-**	**607**	**-**	**56,051**	**36,171**
Total 2025	**55,444**	**-**	**46,753**	**22,314**	**124,511**	
Total 2024	-	35,000	32,792	342,396		410,188

As of 1 October 2024, one Affiliate member organisation opted to become a Branch and the transfer of their funds of £55,444 into the national charity is therefore included in donations in the Statement of Financial Activities.

The charity benefits greatly from the involvement and support of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
IA Journal	34,053	-	34,053	31,229
Annual (National Council) meeting	7,759	-	7,759	7,641
Member organisation annual subscriptions	30,661	-	30,661	26,151
Member subscriptions	23,477	-	23,477	28,147
Total	**95,950**	**-**	**95,950**	**93,168**
Total 2024	93,168	-	-	93,168

Income of £30,661 (2024: £26,151) shown above under unrestricted funds as member organisation annual subscriptions includes £28,204 (2024: £23,310) in relation to annual subscription charges levied on Branch member organisations by the charity. A corresponding expense of £28,204 (2024: £23,310) is included under charitable expenditure to reflect the cost to the individual Branches' funds. As such, the overall net effect of these items on the charity is zero.

5 INVESTMENT INCOME

Investment and interest income was £122,987 (2024: £144,389) of which £114,772 was unrestricted (2024: £134,843) and £8,215 was restricted (2024: £9,546). It came from the following sources:

	2025 £	2024 £
UK listed investments	121,857	140,765
Bank interest	1,130	3,624
Total	**122,987**	**144,389**

6 EXPENDITURE ON RAISING FUNDS

	2025 £	2024 £
Investment management costs	26,613	27,870
Online fundraising costs	630	630
Total	**27,243**	**28,500**

Expenditure on raising funds was £27,743 (2024: £28,500) of which £25,439 was unrestricted (2024: £26,606) and £1,804 was restricted (2024: £1,894).

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	2025 £	2024 £
IA *Journal (including distribution costs)*		57,315	52,485
Grants and donations	8	(3,018)	49,556
Annual (National Council) meeting (apportioned)		13,969	16,131
Internal Pouch Group activities		2,134	5,704
One2One training		5,541	5,300
Publicity & promotion		101,640	119,565
Information sheets & booklets		5,192	5,043
National office (apportioned)		226,161	210,742
Charitable activities		6,542	4,558
Branch member organisation activities		40,950	31,963
Support costs	9	18,015	24,994
Governance costs	10	204,672	204,569
Total		**679,113**	**730,610**

In 2025, expenditure on charitable activities was £679,113 (2024: £730,610), of which £642,854 was expenditure from unrestricted funds (2024: £655,629) and £36,259 was expenditure from restricted funds (2024: £74,981). Expenditure of £40,950 shown above as Branch member organisation activities includes £28,204 in relation to annual subscription charges levied on Branch member organisations by the charity. Corresponding income of £28,204 is included under charitable income to reflect the income due to the unrestricted funds of the charity. As such, the overall net effect of these items on the charity is zero.

8 GRANTS AND DONATIONS

	2025 £	2024 £
Grants to individuals	12,513	7,238
Grants to individuals written back	(10,500)	-
Grants to IA member organisations	2,000	1,458
Grants to institutions and organisations written back	(13,022)	-
Other donations	5,991	5,860
Grants from IA branch member organisations to Research Fund	-	35,000
Total	**(3,018)**	**49,556**

During the year the following writebacks occurred –

- Unutilised costs relating to stoma care training totalling £10,500 (2024 – nil).
- Two grants to institutions and organisations where the underutilisation totalled £13,022 (2024 – nil).

9 SUPPORT COSTS

	2025 £	2024 £
IA Journal	3,261	3,231
Annual (National Council) meeting (apportioned)	8,676	9,446
Publicity & promotion	513	6,000
One 2 One	-	766
Internal Pouch	130	130
Charitable activities	5,435	5,421
Total	**18,015**	**24,994**

10 GOVERNANCE COSTS

	2025 £	2024 £
National office (apportioned)	174,997	173,776
Annual (National Council) meeting (apportioned)	5,293	6,685
Other administrative meetings	1,052	1,284
Audit fee	6,500	4,250
Insurance	4,907	4,907
Bank charges & currency costs	605	814
Legal costs	4,134	3,109
Other expenses	7,184	9,744
Total	**204,672**	**204,569**

IA has Trustee Indemnity Insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part and to cover the trustees of IA's member organisations. The cost of this insurance is £4,907 (2024: £4,907) and is shown above.

11 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2025 £	2024 £
Salaries and wages	238,564	201,687
Social security costs	17,657	15,977
Pension costs	24,990	20,455
Other benefits	8,290	6,104
Agency/contract staff	53,451	78,121
Total	**342,952**	**322,344**

The average number of employees during the year was 7 (2024: 6) with all employee time involved in providing either support to the governance of the charity or support to charitable activities. The average number of full time equivalent employees during the year was 5 (2024: 4).

The number of employees receiving total employee benefits (excluding employer pension costs) in excess of £60,000 were

Total employee benefits (excluding *employer pension costs*)	**2025**	**2024**
£70,001 - £80,000	1	1

The charity considers that its key management personnel comprise the trustees, the Chief Executive Officer and the National Officer Manager. The total employee benefits of the key management personnel were £163,433 (2024: £159,494 (restated)). These figures include Employer's National Insurance contributions (NIC) of £16,065 (2025) and £14,888 (2024). Total employee benefits of the key management personnel for 2024 have been restated to include Employer's NIC for comparative purposes.

12 PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2024: nil). Trustees were reimbursed expenses incurred in performing their duties as board members, as follows -

Eight trustees (2024: 7) were reimbursed £7,318 (2024: £5,191) for travelling, postage, telephone, stationery and other costs incurred in fulfilling their voluntary activities, including up-front costs incurred in running events.

During the year, one trustee (2024 – 1), Scott Clifford, received payment for providing IT support services to the charity as per an existing contract for services which was in place prior to his appointment as trustee on 18 November 2023 and under the authority provided by the charity's governing document, contained in clause 4.4.3 of its Articles of Association The total amount paid during the year was £17,610 (2024 - £15,260), this amount being paid to SC Training Services Ltd, a company of which Mr Clifford is a director. The amount outstanding to SC Training Services Ltd at year end was £5,148 (2024 - £1,632).

13 INTANGIBLE FIXED ASSETS

	Total £
Software	
Cost	
At 1 October 2024	6,211
Additions	-
At 30 September 2025	**6,211**
Amortisation	
At 1 October 2024	6,211
Charge for the year	-
At 30 September 2025	**6,211**
Net book value	
At 30 September 2024	-
At 30 September 2025	**-**

Software comprises the membership database purchased to administer the membership records of the charity. Development costs which enhance the functionality of the software are capitalised. Costs for the software are amortised over a three year life from the date the expenditure was incurred, with amortisation included within expenditure on charitable activities in the statement of financial activities. The trustees have chosen to amortise such costs over a three year period as in their opinion this most accurately reflects the life of all software, which is inherently limited due to ongoing product development and the retirement and replacement of current software products with new improved versions .

14 FIXED ASSET INVESTMENTS

Movements on investments for the year ended 30 September 2025 were as shown below.

Market value basis	**2025 £**	**2024 £**
Quoted investments		
Brought forward	5,601,026	5,224,613
Additions	1,606,291	1,310,202
Disposals at carrying value	(2,091,914)	(1,339,525)
Unrealised gains/losses	229,358	405,736
At market value 30th September	**5,344,761**	**5,601,026**
At cost 30 September	4,592,227	5,067,820

Prior to October 2019, all investments were held in a single main portfolio, with investments allocated to funds on the basis of the cost input by each fund. At 1 October 2019, the split was as follows:

Capital Investment Fund	87.54%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
Elizabeth Clay Memorial Fund	5.18%	Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

In October 2019, £375,000 was transferred from the charity's bank account into a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches in order to generate an income for these Branches. The main portfolio continued to operate using the split noted above until 30 September 2021, when the Elizabeth Clay Memorial Fund was closed and the value of the main portfolio previously allocated to it was transferred to the Capital Investment fund as of 1 October 2021. The split from 1 October 2021 on the main portfolio was therefore as follows:

Capital Investment Fund	92.72%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
		Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

The table above showing movement on investments for the year represents the combined investments held on both the main and "B" portfolios.

The cash held within the investment portfolios is £68,564 (2024: £42,897). All the investments are quoted on the UK Stock Exchange. IA does not hold any investments outside the UK. Looking at the combined investment portfolios, there are no investments that exceed 5% of the total market value as at 30 September 2025.

15 FINANCIAL INSTRUMENTS

	2025 £	2024 £
Carrying value of financial assets		
Instruments measured at fair value through profit and loss	5,344,761	5,601,026

16 DEBTORS

Amounts falling due within one year:	2025 £	2024 £
Legacies due	-	23,000
Prepayments	8,475	13,853
Other debtors	14,854	12,800
Due from branch member organisations	5,444	-
Rent deposit	3,500	3,500
Total	**32,273**	**53,153**

17 CASH ON DEPOSIT AND IN HAND

The balance shown includes an amount of £100 held on trust for the unincorporated predecessor charity, IA (Charity Commission (England & Wales) registration number 234472).

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Accruals	27,558	38,053
Research projects	-	84,355
Taxation and social security	6,754	5,999
Due to branch member organisations	1,318	1,248
Deferred income	2,153	-
Other creditors	28,794	25,832
Total	**66,577**	**155,487**

19 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

The charge to profit or loss in respect of defined contribution schemes was £24,989 (2024: £20,455). The creditor at the balance sheet date relating to this scheme is £1,680 (2024: £1,633).

20 ANALYSIS OF CHARITABLE FUNDS

For the financial year ended 30 September 2025

	Balance 1/10/24 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2025 £
Unrestricted funds						
General	321,302	218,284	655,529	-	430,522	314,579
Capital Investment	4,436,264	-	-	119,272	(430,522)	4,125,014
Branch Designated	318,260	60,898	12,764	-	(3,344)	363,050
Total unrestricted funds	**5,075,826**	**279,182**	**668,293**	**119,272**	**(3,344)**	**4,802,643**
Restricted funds						
Research	186,835	7,600	(11,376)	8,011	-	213,822
Welfare	35,657	516	2,315	551	-	34,409
Bryan N Brooke (IA) Overseas Travel	21,126	206	45	221	-	21,508
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	48	-	-	1,765
IA Annual Award for Innovation	238	-	111	-	-	127
Robert Wainwright	48,892	500	6,920	-	-	42,472
Branch Restricted	270,513	55,444	40,000	-	3,344	289,301
Total restricted funds	**570,304**	**64,266**	**38,063**	**8,783**	**3,344**	**608,634**
Total funds	**5,646,130**	**343,448**	**706,356**	**128,055**	**-**	**5,411,277**

The transfer of £430,522 from the Capital Investment Fund to the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £3,344 was made from Branch Designated to Branch Restricted funds to cover deficits on individual Branches' Restricted Funds accounts.

For the financial year ended 30 September 2024

	Balance 1/10/23 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2024 £
Unrestricted funds						
General	264,435	545,603	666,416	-	177,680	321,302
Capital Investment	4,186,389	-	-	427,555	(177,680)	4,436,264
Branch Designated	279,188	56,425	15,819	-	(1,534)	318,260
Total unrestricted funds	**4,730,012**	**602,028**	**682,235**	**427,555**	**(1,534)**	**5,075,826**
Restricted funds						
Research	114,736	44,878	1,727	28,948	-	186,835
Welfare	35,228	599	2,162	1,992	-	35,657
Bryan N Brooke (IA) Overseas Travel	20,137	240	48	797	-	21,126
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	349	-	111	-	-	238
Robert Wainwright	54,087	-	5,195	-	-	48,892
Branch Restricted	336,611	-	67,632	-	1,534	270,513
Total restricted funds	**568,191**	**45,717**	**76,875**	**31,737**	**1,534**	**570,304**
Total funds	**5,298,203**	**647,745**	**759,110**	**459,292**	**-**	**5,646,130**

The transfer of £177,680 from the Capital Investment Fund to the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £1,534 was made from Branch Designated to Branch Restricted funds to cover deficits on individual Branches' Restricted Funds accounts.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the financial year ended 30 September 2025

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2025 £
Unrestricted funds				
General	-	314,579	-	314,579
Capital Investment	4,607,312	(482,298)	-	4,125,014
Branch Designated	-	363,050	-	363,050
Total unrestricted funds	**4,607,312**	**195,331**		**4,802,643**
Restricted funds				
Research	329,946	(116,124)	-	213,822
Welfare	22,858	11,551	-	34,409
Bryan N Brooke (IA) Overseas Travel	8,944	12,564	-	21,508
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,765	-	1,765
IA Annual Award for Innovation	-	127	-	127
Robert Wainwright	-	42,472	-	42,472
Branch Restricted	375,701	(86,400)	-	289,301
Total restricted funds	**737,449**	**(128,815)**	**-**	**608,634**
Total funds	**5,344,761**	**66,516**	**-**	**5,411,277**

For the financial year ended 30 September 2024

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2024 £
Unrestricted funds				
General	-	321,302	-	321,302
Capital Investment	4,849,752	(413,488)	-	4,436,264
Branch Designated	-	318,260	-	318,260
Total unrestricted funds	**4,849,752**	**226,074**		**5,075,826**
Restricted funds				
Research	347,308	(160,473)	-	186,835
Welfare	24,060	11,597	-	35,657
Bryan N Brooke (IA) Overseas Travel	9,415	11,711	-	21,126
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	238	-	238
Robert Wainwright	-	48.892	-	48,892
Branch Restricted	370,491	(99,978)	-	270,513
Total restricted funds	**751,274**	**(180,970)**	**-**	**570,304**
Total funds	**5,601,026**	**45,104**	**-**	**5,646,130**

Unrealised gains on investment assets included above:

	2025 £	2024 £
Unrestricted funds	664,086	481,073
Restricted funds	88,448	52,133
Total	**752,534**	**533,206**

22 OPERATING LEASE COMMITMENTS

At 30 September 2025 the charity had the following future minimum commitments under a non-cancellable lease for office premises as follows:-

Payment due	2025 £	2024 £
No later than one year	5,537	17,979
Later than one year and not later than five years	-	5,537
Total	**5,537**	**23,516**

The amount charged to expenditure on charitable activities in relation to the lease was £17,979.

The charity had no other off-balance sheet arrangements.

23 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(234,853)**	**347,927**
Adjustments for:		
Deduct interest income shown in investing activities	(122,987)	(144,389)
Deduct gains/add back losses on investments	(229,358)	(405,736)
Loss/(profit) on the sale of investments	101,303	(53,556)
(Increase)/decrease in debtors	20,880	38,736
Increase/(decrease) in creditors	(88,910)	4,159
Net cash used in operating activities	**(553,925)**	**(212,859)**

24 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no debt during the year.

25 MEMBER ORGANISATIONS' ACCOUNTS

Branch member organisations' activities are included in these financial statements. Affiliate member organisations, being separately registered charities, prepare their own accounts in

accordance with the appropriate legislation and are accordingly not included in these financial statements.

As noted in notes 4 and 7 above, annual subscription charges of £28,204 were charged to Branch member organisations by the charity and as a result, both charitable income for unrestricted funds and charitable expenditure for restricted funds have been increased by this amount to reflect those transactions. The overall net effect on the charity is zero.

ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales - Charity number 1172338

Accounts



Ileostomy and Internal Pouch Association

Registered Charity No. 1172338 (England and Wales) and SC048658 (Scotland)

A Company limited by guarantee in England and Wales No. 10375943

ANNUAL REPORT

and

ACCOUNTS

2024

Because we know, we care

Ileostomy and Internal Pouch Association

(Originally established 1956)

Registered Charity No. 1172338

Registered Company No. 10375943

PRINCIPAL ADDRESS AND REGISTERED OFFICE

Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE

PRESIDENT:

Professor Gordon Carlson CBE, BSc (Hons), MB ChB (Hons), MD, FRCS, FRCS (Gen), FRCSEd (Ad Hom)

BOARD OF TRUSTEES

Chair:	Mr Stuart Hay
Vice-chair:	Ms Anna Rennie
Finance sub-committee chair:	Mr Amar Panchal
Trustees:	Mr Justin Bishop
	Ms Cepta Burke
	Mr Scott Clifford
	Mr David Drakeley (until 24 November 2024)
	Mrs Carol Katté RGN, DipN(Lond), NDNCert, ENB216
	Mrs Jacqui Sibbald
	Ms Brigitte Siefken
	Mr John Smail
	Mr Neil Smart MBBS(Hons), MD, PhD, FRCSEd, MFMLM
	Ms Tracey Usher

NATIONAL OFFICERS

Chief Executive Officer and National Treasurer:	Mr Michael Bell
National Office Manager:	Ms Leann Lepley
PR & Communications Manager/IA Journal Editor:	Mrs Caroline Bramwell

PROFESSIONAL ADVISERS

Legal advisers:	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Principal bankers:	The Co-operative Bank PO Box 250, Delf House, Southway, Skelmersdale WN8 6WT
Auditors:	Sumer Audit Piper House, 4 Dukes Court, Bognor Road, Chichester PO19 8FX
Investment manager:	Rathbone Investment Management Limited George House, 50 George Square, Glasgow G2 1EH

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

The Board of Trustees has pleasure in presenting its report for the year ended 30 September 2024. This report represents a Directors' Report as required by s417 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

LEGAL STATUS AND OBJECTS

Ileostomy and Internal Pouch Association is a Company Limited by Guarantee in England and Wales (10375943) and is a Charity registered in England and Wales no. 1172338 and in Scotland no. SC048658 with a working name of IA. The Charity is governed by its Articles of Association, last amended in August 2018. Although the Company was incorporated on 14 September 2016 it remained dormant until 30 September 2018, with the Charity operating until that date as an unincorporated association registered in England and Wales under charity number 234472 in the name of IA. The Charity's principal address and registered office is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

In setting the Charity's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need by reason of ill-health.

IA's objects are:

1. To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch;
2. To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research;
3. To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

ORGANISATIONAL STRUCTURE

This charity was originally founded in 1956 and operated as a charitable unincorporated association registered under charity number 234472 until 30 September 2018. At that point, it transferred its undertakings, including all activities, employees and assets subject to all its liabilities in its entirety to a charitable Company Limited by Guarantee, Ileostomy and Internal Pouch Association, company number 10375943 (England and Wales) through which it now operates.

Throughout its existence, IA has operated a number of local groups, known as member organisations, which are located throughout the United Kingdom. Member organisations operate either as an Integrated Branch (hereinafter termed "Branch") of the national charity, or as an Affiliated Member Organisation (hereinafter termed "Affiliate") which is a separate charity from the national charity, with the relationship between the Affiliate and the national charity being governed by an Affiliation Agreement. During the period under review there were 44 member organisations, of which 36 operated as Branches and 8 as Affiliates.

The trustees of the national charity, who are also the directors for the purposes of company law, who served during the year, are listed on page 2. None of the trustees has any beneficial interest

in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members of the Company consist of the board of trustees and one representative from each member organisation, ensuring that member organisations are central to the charity's governance and policy setting. There are generally four board meetings a year which was the case in the year under review, with three meetings taking place online and one in person. The Trustees believe that working in this way is both more economic and a more efficient use of time and resources, and that this does not affect their ability to discuss important issues and make decisions where appropriate.

Applications for elected trustee positions are invited from member organisations when a position becomes available and any applications are dealt with by the Trustee Recruitment and Selection sub-committee, who carry out an interview and selection process with the successful candidate(s) being put forward for election, subject to board approval. Trustees are elected at a general meeting of the company 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 an induction which includes visiting the charity's national office where possible and receiving training as and when required.

Authority for the day to day management of the charity is delegated to the Chief Executive Officer, Mr. Michael Bell, as per the charity's governing document. Remuneration for all staff including key management personnel is agreed by the remuneration sub-committee. Salaries are reviewed annually by the committee and are benchmarked against similar charities using independent data to ensure that salary levels are appropriate and competitive, whilst taking into account performance, the past year's achievements and other relevant factors.

The management committee, which consists of senior staff and Trustees, meets regularly to consider matters of both strategic and operational natures, making recommendations to the Board of Trustees where relevant. All meetings are held online as this has proved more effective logistically.

The unincorporated association IA (charity registration number 234472 (England & Wales)) remains in existence as a dormant shell charity in order to safeguard any future legacies in its name that might otherwise have failed due to the manner in which a particular will was written and therefore might have been distributed instead to another charity or beneficiary. The Company holds £100 on trust for the unincorporated association and is one of the two trustees of this shell charity, the other being the chair of the Company.

ACHIEVEMENT OF CHARITABLE OBJECTIVES

To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch.

Having seen a significant increase of 30% in 2022/23 of the total number of enquiries received at IA national office from members of the public, healthcare professionals and others with a professional interest in the work of IA, enquiries continued at this increased level in 2023/24. Membership enquiries resulted in 244 joining as new members, 217 (89%) of whom joined on-line, in keeping with recent years where the majority of applications are made via our website.

Each new member received an information pack containing booklets and leaflets on a wide range of relevant subjects covering many aspects of life with an ileostomy or internal pouch. This literature has been specially written by IA's honorary consultant advisers and by members with particular experiences and expertise upon which they can draw. A total of 433 requests for literature and publications were received from a combination of healthcare professionals, members and member organisations this year, which was a significant 53% increase on the previous year's levels. During the year, a number of our leaflets received updates and we also introduced a new leaflet "Maintaining kidney health with an ileostomy or internal pouch", explaining the increased risk of acute kidney injury that is related to having an ileostomy or internal pouch and what to do to protect your kidneys.

Enquiries regarding travel continued to be received at the same levels as in recent years, and and there is still a demand our popular travel certificates which, in a range of languages, explain the conditions of ileostomy and internal pouch.

Promotional items were made available to local groups and members for distribution at exhibitions, meetings and open days to further publicise the support that is available from IA.

We currently have 44 member organisations located throughout the United Kingdom. These continue to provide information, advice and assistance to existing, new and potential members. We also continue to offer valuable support via our One2One Support service, our new Support Through Therapy service and our Specialist Core Rehabilitation program, further details of which are provided below.

To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research.

No new funding applications for research were received during the year under review, which was disappointing given there are funds available. There has been a dearth of grant applications in the years since Covid, and we would encourage potential applicants to consider applying for grant funding as we continue to look for high quality research to support. As an organisation we are looking at how we can improve take up of the funds available and are already aware of potential applications in the pipeline, so we hope to be able to provide positive news in next year's report.

Although there was no funded research undertaken this year, IA continues to assist with a variety of research projects involving members' participation through the dissemination of surveys and questionnaires covering a wide range of subjects. In the year under review this included -

- Pouch Fistula Quality of Life survey for St Mark's Hospital, London.
- Knowledge, Attitudes and Hydration Practices in Ileostomists research by the University of Ulster's Nutrition Innovation Centre for Food and Health.
- The Pelvic Floor Society and the James Lind Alliance asked firstly for suggestions for subjects for research around faecal incontinence, and then to prioritise those subjects.
- Sleep after Cancer, research carried out by the Irish Sleep Society.
- Department of Health's Consultation on Part IX of the Drug Tariff Medical Devices in Primary Care.
- Department of Health Medical Technology Directorate's consultation on Medical Devices and Products Patient Experience.

To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

The quarterly IA Journal continues to be the primary form of communication between the Charity and members, providing updates with the latest developments in products and services along with human interest stories and other articles of interest, such as readers' letters, medical articles and news items. The regular article from an exercise expert continues to be well received by readers, as does the regular article on diet from a qualified dietician. This year we have also added a regular article from a business psychologist, dealing with the topic of working life as an ostomate, and including issues such as workplace rights. The Journal Editor will continue to incorporate new ideas into the Journal moving forward.

Although the IA Journal remains the primary form of communication with a lot of our members, social media channels also play an increasingly important role in communicating with members and the wider stoma community. These channels include Facebook, Instagram, X (formerly Twitter) and YouTube. Campaigns run during the year included Ileostomy Awareness Month in

April, IA Big Bake around the same period and Internal Pouch Awareness Month in October. In addition to public social media channels, our private Facebook group IA Pouch Pals, which is there to help support those with internal pouches and offer them a private safe space to interact, continues to attract new members. All who have an interest in internal pouches are welcome, whether they are IA members or not.

We held a new regional event in November 2023, a Scottish Information Day which took place in Stirling. Over 40 delegates attended the day, which was very well received and included presentations on physical activity and the stoma, stoma surgery techniques and relaxation methods. We aim to repeat this event in 2024 given it allows our Scottish members and non-members to attend an Information Day without having to travel long distances.

Following on the successful event last year, we held another Pouch Information Day in June 2024 in Bristol, where a number of delegates attended to hear pouch related presentations from both medical professionals in the form of a colorectal surgeon and senior specialist nurses and also from members of the pouch community, who shared their experiences about ileoanal and Kock pouches. In addition, there were further presentations on the importance of good nutrition from a specialist nutritionist, medication related matter from a consultant pharmacist and the benefits of holistic support from a qualified counsellor.

We held our usual Annual Information Day in April 2024, with numbers attending back to the levels pre-Covid, which was gratifying. With a programme containing presentations on matters such as the gut barrier in health and illness, kidney protection for those with ileostomies and pouches, working life with a chronic condition and a number of popular workshops, the event was well received and allowed both members and non-members the opportunity to meet together in both formal and informal settings to discuss issues of common interest, share personal experiences and learn from the range of talks and workshops provided.

Other online events have been held throughout the year, including monthly Coffee and Chat online session run by the Internal Pouch sub-committee.

The Charity's website continues to be further developed and improved to ensure it remains relevant and informative for all its users.

SERVICES FOR MEMBERS

Services for members and potential members continued, as did the work of the association under the appropriate national officers as listed on page 3. At national office, enquiries of a general nature came from potential and existing members, healthcare professionals and commercial companies and working relationships continued with member organisations, Government bodies and associated patient support organisations.

IA's website remains a popular resource for information to those looking for guidance on living with an ileostomy and internal pouch.

There were four successful applications for welfare grants this year with total grant payments of £2,043 made from the Welfare Fund. This was a significant increase on the previous year, however, further consideration will be given to updating the welfare grant application process and criteria to make the offer more attractive to potential applicants.

Matched funding continued to assist member organisations to support local projects such as equipment for hospitals and healthcare professionals. This year grants totalling £1,458 were paid out under this scheme (see Note 8 on page 32), compared to £2,853 last year.

Our Specialist Core Rehabilitation Program, run in association with clinical exercise specialist Sarah Russell and funded by the Robert Wainwright fund, continued to provide free online core rehabilitation classes for any member with an ileotomy or internal pouch, as well as those who have reversal surgery or a parastomal hernia. We would encourage members to apply for funding for these classes which have proved very useful for attendees to date.

Our One2One Support service, continues to go from strength to strength. One2One gives high quality support to patients by volunteers who have lived experience with an ileostomy or internal pouch. IA Support Volunteers work in conjunction with stoma care nurses to offer a unique non-medical perspective which can be invaluable in recovery from surgery and at the start of a new life with an ileostomy or an internal pouch. Anyone can request support from the volunteers – there is no requirement to be an IA member to use One2One Support. Over the past year we continued to identify and train more volunteers using our new ASCN endorsed online training course. We continue to further develop and actively promote One2One Support going forward. It was gratifying to see the numbers of support requests dealt with by this service increase by over 80% compared to the previous year, evidencing how the changes in the offering over recent years has started to pay dividends.

In October 2024 we launched our Support Through Therapy service, set up for members who require professional emotional support before or after their stoma or internal pouch surgery, this being in addition to and operating alongside our One2One support service. Our growing panel of therapists offer a safe space and an outlet for people to share their issues and get help to process what they are experiencing.

GRANT MAKING POLICY

Members of IA benefit from a number of grants which enable them to apply for funding to attend events and purchase essential items.

- Bryan N Brooke IA Overseas Travel Fund: Professor Bryan Brooke, IA's national founding President, wanted to enable ordinary IA members to attend international meetings, which they otherwise might not consider. Therefore, the Bryan N Brooke (IA) Overseas Travel Fund (BBOTF) was set up to assist IA members with their travel costs for overseas meetings and events. The fund was established as Bryan Brooke's retirement gift from IA and in memory of his contribution as President for over 20 years.
- Victoria Wills (IA) Internal Pouch Bursary: This bursary is available for members with an internal pouch to assist with their travel costs to relevant IA meetings and events.
- Welfare Fund: This fund has been set up to assist IA members who are experiencing financial hardship to:
    - Purchase essential item(s) where ileostomy or internal pouch surgery has directly affected the need for the item(s).
    - Provide towards a convalescent break immediately following ileostomy or internal pouch surgery.
    - Purchase essential medical equipment which is not covered by a state grant or benefit.
- YIA Bursary Fund: The Young IA Bursary Fund has been set up to fund IA members under the age of 40 to attend events in circumstances whereby the IA member may not be able to attend the event through financial hardship.
- Research Fund: This fund supports research being carried out throughout the UK. This support can take the form of financial assistance, or promoting awareness of research being carried out that may be of benefit to members.

Each fund has its own set of grant making guidelines which must be adhered to and all applications are assessed by the appropriate board sub-committee. Information and instructions for making an application are available to members, and application forms available from national office.

These grant making activities contribute to the achievement of IA's aims and objectives by:

- Helping those with an ileostomy and internal pouch who are in financial hardship.

- Providing a service to its members, and keeping ileostomists and those with an internal pouch informed by giving them the opportunity to attend a variety of conferences, meetings and seminars.
- Promoting research by enabling members to attend a variety of research events and/or participate in research activities.

We continue to encourage the take up of the various grants available as the level of applications has remained low over recent years.

MEETING STRATEGIC OBJECTIVES

Our current strategic plan runs from 2022-25. During the year under review, we achieved a number of the strategic objectives contained in the plan, such as launching our new Support Through Therapy service, details of which were noted above. In addition to these activities, we also carried out the following in order to meet the strategic objectives included in the plan.

Raising awareness

- In October we took part in a stoma awareness debate and reception at the Scottish Parliament in Holyrood, which was hosted by Edward Mountain, MSP, who had a stoma formed following bowel cancer. The event aimed to raise awareness of stoma patients and explore how the care of these patients can be improved, and was attended by ostomates, SCN's, industry and politicians, along with the First Minister, Humza Yousaf.
- We managed to secure an article "Hiking with a stoma" on the BBC Countryfile website.
- We participated in the British Journal of Nursing (BJN) 2024 Awards, sponsoring the Stoma Care Nurse of the Year category and presenting the Gold Award to the winner, Ben McDermott from Salford Royal Hospital, Greater Manchester.
- We continued to award training bursaries to stoma care nurses to participate in the Advanced Stoma Care Module offered by the University of East Anglia.
- We commissioned and had produced bespoke 3D printed models of internal pouches, one version for a J-pouch and one for a Kock pouch, which allows us to offer visual aids to help educate others on what internal pouches are and how they function.
- Five runners took part on behalf of IA in the London Landmarks Half Marathon 2024, raising funds for IA through sponsorship.
- In order to extend our reach, we attended a number events and exhibitions, including the Association of Stoma Care Nurses (ASCN) annual event, the Association of Coloproctology of Great Britain & Ireland (ACPGBI) conference, the Best Practice conference (an event aimed at UK healthcare professionals in general practice and primary care), the Stoma Tips Ostomates Learning Day in Birmingham in June 2024 and the British Society of Gastroenterology's BSG Live annual meeting.
- We continued to advertise in relevant trade publications, such as the British Journal of Nursing, Community Nursing magazine and the Gastrointestinal Nursing magazine.

Advocating on behalf of our members and representing their interests externally

- IA was one of the patient and professional organisations working together in partnership with IBD UK to improve standards of care and treatment for everyone with Inflammatory Bowel Disease, culminating in a report titled "IBD UK report: The State of IBD Care in the UK". This report describes the results of the 2023 IBD Benchmarking, in which 17,654 people living with IBD and 150 IBD services took part, and supports the long-term outcome of everyone living with IBD in the UK receiving a timely diagnosis and equitable access to quality care. The report recommendations will drive national and local action to deliver improvements and tackle variation in IBD diagnosis and care across the UK.

- We participated in the Advancing Stoma Care Services (ASCS) project now being led by ASCN. The aim of this ambitious project is to formulate an evidence-based 'best practice stoma pathway' with the aim of standardising stoma care services nationally.
- We are a member of the National Bowel Alliance, which is made up of charities with an interest in the field of bowel cancer, bowel diseases and bowel health, and has been established to bring together charities with an interest in these fields to promote more effective working for the benefit of patients, carers and the public.
- We submitted a response to the government consultation on "Medical Devices in Primary Care: Proposals for updating Part IX of the Drug Tariff - medical devices available for prescribing in primary care". Following the publication of the Government's Medical Technology Strategy in February 2023, this document sets out a series of proposals to modernise Part IX of the Drug Tariff, and the implementation of these proposals could have a significant effect on product availability.

Improving our service offering

- To coincide with Internal Pouch Awareness month in October a new 'Medicine card' was launched both for those with an internal pouch and those with a stoma, to highlight that not all capsules could be absorbed by the holder of the card.
- We carried out a detailed Membership Survey in summer 2024 to identify what our members wanted from us. Member engagement was pleasing, with close to 30% of our total membership responding, and allowed us to gain a good picture of the direction we should be moving in.

Collaboration and liaison with other organisations

We continue to maintain good working relationships with other ostomy associations in the UK such as Colostomy UK and the Urostomy Association, as well as with internal pouch support groups, with Crohn's & Colitis UK, and other relevant charities such as A Bear Named Buttony. Membership of the European Ostomy Association (EOA) enabled co-operation with ostomy support organisations in Europe and the worldwide ostomy community, and IA's PR & Communications Manager Caroline Bramwell sits on the EOA's Executive Committee, further strengthening ties and co-operation between our two associations and ensuring IA represents the UK at a European and wider level.

Mutual benefit was derived from the continued liaison with the Royal College of Nursing, the Association of Stoma Care Nurses UK, the Royal College of Surgeons of England, the World Council of Enterostomal Therapists, the Kingston Trust, the Association of Coloproctology of Great Britain & Ireland, the Association of Coloproctology Nurses, the Irish Stoma Care & Cancer Nurse Association, the Romanian Ostomy Patients' Support Foundation, the British Healthcare Trades Association, Patients, Industry and Professionals (PIPs) Forum and the Scottish Stoma Forum.

RISK AND RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- The maintenance of a risk register recording all identified risks.
- An annual review of the risk register including the principal risks and uncertainties that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the performance of its investments is the major financial risk for the charity. Investment income forms a significant proportion of overall income and any reduction in investment income levels could have an adverse effect on the income available to support day-to-day operations. This risk is mitigated by retaining expert investment managers, Rathbone Investment Management (Rathbones), on a discretionary basis and ensuring that an investment policy is in place which specifies both the level of risk to be applied to the management of the investment portfolio and the approach to income generation. The arrangement with Rathbones is reviewed on an annual basis to ensure that performance continues to meet with the charity's requirements. Although the usual in-person annual review meeting with Rathbones did not take place this year, regular communication between the charity and Rathbones has continued during this period and email updates are provided by our dedicated investment manager whenever changes to the portfolio's composition occur. The Trustees also review the portfolio composition and performance at each board meeting.

Attention has also been focused on non-financial risks, the principal ones relating to the employment of staff and the potential loss of key staff and officers. The former risk has been mitigated by the engagement of professional legal advice on employment matters, the latter by the creation of contingency plans that include the identification of alternate resources able to assume responsibility should the loss of key people occur.

FINANCIAL RESULTS AND REVIEW

The full accounts of IA are shown on pages 19 to 43. They show the activities of the principal charity and the Branch member organisations but do not include the activities of the Affiliate member organisations, who are separately registered charities responsible for preparing their own accounts in accordance with the appropriate legislation.

The accounts show a surplus of £347,927 in the financial year to 30 September 2024. This figure includes an amount of £459,292 in relation to gains on investments. Of the £347,927 surplus recorded, £345,814 related to a surplus on unrestricted funds whilst £2,113 related to restricted funds. Taking these results into account, closing assets stood at £5,646,130.

RESERVES POLICY

The Board of Trustees has determined that the following policies will apply in respect of the various funds held.

General Fund

The General Fund provides resources for the day to day running of the charity and should hold reserves sufficient to cover a minimum of six months' payments based on the expenses incurred in the last full financial year, plus any future planned additional expenditure.

Designated funds

Any designated funds established by the Board of Trustees are intended to provide income for specific purposes. The Capital Investment Fund was established to provide income for the General Fund. All capital in any designated funds may be spent on the authority of the Board of Trustees. In addition to the designated funds noted above, each Branch member organisation has its own designated fund. Further information on this is provided in the section Branch Funds below.

Restricted Funds

Restricted funds have been established either where the donations received are restricted by the donors, or where the fund has been established for a restricted purpose. In the case of the Welfare Fund and the Bryan N. Brooke (IA) Overseas Travel Fund, the intention is to maintain the capital, adding any donations received, and to spend the income providing grants for the purposes for which the funds were established. All other restricted funds are holding donations until such time

as they can be spent in accordance with the restriction. In addition to the named restricted funds, each Branch member organisation has its own restricted fund(s). Further information on this is provided in the section Branch Funds below.

When assessing levels of reserves in each fund, the Board of Trustees ignores unrealised profits on investments, as these are not considered sufficiently reliable to guarantee future spending levels.

Branch Funds

Each Branch member organisation has its own designated fund and restricted fund. All income for a particular Branch is credited to its designated fund, whilst all expenditure for that Branch is taken from its restricted fund until such time as that fund has been exhausted, when expenditure is then set against the branch's designated fund. Rather than set an individual reserves policy for each Branch and its funds, the Board of Trustees instead monitor the net position of each Branch on an ongoing basis to ensure that sufficient funds remain in each branch to continue their activities for the foreseeable future.

Overall

All fund balances are in line with or exceed their reserves policy. The total funds held by the charity at 30 September was £5,646,130 of which £5,075,826 was held as unrestricted funds and the remaining £570,304 held as restricted funds. Included in unrestricted funds are designated funds of £4,754,524 leaving £321,302 in general unrestricted funds.

INCOMING AND OUTGOING RESOURCES

Income for the year was £647,745 compared to £393,993 in the prior year, a 64.4% increase year on year.

Looking at income in more detail, income from donations and legacies was £410,188, an increase on the 2023 figure of £128,222. This increase was due in large part to an increase in legacy income, up from £69,068 in 2023 to £342,396 in the year under review. It is in the nature of income from legacies that levels can fluctuate significantly year on year and are neither controllable nor forecastable. Partially offsetting the increase in legacy income was a decrease in external donation income, down from £44,853 in 2023 to £32,792 in 2024.

Income from charitable activities fell 29.4% this year, down from £132,016 in 2023 to £93,168 this year. Of this figure, income from advertising in the IA Journal contributed £31,229, which was down from the previous year's figure of £53,128. This was disappointing given we had seen increases in advertising revenues over the two financial years prior to the one under review, and was in part due to advertisers cutting their budgets, or in one case ceasing to trade. Also included within income from charitable activities, member organisation annual subscription income of £26,151 (2023: £30,149) credited to unrestricted funds relates to the annual charge payable by member organisations to the national charity and includes £23,310 of annual subscription income charges to Branch member organisations. As the £23,310 is also a cost to the Branches, the same amount is also included in expenditure on charitable activities as this was charged against the Branches' individual restricted funds. Income from member subscriptions fell to £28,147 (2023: £41,568), although the 2023 figure included a number of overdue subscriptions collected that related to overdue subscriptions from years prior to 2023, thereby inflating the 2023 figure beyond underlying levels.

Income from investments was up at £144,389 in 2024 compared to a figure of £133,755 in 2023 and £139,525 in 2022. Our investment portfolios have a balanced investment objective, which looks to combine the generation of a good level of income with longer term capital growth, rather than a specific income objective, so some fluctuations on income levels are to be expected.

Expenditure for the year was £759,110 (2023: £615,069), of that £682,235 (2023: £557,504) being charged to unrestricted funds and £76,875 (2023: £57,565) to restricted funds. Of total expenditure, 96% (2023: 95%) or £730,610 (2023: £587,322) was in support of IA's charitable activities with 4% (2023: 5%) or £28,500 (2023: £27,747) being the cost of raising funds. Of the £730,610 incurred as expenditure of charitable activities, £31,963 (2023: £40,098) related to costs borne by Branches as a result of their charitable activities and charged to their restricted funds.

INVESTMENT POLICY

Investments are shown in the accounts at market value. The charity has two investment portfolios managed under a discretionary management agreement with Rathbone Investment Management using a medium risk stance, one main portfolio being the funds of the national charity and a “B” portfolio being the investment of a proportion of funds held on behalf of Branches.

The charity's investment policy is shown in the Financial Regulations document and is "to hold investments to provide income in support of its core operations". Income generated from the “B” portfolio is credited to Branches taking into account their average funds over the financial year as a proportion of total funds. There are no social, environmental or ethical considerations contained within the investment policy.

As noted above, combined total investment income from both portfolios was £144,389 this year compared to £133,755 in 2023. Net gains on investment stood at £459,292 (2023: £102,033). Of the total net gains of £459,292, unrealised gains on investments held within the portfolios at year end were £405,736, whilst realised gains on investment sales were £53,556.

Total return on investments over the 12-month period to 30 September 2024 for the main portfolio was 11.09% when compared to the ARC Charity Steady Growth portfolio reference point of 12.92%, with returns over three years on an annualised basis being 6.40% compared to 7.93% respectively. The “B” portfolio, which has a slightly more defensive strategy than the main portfolio, posted a total return over the 12-month period to 30 September 2024 of 8.81% and returns over three years on an annualised basis were 1.28%, with the same ARC benchmark figures noted above being applicable here. Whilst this performance is slightly disappointing, and can be explained at least in part by an overly cautious approach adopted by our investment managers, leading to a lower weighting in equities than would have been ideal, nevertheless looking over the longer term 10-year period, returns on the main portfolio (the “B” portfolio not having existed for this longer time period) have been 54.4% on a total return basis well ahead of CPI in the UK of 34.8%, which demonstrates that over the long term performance is still satisfactory.

In accordance with the requirements of the Trustee Act, 2000, Part II, section 4(2), from time to time, the trustees review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied. Changes in policy would be reflected in the investment management agreement and in the targets set for IA’s investment managers. There were no changes to the investment policy document during the year.

FUTURE PLANNING

As noted above, the year under review saw us continue with our work to implement our current strategic plan. Over the coming year we aim to:

- Complete a review of our current membership model and pricing structure, and implement any changes that are identified as part of that review.
- Further improve our telephone support service with the introduction of a nursing helpline, allowing access to a dedicated stoma care nurse (SCN).
- Review our current organisational structure and staffing, and carry out further recruitment where identified to ensure we have the appropriate resources in place to help us deliver our services.
- Carry out further work on our Digital Strategy, considering how best we can harness technology to improve what we offer our members and the wider community.

- Build closer relationships with local colorectal nurses, hospitals, GPs and surgeons, as well as collaborate with other organisations with aligned interests.
- Continue to develop our research portfolio to broaden and deepen knowledge of bowel disease and the patient journey for those with ileostomies and internal pouches, ultimately leading to better care.

The Trustees consider that the charity will be able to continue to meet its charitable objectives over the coming year.

CONCLUSION

IA continues to have a significant level of assets which offers a cushion against future problems. All funds remain stable and all activities can continue as planned. The Trustees are satisfied that all known commitments can be met for the foreseeable future.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also the directors of IA for the purposes of company law, are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures that must be disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Stuart Hay
Chair of the Trustees
15 February 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

Opinion

We have audited the financial statements of Ileostomy and Internal Pouch Association (the 'charity') for the year ended 30 September 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustee's responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the charitable company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the charitable company's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud; and
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the company and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the charitable company for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: compliance with the UK Companies Act and Charities Act.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

03/02/2025

Jordan Abbott BSc ACA (Senior Statutory Auditor)
for and on behalf of Sumer Audit
Chartered Accountants
Statutory Auditor
Chichester

Sumer Audit is the trading name of Sumer Auditco Limited

Statement of Financial Activities (including income and expenditure account) for the year ended 30 September 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2024 £	Total funds 30/9/2023 £ (Note 2)
Income from:					
Donations and legacies	3	374,017	36,171	410,188	128,222
Charitable activities	4	93,168	-	93,168	132,016
Investments	5	134,843	9,546	144,389	133,755
Total income		**602,028**	**45,717**	**647,745**	**393,993**
Expenditure on:					
Raising funds	6	26,606	1,894	28,500	27,747
Charitable activities	7	655,629	74,981	730,610	587,322
Total expenditure		**682,235**	**76,875**	**759,110**	**615,069**
Net income/(expenditure) before gains and losses on investments		**(80,207)**	**(31,158)**	**(111,365)**	**(221,076)**
Net gains (losses) on investments		427,555	31,737	459,292	102,033
Net income/(expenditure)		**347,348**	**579**	**347,927**	**(119,043)**
Transfers between funds	20	(1,534)	1,534	-	-
Net movement in funds		**345,814**	**2,113**	**347,927**	**(119,043)**
Reconciliation of funds:					
Total funds brought forward		4,730,012	568,191	5,298,203	5,417,246
Total funds carried forward		**5,075,826**	**570,304**	**5,646,130**	**5,298,203**

IA has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 30 September 2024

	Notes	£	Total 30/9/2024 £	£	Total 30/9/2023 £
Fixed Assets					
Investments	14		5,601,026		5,224,613
Total Fixed Assets			**5,601,026**		**5,224,613**
Current Assets					
Debtors	16	53,153		91,889	
Cash on deposit and in hand	17	147,438		133,029	
Total Current Assets		200,591		224,918	
Liabilities					
Creditors falling due within one year	18	155,487		151,328	
Net Current Assets			**45,104**		**73,590**
Total assets less current liabilities			**5,646,130**		**5,298,203**
Net Assets			**5,646,130**		**5,298,203**
The Funds of the Charity					
General unrestricted income funds	20 & 21	4,594,753		4,562,326	
Revaluation reserve		481,073		167,686	
Total unrestricted income funds			**5,075,826**		**4,730,012**
General restricted income funds	20 & 21	518,171		565,033	
Revaluation reserve		52,133		3,158	
Total restricted income funds			**570,304**		**568,191**
Total Charity Funds			**5,646,130**		**5,298,203**

Approved by the board on 15 February 2025 and signed on its behalf by

Mr. Stuart Hay
Chair
Company Registration No. 10375943

Statement of Cash Flows for the year ended 30 September 2024

	Notes	Total Funds 2024 £	Total Funds 2023 £
Net cash used in operating activities	23	**(212,859)**	**(313,634)**
Cash flows from investing activities			
Interest and dividend income		144,389	133,755
Proceeds from sale of investments		1,393,081	763,448
Purchase of investments		(1,310,202)	(539,239)
Net cash provided by/(used in) investing activities		**227,268**	**357,964**
Change in cash and cash equivalents in the year		**14,409**	**44,330**
Cash and cash equivalents brought forward		133,029	88,699
Cash and cash equivalents carried forward		**147,438**	**133,029**
Relating to:			
Cash on deposit and in hand		**147,438**	**133,029**

Notes to the Accounts for the Year ended 30 September 2024

1 ACCOUNTING POLICIES

Charity information

Ileostomy and Internal Pouch Association is a private company limited by guarantee incorporated in England and Wales. The registered address is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

1.1) Basis of preparation and assessment of going concern

The Charity is a public benefit entity and the financial statements have been prepared in accordance with the governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting periods commencing from 1 January 2019), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011, relevant law and accounting standards.

The charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in the financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and that they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts of the incorporated association.

1.2) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount of the income can be measured reliably.

Journal advertising is taken on an accruals basis. Donations are recognised when the charity has been notified in writing of both the amount and the settlement date. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receipts basis upon notification by the charity's investment manager.

All other income has been taken into account on a cash received basis.

1.3) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

“Raising funds” includes all direct costs incurred in running fundraising events and investment management costs.

“Charitable activities” includes all costs incurred in meeting our charitable objects and providing support and information to our beneficiaries. Half of the costs of the annual meeting (formerly known as the National Council meeting) are charged under this heading since this meeting not only fulfils the requirements of an annual general meeting but also includes activities designed to help representatives of IA’s member organisations to run their charities effectively. Included are updates on research undertaken and other matters important to the running of the charity.

In addition 50% of the costs of our national office are included. The national office of IA not only provides administrative support to the Board of Trustees but also acts as the first point of contact for patients needing our advice and support, as well as supporting IA’s member organisations. For this reason the costs are divided between this category and “governance costs”.

Much of the work of IA is managed by sub-committees of the main board. The costs of their meetings are included as part of our charitable activities. In addition, since the responsibilities of the board include much direct charitable work, 50% of the cost of the board meetings is included as charitable activities.

“Governance costs” include all costs incurred in the financial management of IA. In addition, 50% of the cost of the annual meeting, the running of national office and the meetings of the board are shown here. Any other costs of an administrative nature are also charged to this heading.

Grants for research and other purposes are recognised as soon as a written agreement between the parties confirming the amount committed and the work to be carried out has been made. Provisions for grants for research and other purposes are recognised when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of the grant payable.

1.4) Tangible and intangible fixed assets

Expenditure on tangible and intangible fixed assets is normally charged to revenue in the year of purchase, unless the level of expenditure on individual items would distort the accounts, or if the asset has been donated to a research project while ownership has been retained by IA. In such cases assets are written off on a straight-line basis at rates calculated to reduce their cost to expected residual value over the term of their anticipated useful lives as follows:

Software	33%

1.5) Investments

All investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired on or subsequent to the first day of the

financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

1.6) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7) Financial instruments

The charity has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments” of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Charity’s balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are an obligation to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity’s contractual obligations expire or are discharged or cancelled.

1.8) Funds

IA has both unrestricted and restricted funds, but no endowment funds, as shown below.

Unrestricted Funds

1. General Fund
2. Capital Investment Fund (designated to provide income for the General Fund)
3. Branch member organisation Designated funds

Restricted Funds

1. Research Fund (to provide grants for research projects relevant to our beneficiaries)
2. Welfare Fund (to provide small financial grants to members)
3. Bryan N. Brooke (IA) Overseas Travel Fund (established by our founding president, Professor Bryan N. Brooke, to provide grants to assist members to attend related meetings abroad)
4. Young IA Bursary Fund (to provide grants to young people to attend events which will aid their recovery after surgery)
5. The Victoria Wills IA Internal Pouch Bursary (established in memory of Victoria Wills to provide grants to those with an internal pouch to attend events which will aid their recovery after surgery)
6. IA Annual Award for Innovation (established by former executive committee chairman Carolyn Stammers to provide funds for an annual award offered to IA member organisations for innovative ideas and activities).
7. Robert Wainwright Fund (established as a result of a pecuniary legacy from the estate of Robert Wainwright to promote exercise and fitness in stoma patients through online classes, videos, workshops and other similar services).
8. Branch member organisation Restricted funds

One of the unrestricted funds, the Capital Investment Fund, was designated to special purposes (to provide income for the General Fund) by decision of the board, which could be changed in the future.

For the purposes of clarity in these financial statements, all Branch designated funds have been amalgamated into a single reporting line shown as Branch Designated within unrestricted funds and similarly all Branch restricted funds have been amalgamated into a single reporting line shown as Branch Restricted funds under restricted funds.

Further details of each fund are disclosed in note 20.

1.9) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

1.10) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

As required by law, the charity offers a workplace pension scheme to all eligible employees. The scheme is operated by the National Employment Savings Trust (NEST) and is a defined

contribution scheme with contributions made by both employer and employee. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable by the charity in the year.

1.11) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and the future periods where the revision affects both current and future periods.

2 ANALYSIS OF PRIOR YEAR TOTAL FUNDS SHOWN ON STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2023 £
Income from:				
Donations and legacies	3	110,707	17,515	128,222
Charitable activities	4	132,016	-	132,016
Investments	5	124,666	9,089	133,755
Total income		**367,389**	**26,604**	**393,993**
Expenditure on:				
Raising funds	6	25,903	1,844	27,747
Charitable activities	7	531,601	55,721	587,322
Total expenditure		**557,504**	**57,565**	**615,069**
Net income/(expenditure) before gains and losses on investments		**(190,115)**	**(30,961)**	**(221,076)**
Net gains (losses) on investments		94,841	7,192	102,033
Net income/(expenditure)		**(95,274)**	**(23,769)**	**(119,043)**
Transfers between funds	20	(5,076)	5,076	-
Net movement in funds		**(100,350)**	**(18,693)**	**(119,043)**
Reconciliation of funds:				
Total funds brought forward		4,830,362	586,884	5,417,246
Total funds carried forward		**4,730,012**	**568,191**	**5,298,203**

3 INCOME FROM DONATIONS AND LEGACIES

	Funds transferred in from Branch member organisations	Member organisation donations £	Other donations £	Legacies £	Total 2024 £	Total 2023 £
General Fund	-	-	22,417	332,396	354,813	88,652
Branch Designated funds	-	-	9,204	10,000	19,204	22,055
Total unrestricted funds	**-**	**-**	**31,621**	**342,396**	**374,017**	**110,707**
Research Fund	-	35,000	1,171	-	36,171	3,714
Branch Restricted funds	-	-	-	-	-	13,801
Total restricted funds	**-**	**35,000**	**1,171**	**-**	**36,171**	**17,515**
Total 2024	**-**	**35,000**	**32,792**	**342,396**	**410,188**	
Total 2023	13,801	500	44,853	69,068		128,222

As of 1 October 2022, one Affiliate member organisation opted to become a Branch and the transfer of their funds of £13,801 into the national charity is therefore included in donations in the Statement of Financial Activities.

The charity benefits greatly from the involvement and support of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
IA Journal	31,229	-	31,229	53,128
Annual (National Council) meeting	7,641	-	7,641	7,171
Member organisation annual subscriptions	26,151	-	26,151	30,149
Member subscriptions	28,147	-	28,147	41,568
Total	**93,168**	**-**	**93,168**	**132,016**
Total 2023	132,016	-	-	132,016

Income of £26,151 (2023: £30,149) shown above under unrestricted funds as member organisation annual subscriptions includes £23,310 (2023: £27,314) in relation to annual subscription charges levied on Branch member organisations by the charity. A corresponding expense of £23,310 (2023: £27,314) is included under charitable expenditure to reflect the cost to the individual Branches' funds. As such, the overall net effect of these items on the charity is zero.

5 INVESTMENT INCOME

Investment and interest income was £144,389 (2023: £133,755) of which £134,843 was unrestricted (2023: £124,666) and £9,546 was restricted (2023: £9,089). It came from the following sources:

	2024 £	2023 £
UK listed investments	140,765	133,551
Bank interest	3,624	204
Total	**144,389**	**133,755**

6 EXPENDITURE ON RAISING FUNDS

	2024 £	2023 £
Investment management costs	27,870	27,117
Online fundraising costs	630	630
Total	**28,500**	**27,747**

Expenditure on raising funds was £28,500 (2023: £27,747) of which £26,606 was unrestricted (2023: £25,903) and £1,894 was restricted (2023: £1,844).

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	2024 £	2023 £
IA Journal (including distribution costs)		52,485	56,346
Grants and donations	8	49,556	15,245
Annual (National Council) meeting (apportioned)		16,131	13,622
Internal Pouch Group activities		5,704	8,860
One2One training		5,300	4,350
Publicity & promotion		119,565	106,884
Information sheets & booklets		5,043	3,686
National office (apportioned)		210,742	154,863
Charitable activities		4,558	-
Branch member organisation activities		31,963	40,098
Support costs	9	24,994	20,272
Governance costs	10	204,569	163,096
Total		**730,610**	**587,322**

In 2023, expenditure on charitable activities was £730,610 (2023: £587,322), of which £655,629 was expenditure from unrestricted funds (2023: £531,601) and £74,981 was expenditure from restricted funds (2023: £55,721). Expenditure of £31,963 shown above as Branch member organisation activities includes £23,310 in relation to annual subscription charges levied on Branch member organisations by the charity. Corresponding income of £23,310 is included under charitable income to reflect the income due to the unrestricted funds of the charity. As such, the overall net effect of these items on the charity is zero.

8 GRANTS AND DONATIONS

	2024 £	2023 £
Grants to individuals	7,238	4,129
Grants to institutions and organisations	-	5,000
Grants to IA member organisations	1,458	2,853
Other donations	5,860	3,263
Grants from IA branch member organisations to Research Fund	35,000	-
Total	**49,556**	**15,245**

Recipients of grants to institutions and organisations in 2023 were –

	£
Cardiff and Vale University Health Board: Grant for IDB surveillance project	5,000

9 SUPPORT COSTS

	2024 £	2023 £
IA Journal	3,231	3,231
Annual (National Council) meeting (apportioned)	9,446	6,116
Publicity & promotion	6,000	5,505
One 2 One	766	-
Young IA	-	120
Internal Pouch	130	120
Charitable activities	5,421	5,180
Total	**24,994**	**20,272**

10 GOVERNANCE COSTS

	2024 £	2023 £
National office (apportioned)	173,776	132,616
Annual (National Council) meeting (apportioned)	6,685	7,552
Other administrative meetings	1,284	-
Audit fee	4,250	4,050
Insurance	4,907	4,606
Bank charges & currency costs	814	1,004
Legal costs	3,109	4,613
Other expenses	9,744	8,655
Total	**204,569**	**163,096**

IA has Trustee Indemnity Insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part and to cover the trustees of IA's member organisations. The cost of this insurance is £4,907 (2023: £4,606) and is shown above.

11 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2024 £	2023 £
Salaries and wages	201,687	141,103
Social security costs	15,977	10,559
Pension costs	20,455	13,888
Other benefits	6,104	3,625
Agency/contract staff	78,121	69,256
Total	**322,344**	**238,431**

The average number of employees during the year was 6 (2023: 4) with all employee time involved in providing either support to the governance of the charity or support to charitable activities. The average number of full time equivalent employees during the year was 4 (2023: 3).

The number of employees receiving total employee benefits (excluding employer pension costs) in excess of £60,000 were

Total employee benefits (excluding employer pension costs)	2024	2023
£70,001 - £80,000	1	1

The charity considers that its key management personnel comprise the trustees, the Chief Executive Officer and the National Officer Manager. The total employee benefits of the key management personnel were £144,606 (2023: £140,625).

12 PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2023: nil). Trustees were reimbursed expenses incurred in performing their duties as board members, as follows -

Seven trustees (2023: 5) were reimbursed £5,191 (2023: £1,305) for travelling, postage, telephone, stationery and other costs incurred in fulfilling their voluntary activities, including up-front costs incurred in running events.

During the year, one trustee (2023 – nil), Scott Clifford, received payment for providing IT support services to the charity as per an existing contract for services which was in place prior to his appointment as trustee on 18 November 2023 and under the authority provided by the charity's governing document, contained in clause 4.4.3 of its Articles of Association The total amount paid from date of his appointment was £15,260, this amount being paid to SC Training Services Ltd, a company of which Mr Clifford is a director. The amount outstanding to SC Training Services Ltd at year end was £1,632.

13 INTANGIBLE FIXED ASSETS

	Total £
Software	
Cost	
At 1 October 2023	6,211
Additions	-
At 30 September 2024	**6,211**
Amortisation	
At 1 October 2023	6,211
Charge for the year	-
At 30 September 2024	**6,211**
Net book value	
At 30 September 2023	-
At 30 September 2024	**-**

Software comprises the membership database purchased to administer the membership records of the charity. Development costs which enhance the functionality of the software are capitalised. Costs for the software are amortised over a three year life from the date the expenditure was incurred, with amortisation included within expenditure on charitable activities in the statement of financial activities. The trustees have chosen to amortise such costs over a three year period as in their opinion this most accurately reflects the life of all software, which is inherently limited due to ongoing product development and the retirement and replacement of current software products with new improved versions .

14 FIXED ASSET INVESTMENTS

Movements on investments for the year ended 30 September 2024 were as shown below.

Market value basis	**2024 £**	**2023 £**
Quoted investments		
Brought forward	5,224,613	5,346,790
Additions	1,310,202	539,239
Disposals at carrying value	(1,339,525)	(690,504)
Unrealised gains/losses	405,736	29,088
At market value 30th September	**5,601,026**	**5,224,613**
At cost 30 September	5,067,820	5,053,769

Prior to October 2019, all investments were held in a single main portfolio, with investments allocated to funds on the basis of the cost input by each fund. At 1 October 2019, the split was as follows:

Capital Investment Fund	87.54%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
Elizabeth Clay Memorial Fund	5.18%	Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

In October 2019, £375,000 was transferred from the charity's bank account into a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches in order to generate an income for these Branches. The main portfolio continued to operate using the split noted above until 30 September 2021, when the Elizabeth Clay Memorial Fund was closed and the value of the main portfolio previously allocated to it was transferred to the Capital Investment fund as of 1 October 2021. The split from 1 October 2021 on the main portfolio was therefore as follows:

Capital Investment Fund	92.72%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
		Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

The table above showing movement on investments for the year represents the combined investments held on both the main and "B" portfolios.

The cash held within the investment portfolios is £42,897 (2023: £24,574). All the investments are quoted on the UK Stock Exchange. IA does not hold any investments outside the UK. Looking at the combined investment portfolios, there are no investments that exceed 5% of the total market value as at 30 September 2024.

15 FINANCIAL INSTRUMENTS

	2024 £	2023 £
Carrying value of financial assets		
Instruments measured at fair value through profit and loss	5,601,026	5,224,613

16 DEBTORS

Amounts falling due within one year:	2024 £	2023 £
Legacies due	23,000	42,468
Prepayments	13,853	8,549
Other debtors	12,800	37,372
Due from branch member organisations	-	-
Rent deposit	3,500	3,500
Total	**53,153**	**91,889**

17 CASH ON DEPOSIT AND IN HAND

The balance shown includes an amount of £100 held on trust for the unincorporated predecessor charity, IA (Charity Commission (England & Wales) registration number 234472).

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Accruals	38,053	39,802
Research projects	84,355	84,355
Taxation and social security	5,999	4,044
Due to branch member organisations	1,248	1,178
Other creditors	25,832	21,949
Total	**155,487**	**151,328**

19 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

The charge to profit or loss in respect of defined contribution schemes was £20,455 (2023: £13,888). The creditor at the balance sheet date relating to this scheme is £1,633 (2023: £975).

20 ANALYSIS OF CHARITABLE FUNDS

For the financial year ended 30 September 2024

	Balance 1/10/23 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2024 £
Unrestricted funds						
General	264,435	545,603	666,416	-	177,680	321,302
Capital Investment	4,186,389	-	-	427,555	(177,680)	4,436,264
Branch Designated	279,188	56,425	15,819	-	(1,534)	318,260
Total unrestricted funds	**4,730,012**	**602,028**	**682,235**	**427,555**	**(1,534)**	**5,075,826**
Restricted funds						
Research	114,736	44,878	1,727	28,948	-	186,835
Welfare	35,228	599	2,162	1,992	-	35,657
Bryan N Brooke (IA) Overseas Travel	20,137	240	48	797	-	21,126
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	349	-	111	-	-	238
Robert Wainwright	54,087	-	5,195	-	-	48,892
Branch Restricted	336,611	-	67,632	-	1,534	270,513
Total restricted funds	**568,191**	**45,717**	**76,875**	**31,737**	**1,534**	**570,304**
Total funds	**5,298,203**	**647,745**	**759,110**	**459,292**	**-**	**5,646,130**

The transfer of £177,680 from the Capital Investment Fund to the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £1,534 was made from Branch Designated to Branch Restricted funds to cover deficits on individual Branches' Restricted Funds accounts.

For the financial year ended 30 September 2023

	Balance 1/10/22 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2023 £
Unrestricted funds						
General	238,466	295,886	553,935	-	284,018	264,435
Capital Investment	4,375,566	-	-	94,841	(284,018)	4,186,389
Branch Designated	216,330	71,503	3,569	-	(5,076)	279,188
Total unrestricted funds	**4,830,362**	**367,389**	**557,504**	**94,841**	**(5,076)**	**4,730,012**
Restricted funds						
Research	97,853	12,005	1,682	6,560	-	114,736
Welfare	34,483	570	276	451	-	35,228
Bryan N Brooke (IA) Overseas Travel	19,774	228	46	181	-	20,137
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	460	-	111	-	-	349
Robert Wainwright	58,056	-	3,969	-	-	54,087
Branch Restricted	369,215	13,801	51,481	-	5,076	336,611
Total restricted funds	**586,884**	**26,604**	**57,565**	**7,192**	**5,076**	**568,191**
Total funds	**5,417,246**	**393,993**	**615,069**	**102,033**	**-**	**5,298,203**

The transfer of £284,018 made to the General Fund from the Capital Investment Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £5,076 was made from Branch Designated to Branch Restricted funds to cover a deficit on an individual Branch's Restricted Funds account.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the financial year ended 30 September 2024

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2024 £
Unrestricted funds				
General	-	321,302	-	321,302
Capital Investment	4,849,752	(413,488)	-	4,436,264
Branch Designated	-	318,260	-	318,260
Total unrestricted funds	**4,849,752**	**226,074**		**5,075,826**
Restricted funds				
Research	347,308	(160,473)	-	186,835
Welfare	24,060	11,597	-	35,657
Bryan N Brooke (IA) Overseas Travel	9,415	11,711	-	21,126
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	238	-	238
Robert Wainwright	-	48.892	-	48,892
Branch Restricted	370,491	(99,978)	-	270,513
Total restricted funds	**751,274**	**(180,970)**	**-**	**570,304**
Total funds	**5,601,026**	**45,104**	**-**	**5,646,130**

For the financial year ended 30 September 2023

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2023 £
Unrestricted funds				
General	-	264,435	-	264,435
Capital Investment	4,520,304	(333,915)	-	4,186,389
Branch Designated	-	279,188	-	279,188
Total unrestricted funds	**4,520,304**	**209,708**		**4,730,012**
Restricted funds				
Research	323,715	(208,979)	-	114,736
Welfare	22,426	12,802	-	35,228
Bryan N Brooke (IA) Overseas Travel	8,775	11,362	-	20,137
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	349	-	349
Robert Wainwright	-	54,087	-	54,087
Branch Restricted	349,393	(12,782)	-	336,611
Total restricted funds	**704,309**	**(136,118)**	**-**	**568,191**
Total funds	**5,224,613**	**73,590**	**-**	**5,298,203**

Unrealised gains on investment assets included above:

	2024 £	2023 £
Unrestricted funds	481,073	167,686
Restricted funds	52,133	3,158
Total	**533,206**	**170,844**

22 OPERATING LEASE COMMITMENTS

At 30 September 2024 the charity had the following future minimum commitments under a non-cancellable lease for office premises as follows:-

Payment due	2024 £	2023 £
No later than one year	17,979	16,336
Later than one year and not later than five years	5,537	21,350
Total	**23,516**	**37,686**

The amount charged to expenditure on charitable activities in relation to the lease was £17,455.

The charity had no other off-balance sheet arrangements.

23 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**347,927**	**(119,043)**
Adjustments for:		
Deduct interest income shown in investing activities	(144,389)	(133,755)
Deduct gains/add back losses on investments	(405,736)	(29,088)
Loss/(profit) on the sale of investments	(53,556)	(72,944)
(Increase)/decrease in debtors	38,736	47,499
Increase/(decrease) in creditors	4,159	(6,303)
Net cash used in operating activities	**(212,859)**	**(313,634)**

24 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no debt during the year.

25 MEMBER ORGANISATIONS' ACCOUNTS

Branch member organisations' activities are included in these financial statements. Affiliate member organisations, being separately registered charities, prepare their own accounts in

accordance with the appropriate legislation and are accordingly not included in these financial statements.

As noted in notes 4 and 7 above, annual subscription charges of £23,310 were charged to Branch member organisations by the charity and as a result, both charitable income for unrestricted funds and charitable expenditure for restricted funds have been increased by this amount to reflect those transactions. The overall net effect on the charity is zero.

ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales - Charity number 1172338

Accounts



Ileostomy and Internal Pouch Association

Registered Charity No. 1172338 (England and Wales) and SC048658 (Scotland)

A Company limited by guarantee in England and Wales No. 10375943

ANNUAL REPORT

and

ACCOUNTS

2023

Because we know, we care

Ileostomy and Internal Pouch Association

(Originally established 1956)

Registered Charity No. 1172338

Registered Company No. 10375943

PRINCIPAL ADDRESS AND REGISTERED OFFICE

Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE

PRESIDENT:

Professor Gordon Carlson CBE, BSc (Hons), MB ChB (Hons), MD, FRCS, FRCS (Gen), FRCSEd (Ad Hom)

BOARD OF TRUSTEES

Chair:	Mr Stuart Hay
Vice-chair:	Ms Anna Rennie
Finance sub-committee chair:	Mr Amar Panchal
Trustees:	Mr Justin Bishop
	Ms Cepta Burke
	Mr Scott Clifford (appointed 18 November 2023)
	Mr David Drakeley
	Mrs Carol Katté RGN, DipN(Lond), NDNCert, ENB216
	Mrs Jacqui Sibbald
	Ms Brigitte Siefken
	Mr John Smail
	Mr Neil Smart MBBS(Hons), MD, PhD, FRCSEd, MFMLM
	Ms Tracey Usher

NATIONAL OFFICERS

Chief Executive Officer and National Treasurer:	Mr Michael Bell
National Office Manager:	Ms Leann Lepley
PR & Communications Manager/IA Journal Editor:	Mrs Caroline Bramwell

HONORARY CONSULTANT ADVISERS

Medical adviser:	Professor Christopher Probert MD, FRCP, ILTM
Gynaecological adviser:	Mr Olujimi Jibodu MRCOG
Research advisers:	Professor Sir Miles Irving DSc (Hon). MD, ChM, FRCS, FMedSci
	Professor Sir Norman S Williams FRCS, FRCP, FRCPE, FMedSci, FRCA
	Professor M G Dunlop MD, FRCS, FMedSci, FRSE
	Professor J R T Monson MD, FRCS, FRCSI, FACS, FRCPS Glas (Hon)
	Professor D G Morton MD, FRCS (Colorectal)
Surgical advisers:	Professor Neil Mortensen MBChB, MD, MA, FRCS Eng, FRCS Glas, FRCS Edin, FRCSI
	Mr Mike Thompson MD, FRCS
Dermatological adviser:	Dr Calum Lyon MA, MRCP
Pharmaceutical adviser:	Ms Anne Chetwood

PROFESSIONAL ADVISERS

Legal advisers:	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Principal bankers:	The Co-operative Bank PO Box 250, Delf House, Southway, Skelmersdale WN8 6WT
Auditors:	Sumer Audit Piper House, 4 Dukes Court, Bognor Road, Chichester PO19 8FX
Investment manager:	Rathbone Investment Management Limited George House, 50 George Square, Glasgow G2 1EH

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

The Board of Trustees has pleasure in presenting its report for the year ended 30 September 2023. This report represents a Directors' Report as required by s417 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

LEGAL STATUS AND OBJECTS

Ileostomy and Internal Pouch Association is a Company Limited by Guarantee in England and Wales (10375943) and is a Charity registered in England and Wales no. 1172338 and in Scotland no. SC048658 with a working name of IA. The Charity is governed by its Articles of Association, last amended in August 2018. Although the Company was incorporated on 14 September 2016 it remained dormant until 30 September 2018, with the Charity operating until that date as an unincorporated association registered in England and Wales under charity number 234472 in the name of IA. The Charity's principal address and registered office is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

In setting the Charity's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need by reason of ill-health.

IA's objects are:

1. To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch;
2. To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research;
3. To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

ORGANISATIONAL STRUCTURE

This charity was originally founded in 1956 and operated as a charitable unincorporated association registered under charity number 234472 until 30 September 2018. Local groups, known as member organisations, located throughout the United Kingdom and Ireland operated as independent charities but under the IA umbrella, with the national charity providing support to the local groups and operating as the governing body of IA through its National Council, which consisted of the honorary president, the national officers and one representative from each member organisation. The National Council elected the president and the other trustees, who operated as the executive committee, which was responsible for the overall and day-to-day administration of the association. Policy matters were referred to the annual meeting of the National Council for consideration and decision.

In 2017 the National Council voted in favour of transferring its undertakings, including all activities, employees and assets subject to all its liabilities in its entirety to a charitable Company Limited by Guarantee, Ileostomy and Internal Pouch Association, company number 10375943 (England and Wales). As part of this organisational restructure, member organisations were given the option of either merging into the national charity and becoming an Integrated Branch (hereinafter termed

“Branch”) of the national charity or remaining as a separate charity and becoming an Affiliated Member Organisation (hereinafter termed “Affiliate”) of the national charity, with the relationship between the Affiliate and the national charity being governed by an Affiliation Agreement. The Branch option was offered to allow a reduction in the administrative workload placed on the committees of local member organisations, this in turn hopefully alleviating the difficulties in identifying suitable volunteers to sit on the committees of local member organisations. Of the 45 member organisations that existed at the point the transfer to the charitable Company took place at midnight on 30 September 2018, 33 opted to become Branches and 12 became Affiliates. Since that date, three Affiliates opted to change their status and become Branches in previous financial years and during the year under review, one further Affiliate decided to change its status and became a Branch, leaving 8 Affiliates and 37 Branches in total as at year end.

The trustees, who are also the directors for the purposes of company law, who served during the year, are listed on page 2. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members of the Company consist of the board of trustees and one representative from each member organisation, thereby closely replicating the arrangements that existed under the unincorporated predecessor charity and ensuring that member organisations continue to be central to the charity’s governance and policy setting. There are generally four board meetings a year which, prior to the Covid pandemic, took place in London. During the pandemic these meetings were held online instead and this situation has continued since Covid restrictions were eased and then removed, with all four board meetings in the year under review taking place online. The Trustees believe that this was both more economic and a more efficient use of time and resources, and that this did not affect their ability to discuss important issues and make decisions where appropriate.

Applications for elected trustee positions are invited from member organisations when a position becomes available and any applications are dealt with by the Trustee Recruitment and Selection sub-committee, who carry out an interview and selection process with the successful candidate(s) being put forward for election, subject to board approval. Trustees are elected at a general meeting of the company 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 an induction which includes visiting the charity’s national office where possible and receiving training as and when required.

Authority for the day to day management of the charity is delegated to the Chief Executive Officer, Mr. Michael Bell, as per the charity’s governing document. Remuneration for all staff including key management personnel is agreed by the remuneration sub-committee. Salaries are reviewed annually by the committee and are benchmarked against similar charities using independent data to ensure that salary levels are appropriate and competitive, whilst taking into account performance, the past year’s achievements and other relevant factors.

The unincorporated association IA (charity registration number 234472 (England & Wales)) remains in existence as a dormant shell charity in order to safeguard any future legacies in its name that might otherwise have failed due to the manner in which a particular will was written and therefore might have been distributed instead to another charity or beneficiary. The Company holds £100 on trust for the unincorporated association and is one of the two trustees of this shell charity, the other being the chair of the Company.

ACHIEVEMENT OF OBJECTIVES

To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch.

During the year 2022/23, the total number of enquiries received at IA national office from members of the public, healthcare professionals and others with a professional interest in the work of IA showed a significant increase of over 30% compared to the previous year. Membership enquiries

resulted in 267 joining as new members, 226 (85%) of whom joined on-line, in keeping with recent years where the majority of applications are made via our website.

Each new member received an information pack containing booklets and leaflets on a wide range of relevant subjects covering many aspects of life with an ileostomy or internal pouch. This literature has been specially written by IA's honorary consultant advisers and by members with particular experiences and expertise upon which they can draw. A total of 283 requests for literature and publications were received from a combination of healthcare professionals, members and member organisations this year.

Enquiries regarding travel continue to be received although at a lower level than in recent years and there is still a demand our popular travel certificates which, in a range of languages, explain the conditions of ileostomy and internal pouch.

Promotional items were made available to local groups and members for distribution at exhibitions, meetings and open days to further publicise the support that is available from IA.

We currently have 45 member organisations located throughout the United Kingdom. These continue to provide information, advice and assistance to existing, new and potential members. We also continue to offer valuable support via our One2One Support offering, further details of which are provided below.

To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research.

It was noted in last year's report that there continued to be an impact from the Covid pandemic on research, although there were some signs that some of the projects that had been delayed due to the pandemic were now beginning to be picked up again and restarted. However, last year's report also noted that there had been no new funding applications received during the year, and the dearth of new funding applications continued during the year under review, with only one new project being funded via our branch South Wales IA. We would encourage potential applicants to consider applying for grant funding as we continue to look for high quality research to assist with and have funds available to do so.

The South Wales IA funding was granted for Cardiff & Vale University Health Board's IBD surveillance project. The main purpose of this project was to check the standard of the IBD surveillance program against national guidelines to ensure the right patients are getting the right procedure at the right time, looking at the proportion of patients having index surveillance colonoscopy, adherence to surveillance interval as per BSG risk grades and the quality of surveillance colonoscopy (use of chromoendoscopy, quiescent nature of disease, quality of bowel prep, quality of reporting and management of dysplasia).

In addition to funded research, IA continues to assist with a variety of research projects involving members' participation covering a wide range of subjects. In the year under review this included -

- Stoma support study – supporting management of psychological distress in young people with IBD: Following our support of an application for funding for this project in a previous year and also the provision of a representative to participate on the project's steering group, this year work continued on this study with evidence being pulled together to design a detailed specification for a Stoma Support intervention which would aim to address mental health needs of young people with IBD following stoma surgery. The aim will be to ultimately produce a grant application to build, user test, evaluate and implement the intervention.
- Is mesh still a four letter word? – This project, led by a senior clinical lecturer and honorary consultant surgeon at the University of Aberdeen, looked at the use of mesh in the abdominal wall and asked patients and surgeons their perceptions and concerns around

undertaking trials in this field, as well as aiming to identify outcomes that are more important for patients in order for future studies to be genuinely of benefit those suffering from colorectal conditions.

- Pre-operative Education Experiences of Patients Prior to Stoma Formation: A Qualitative Study - The aim of the research was to explore individuals' experiences of information giving prior to stoma forming surgery through semi-structured interviews, with a view to further understanding how pre-operative education could be improved by identifying and interpreting themes that arise from the interviews. This knowledge could then be used to inform future practice and improve the preoperative education that individuals receive which should benefit individuals with all forms of intestinal stoma, including ileostomies.

To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

The quarterly IA Journal continues to be the primary form of communication between the Charity and members, providing updates with the latest developments in products and services along with human interest stories and other articles of interest, such as readers' letters, medical articles and news items. The regular article from an exercise expert continues to be well received by readers, as does the regular article on diet from a qualified dietician. The current Journal Editor will continue to incorporate new ideas into the Journal moving forward.

Although the IA Journal remains the primary form of communication with a lot of our members, social media channels also play an increasingly important role in communicating with members and the wider stoma community. These channels include Facebook, Instagram, X (formerly Twitter) and YouTube. Campaigns run during the year included Ileostomy Awareness Month in April, IA Big Bake around the same period and Internal Pouch Awareness Month in October. In addition to public social media channels, our private Facebook group IA Pouch Pals, which is there to help support those with internal pouches and offer them a private safe space to interact, continues to attract new members. All who have an interest in internal pouches are welcome, whether they are IA members or not.

This year also saw the launch of a new website aimed at medical professionals called IA Professional. This resource is designed to provide GPs and others in primary care with a better understanding of the issues that may be presented to them by patients with an internal pouch or an ileostomy. There is also an area for downloadable documentation. As part of this launch, IA has also been accredited as a provider of continuing professional development (CPD) training and in this regard has produced a number of videos which will earn CPD points to those who view them, as well as a workshop run by IA at Best Practice, which is a two day event attracting over 4,000 GPs, practice managers and those in primary care.

Our One2One Support service, which replaced our previous visiting service, continues to go from strength to strength. One2One gives high quality support to patients by volunteers who have lived experience with an ileostomy or internal pouch. IA Support Volunteers work in conjunction with stoma care nurses to offer a unique non-medical perspective which can be invaluable in recovery from surgery and at the start of a new life with an ileostomy or an internal pouch. Anyone can request support from the volunteers – there is no requirement to be an IA member to use One2One Support. Over the past year we continued to identify and train more volunteers using our new ASCN endorsed online training course. We continue to further develop and actively promote One2One Support going forward.

We were thrilled to hold a Pouch Information Day in January 2023 in Birmingham, where nearly 50 delegates attended to hear pouch related presentations from both medical professionals in the form of a colorectal surgeon and senior specialist nurse and also from members of the pouch community, who shared their experiences about ileoanal and Kock pouches.

A very successful Annual Information Day was held in April 2023, the first time we have been able to run this annual event in full and in person since 2019. The event allowed both members and non-members the opportunity to meet together in both formal and informal settings to discuss issues of common interest, share personal experiences and enjoy talks from healthcare professionals.

Other online events have been held throughout the year, including monthly Coffee and Chat online session run by the Internal Pouch sub-committee.

The Charity's website continues to be further developed and improved to ensure it remains relevant and informative for all its users.

SERVICES FOR MEMBERS

Services for members and potential members continued, as did the work of the association under the appropriate national officers as listed on pages 2 and 3. At national office, enquiries of a general nature came from potential and existing members, healthcare professionals and commercial companies and working relationships continued with member organisations, Government bodies and associated patient support organisations.

IA's website remains a popular resource for information to those looking for guidance on living with an ileostomy and internal pouch.

There was one application for a welfare grant this year which led to a goodwill payment of £160 from the Welfare Fund. However, the number of new applications for grants is disappointing given there are funds available for members to apply for in cases of hardship. Further consideration will need to be given to how we might improve take up of the funds held for welfare purposes. As noted earlier in this report, the number of enquiries increased last year with enquiries being received on wide range of welfare issues such as access to toilet cards and keys and disability benefits, and these were handled by national office, with a number of these being referred to other organisations for further information where relevant.

Matched funding continued to assist member organisations to support local projects such as equipment for hospitals and healthcare professionals. This year grants totalling £2,853 were paid out under this scheme (see Note 8 on page 32), compared to £3,556 last year.

As noted above, for the first time since the Covid pandemic we managed to hold both Annual Information and Internal Pouch Information Days, both of which were well received. In addition, we continued to run other events using online channels, such as the monthly Internal Pouch Coffee & Chat meetings.

Our Specialist Core Rehabilitation Program, launched last year in association with clinical exercise specialist Sarah Russel and funded by the Robert Wainwright fund, continued to provide free online core rehabilitation classes for any member with an ileotomy or internal pouch, as well as those who have reversal surgery or a parastomal hernia. We would encourage members to apply for funding for these classes which have proved very useful for attendees to date.

During the year, the decision was taken to broaden the reach of the Young IA offering to those over the age of 40, and the service was rebranded as IA Together as a result. This change was in line with our strategic cross cutting theme of inclusivity. The aim is to run a number of events under the IA Together banner both locally and nationally, with many local groups having their own IA Together Co-ordinator to contribute to this aim.

We were pleased to be able to offer assistance to those internal pouch members who were impacted by the decision by the company producing the Medena catheter to cease their supply. An emergency supply of the catheters was held at National Office which were then made available to

members free of charge on request until a new supplier eventually took over the supply of this product.

GRANT MAKING POLICY

Members of IA benefit from a number of grants which enable them to apply for funding to attend events and purchase essential items.

- Bryan N Brooke IA Overseas Travel Fund: Professor Bryan Brooke, IA's national founding President, wanted to enable ordinary IA members to attend international meetings, which they otherwise might not consider. Therefore, the Bryan N Brooke (IA) Overseas Travel Fund (BBOTF) was set up to assist IA members with their travel costs for overseas meetings and events. The fund was established as Bryan Brooke's retirement gift from IA and in memory of his contribution as President for over 20 years.
- Victoria Wills (IA) Internal Pouch Bursary: This bursary is available for members with an internal pouch to assist with their travel costs to relevant IA meetings and events.
- Welfare Fund: This fund has been set up to assist IA members who are experiencing financial hardship to:
    - Purchase essential item(s) where ileostomy or internal pouch surgery has directly affected the need for the item(s).
    - Provide towards a convalescent break immediately following ileostomy or internal pouch surgery.
    - Purchase essential medical equipment which is not covered by a state grant or benefit.
- YIA Bursary Fund: The Young IA Bursary Fund has been set up to fund IA members under the age of 40 to attend events in circumstances whereby the IA member may not be able to attend the event through financial hardship.
- Research Fund: This fund supports research being carried out throughout the UK. This support can take the form of financial assistance, or promoting awareness of research being carried out that may be of benefit to members.

Each fund has its own set of grant making guidelines which must be adhered to and all applications are assessed by the appropriate executive committee sub-committee. Information and instructions for making an application are available to members, and application forms available from national office.

These grant making activities contribute to the achievement of IA's aims and objectives by:

- Helping those with an ileostomy and internal pouch who are in financial hardship.
- Providing a service to its members, and keeping ileostomists and those with an internal pouch informed by giving them the opportunity to attend a variety of conferences, meetings and seminars.
- Promoting research by enabling members to attend a variety of research events and/or participate in research activities.

We continue to encourage the take up of the various grants available as the level of applications has remained low over recent years.

LIAISON WITH OTHER GROUPS

We continue to maintain good working relationships with other ostomy associations in the UK such as Colostomy UK and the Urostomy Association, as well as with internal pouch support groups, with Crohn's & Colitis UK, and other relevant charities such as A Bear Named Buttony. Membership of the European Ostomy Association (EOA) enabled co-operation with ostomy support organisations in Europe and the worldwide ostomy community, and IA's PR &

Communications Manager Caroline Bramwell sits on the EOA's Executive Committee, further strengthening ties and co-operation between our two associations and ensuring IA represents the UK at a European and wider level. IA is also one of the patient and professional organisations working together in partnership as IBD UK to improve standards of care and treatment for everyone with Inflammatory Bowel Disease.

Mutual benefit was derived from the continued liaison with the Royal College of Nursing, the Association of Stoma Care Nurses UK, the Royal College of Surgeons of England, the World Council of Enterostomal Therapists, the Kingston Trust, the Association of Coloproctology of Great Britain & Ireland, the Association of Coloproctology Nurses, the Irish Stoma Care Nursing Association, the Romanian Ostomy Patients' Support Foundation, the British Healthcare Trades Association, Patients, Industry and Professionals (PIPs) Forum and the Scottish Stoma Forum.

RISK AND RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- The maintenance of a risk register recording all identified risks.
- An annual review of the risk register including the principal risks and uncertainties that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the performance of its investments is the major financial risk for the charity. Investment income forms a significant proportion of overall income and any reduction in investment income levels could have an adverse effect on the income available to support day-to-day operations. This risk is mitigated by retaining expert investment managers, Rathbone Investment Management (Rathbones), on a discretionary basis and ensuring that an investment policy is in place which specifies both the level of risk to be applied to the management of the investment portfolio and the approach to income generation. The arrangement with Rathbones is reviewed on an annual basis to ensure that performance continues to meet with the charity's requirements. An annual review meeting with Rathbones also normally takes place, although this has not taken place in person this year due to scheduling difficulties. Nevertheless, regular communication between the charity and Rathbones has continued during this period and email updates are provided by our dedicated investment manager whenever changes to the portfolio's composition occur.

The Trustees are in agreement with Rathbones' cautious view on the global economic outlook over the coming year and anticipate that there could be recessions in both the US and Europe. Potential downside risks in term of capital value depreciation have been mitigated by locking in some profits already achieved through the sale of existing equity portfolio holdings, as well as the moving of some monies from the diversifiers segment into traditional government bonds. The Trustees are satisfied with these actions in term of risk management and reduction.

Attention has also been focused on non-financial risks, the principal ones relating to the employment of staff and the potential loss of key staff and officers. The former risk has been mitigated by the engagement of professional legal advice on employment matters, the latter by the creation of contingency plans that include the identification of alternate resources able to assume responsibility should the loss of key people occur.

During the financial year, the impact of the Covid-19 pandemic has to a large extent faded away, with staff members located at our National Office returning to work in the office as the norm. Our annual Information Day took place in person in April 2023 for the first time since 2019 and the numbers attending confirmed the fact that to a large extent most people have chosen to return to

normal in term of their activities and social contact with others. Nevertheless, the Trustees are aware that future pandemics are a possibility and the risk management procedures and practices put in place during Covid have been well learned and can be implemented again at short notice should that be necessary.

FINANCIAL RESULTS AND REVIEW

The full accounts of IA are shown on pages 20 to 44. They show the activities of the principal charity and the Branch member organisations but do not include the activities of the Affiliate member organisations, who are separately registered charities responsible for preparing their own accounts in accordance with the appropriate legislation.

The accounts show a deficit of £119,043 in the financial year to 30 September 2023. This figure includes an amount of £102,033 in relation to gains on investments. Of the £119,043 deficit recorded, £100,350 related to a deficit on unrestricted funds whilst £18,693 related to restricted funds. Taking these results into account, closing assets stood at £5,298,203.

RESERVES POLICY

The Board of Trustees has determined that the following policies will apply in respect of the various funds held.

General Fund

The General Fund provides resources for the day to day running of the charity and should hold reserves sufficient to cover a minimum of six months' payments based on the expenses incurred in the last full financial year, plus any future planned additional expenditure.

Designated funds

Any designated funds established by the Board of Trustees are intended to provide income for specific purposes. The Capital Investment Fund was established to provide income for the General Fund. All capital in any designated funds may be spent on the authority of the Board of Trustees. In addition to the designated funds noted above, each Branch member organisation has its own designated fund. Further information on this is provided in the section Branch Funds below.

Restricted Funds

Restricted funds have been established either where the donations received are restricted by the donors, or where the fund has been established for a restricted purpose. In the case of the Welfare Fund and the Bryan N. Brooke (IA) Overseas Travel Fund, the intention is to maintain the capital, adding any donations received, and to spend the income providing grants for the purposes for which the funds were established. All other restricted funds are holding donations until such time as they can be spent in accordance with the restriction. In addition to the named restricted funds, each Branch member organisation has its own restricted fund(s). Further information on this is provided in the section Branch Funds below.

When assessing levels of reserves in each fund, the Board of Trustees ignores unrealised profits on investments, as these are not considered sufficiently reliable to guarantee future spending levels.

Branch Funds

Each Branch member organisation has its own designated fund and restricted fund. All income for a particular Branch is credited to its designated fund, whilst all expenditure for that Branch is taken from its restricted fund until such time as that fund has been exhausted, when expenditure is then

set against the branch's designated fund. Rather than set an individual reserves policy for each Branch and its funds, the Board of Trustees instead monitor the net position of each Branch on an ongoing basis to ensure that sufficient funds remain in each branch to continue their activities for the foreseeable future.

Overall

All fund balances are in line with or exceed their reserves policy. The total funds held by the charity at 30 September was £5,298,203 of which £4,730,012 was held as unrestricted funds and the remaining £568,191 held as restricted funds. Included in unrestricted funds are designated funds of £4,465,577 leaving £264,435 in general unrestricted funds.

INCOMING AND OUTGOING RESOURCES

Income for the year was £393,993 compared to £390,382 in the prior year, a 0.9% increase year on year.

Looking at income in more detail, income from donations and legacies was £128,222, a fall from the 2022 figure of £142,341. This fall was due in large part to a decrease in legacy income, down from £97,774 in 2022 to £69,068 in the year under review. It is in the nature of income from legacies that levels can fluctuate significantly year on year and are neither controllable nor forecastable. Partially offsetting the fall in legacy income was an increase in external donation income, up from £37,318 in 2022 to £44,853 in 2023.

Income from charitable activities rose 21.6% this year, up from £108,516 in 2022 to £132,016 this year. Of this figure, income from advertising in the IA Journal contributed £53,128, which was up from the previous year's figure of £50,647. Income from Journal advertising has therefore shown an increase over the past two years after a decline over a number of years, and it is hoped that with income from this stream now stabilised we can look to build further increases in advertising revenue going forward. Also included within income from charitable activities, member organisation annual subscription income of £30,149 (2022: £29,257) credited to unrestricted funds relates to the annual charge payable by member organisations to the national charity and includes £27,314 of annual subscription income charges to Branch member organisations. As the £27,314 is also a cost to the Branches, the same amount is also included in expenditure on charitable activities as this was charged against the Branches' individual restricted funds. Income from member subscriptions rose to £41,568 (2022: £27,912) after a concerted and successful effort to collect overdue subscriptions due from previous years.

Income from investments was down to £133,755 in 2023 from a figure of £139,525 the previous year. To an extent income levels here are likely to fall as capital is drawn down from the portfolio to help fund operational activities.

Expenditure for the year was £615,069 (2022: £544,093), of that £557,504 (2022: £503,451) being charged to unrestricted funds and £57,565 (2022: £40,642) to restricted funds. Of total expenditure, 95% (2022: 95%) or £587,322 (2022: £515,404) was in support of IA's charitable activities with 5% (2022: 5%) or £27,747 (2022: £28,689) being the cost of raising funds. Of the £587,322 incurred as expenditure of charitable activities, £40,098 (2022: £31,303) related to costs borne by Branches as a result of their charitable activities and charged to their restricted funds.

INVESTMENT POLICY

Investments are shown in the accounts at market value. Up until October 2019, the charity had a single investment portfolio managed under a discretionary management agreement with Rathbone Investment Management using a medium risk stance. In October 2019 £385,000 was transferred from the charity's bank account in to a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches. The "B" portfolio is similarly managed under a discretionary management agreement using a low to medium risk stance.

The charity's investment policy is shown in the Financial Regulations document and is "to hold investments to provide income in support of its core operations". Income generated from the “B” portfolio is credited to Branches taking into account their average funds over the financial year as a proportion of total funds. There are no social, environmental or ethical considerations contained within the investment policy.

As noted above, combined total investment income from both portfolios was £133,755 this year compared to £139,525 in 2022. Net gains on investment stood at £102,033 (2022: net losses of £554,935). Of the total net gains of £102,033, unrealised gains on investments held within the portfolios at year end were £29,088, whilst realised gains on investment sales were £72,945.

Total return on investments over the 12-month period to 30 September 2023 for the main portfolio was 3.86% when compared to the ARC Charity Balanced GBP portfolio reference point return of 3.77% over the same period. Returns over three years on an annualised basis were 4.11% compared to a benchmark figure of 2.23% using the same ARC benchmark. The “B” portfolio, which has a slightly more defensive strategy than the main portfolio, posted a total return over the 12-month period to 30 September 2023 of 2.76% and returns over three years on an annualised basis were 2.43%, with the same ARC benchmark figures noted above being applicable here.

In accordance with the requirements of the Trustee Act, 2000, Part II, section 4(2), from time to time, the trustees review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied. Changes in policy would be reflected in the investment management agreement and in the targets set for IA’s investment managers. There were no changes to the investment policy document during the year.

FUTURE PLANNING

The restructure that the Charity went through in 2018 put firm foundations in place on which to build a more resilient charity, with the option of local groups becoming a Branch if they wished to ease their regulatory and administrative burdens and concentrate instead on supporting their members, or to remain as an independent charity affiliated to IA, these groups known as Affiliates. A further Affiliate group took the decision to become a Branch in the year under review, leaving a total of 37 Branches and 8 Affiliates. This demonstrates that the decision to restructure was the right one to take for the Charity. The Trustees will continue to offer the option of becoming a Branch to any Affiliate who feels their circumstances warrant a change of status going forward.

Last year’s report noted that a new IA Strategic Plan 2022-25 had been published in September 2022, the Trustees believing that its implementation would present many exciting opportunities for the charity to further develop its services to members and the wider community. Work has continued during the year under review on various aspects of the plan, and looking ahead, there are plans for more of strategic aims and objectives contained in the plan to be implemented. One example of this is the creation of a new role to act as a liaison between the national charity and its local groups, thereby helping to achieve aim 3 of the plan, “harnessing the power of our group network and volunteers”. Recruitment for this role is currently underway and it is expected that the new person will be in post shortly. The Trustees recognise that strategy setting is an organic process and work will continue on further strategic planning going forward.

The working undertaken during the year under review to create a national set of policies and procedures will continue over the coming year as the Charity seeks to ensure that all areas of the Charity are operating in a consistent way and that good governance is built into everything it does.

The management committee, which consists of senior staff and Trustees, continues to meet regularly to consider matters of both strategic and operational natures, making recommendations to the Board of Trustees where relevant. All meetings are held online as this has proved more effective logistically, and the large majority of Board and sub-committee meetings are also held online rather than in person for the same reason. Nevertheless, some meetings are planned to take place on a face-to-face basis over the coming year as the Trustees believe that certain benefits accrue from meeting in this way that cannot be replicated online.

It is for this reason that we were very pleased to be able to hold our annual Information Day for 2023 in person for the first time since the onset of Covid and its resultant restrictions. The event was without doubt a great success and the plan is for future annual Information Days to continue to be actual rather than virtual events. In addition, there are plans for more regional events to be held to allow more members and other interested parties to attend where they might not otherwise be able to due to geography or other conflicting commitments.

The Trustees consider that the charity will be able to continue to meet its charitable objectives over the coming year.

CONCLUSION

IA continues to have a significant level of assets which offers a cushion against future problems. All funds remain stable and all activities can continue as planned. The Trustees are satisfied that all known commitments can be met for the foreseeable future.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also the directors of IA for the purposes of company law, are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures that must be disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Stuart Hay
Chair of the Trustees
17 February 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

Opinion

We have audited the accounts of IA (the 'Charity') for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 the Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the Trustees' Report which includes the directors' report for the purposes of company law for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal controls as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Identification and assessment of irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We designed procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures were capable of detecting irregularities, including fraud is detailed below:

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 1.11 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jordan Abbott BSc ACA (Senior Statutory Auditor)
for and on behalf of Sumer Audit
Chartered Accountants
Statutory Auditor
Piper House, 4 Dukes Court,
Bognor Road, Chichester
W. Sussex PO19 8FX

Dated 23/04/2024

Sumer Audit is a trading name of Sumer Auditco Limited

Statement of Financial Activities (including income and expenditure account) for the year ended 30 September 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2023 £	Total funds 30/9/2022 £ (Note 2)
Income from:					
Donations and legacies	3	110,707	17,515	128,222	142,341
Charitable activities	4	132,016	-	132,016	108,516
Investments	5	124,666	9,089	133,755	139,525
Total income		**367,389**	**26,604**	**393,993**	**390,382**
Expenditure on:					
Raising funds	6	25,903	1,844	27,747	28,689
Charitable activities	7	531,601	55,721	587,322	515,404
Total expenditure		**557,504**	**57,565**	**615,069**	**544,093**
Net income/(expenditure) before gains and losses on investments		**(190,115)**	**(30,961)**	**(221,076)**	**(153,711)**
Net gains (losses) on investments		94,841	7,192	102,033	(554,935)
Net income/(expenditure)		**(95,274)**	**(23,769)**	**(119,043)**	**(708,646)**
Transfers between funds	20	(5,076)	5,076	-	-
Net movement in funds		**(100,350)**	**(18,693)**	**(119,043)**	**(708,646)**
Reconciliation of funds:					
Total funds brought forward		4,830,362	586,884	5,417,246	6,125,892
Total funds carried forward		**4,730,012**	**568,191**	**5,298,203**	**5,417,246**

IA has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 30 September 2023

	Notes	£	Total 30/9/2023 £	£	Total 30/9/2022 £
Fixed Assets					
Investments	14		5,224,613		5,346,790
Total Fixed Assets			**5,224,613**		**5,346,790**
Current Assets					
Debtors	16	91,889		139,388	
Cash on deposit and in hand		133,029		88,699	
Total Current Assets		224,918		228,087	
Liabilities					
Creditors falling due within one year	18	151,328		157,631	
Net Current Assets			**73,590**		**70,456**
Total assets less current liabilities			**5,298,203**		**5,417,246**
Net Assets			**5,298,203**		**5,417,246**
The Funds of the Charity					
General unrestricted income funds	20 & 21	4,562,326		4,753,154	
Revaluation reserve		167,686		77,208	
Total unrestricted income funds			**4,730,012**		**4,830,362**
General restricted income funds	20 & 21	565,033		596,200	
Revaluation reserve		3,158		(9,316)	
Total restricted income funds			**568,191**		**586,884**
Total Charity Funds			**5,298,203**		**5,417,246**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The notes on pages 23 to 44 form part of these accounts.

Approved by the board on 17 February 2024 and signed on its behalf by

Mr. Stuart Hay
Chair

Company Registration No. 10375943

Mr. Amar Panchal
Finance Sub-Committee Chair

17/02/24

Statement of Cash Flows for the year ended 30 September 2023

	Notes	Total Funds 2023 £	Total Funds 2022 £
Net cash used in operating activities	23	**(313,634)**	**(336,692)**
Cash flows from investing activities			
Interest and dividend income		133,755	139,525
Proceeds from sale of investments		763,448	1,118,785
Purchase of investments		(539,239)	(994,821)
Net cash provided by/(used in) investing activities		**357,964**	**263,489**
Change in cash and cash equivalents in the year		**44,330**	**(73,203)**
Cash and cash equivalents brought forward		88,699	161,902
Cash and cash equivalents carried forward		**133,029**	**88,699**
Relating to:			
Cash on deposit and in hand		**133,029**	**88,699**

Notes to the Accounts for the Year ended 30 September 2023

1 ACCOUNTING POLICIES

Charity information

Ileostomy and Internal Pouch Association is a private company limited by guarantee incorporated in England and Wales. The registered address is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

1.1) Basis of preparation and assessment of going concern

The Charity is a public benefit entity and the financial statements have been prepared in accordance with the governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting periods commencing from 1 January 2019), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011, relevant law and accounting standards.

The charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in the financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

All property, assets, rights and charitable undertakings of IA (Ileostomy and Internal Pouch Support Group) (registered charity number 234472) were transferred to Ileostomy and Internal Pouch Association with effect from 1 October 2018.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and that they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts of the incorporated association.

1.2) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount of the income can be measured reliably.

Journal advertising is taken on an accruals basis. Donations are recognised when the charity has been notified in writing of both the amount and the settlement date. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receipts basis upon notification by the charity's investment manager.

All other income has been taken into account on a cash received basis.

1.3) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

“Raising funds” includes all direct costs incurred in running fundraising events and investment management costs.

“Charitable activities” includes all costs incurred in meeting our charitable objects and providing support and information to our beneficiaries. Half of the costs of the annual meeting (formerly known as the National Council meeting) are charged under this heading since this meeting not only fulfils the requirements of an annual general meeting but also includes activities designed to help representatives of IA’s member organisations to run their charities effectively. Included are updates on research undertaken and other matters important to the running of the charity.

In addition 50% of the costs of our national office are included. The national office of IA not only provides administrative support to the Board of Trustees but also acts as the first point of contact for patients needing our advice and support, as well as supporting IA’s member organisations. For this reason the costs are divided between this category and “governance costs”.

Much of the work of IA is managed by sub-committees of the main board. The costs of their meetings are included as part of our charitable activities. In addition, since the responsibilities of the board include much direct charitable work, 50% of the cost of the board meetings is included as charitable activities.

“Governance costs” include all costs incurred in the financial management of IA. In addition, 50% of the cost of the annual meeting, the running of national office and the meetings of the board are shown here. Any other costs of an administrative nature are also charged to this heading.

Grants for research and other purposes are recognised as soon as a written agreement between the parties confirming the amount committed and the work to be carried out has been made. Provisions for grants for research and other purposes are recognised when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of the grant payable.

1.4) Tangible and intangible fixed assets

Expenditure on tangible and intangible fixed assets is normally charged to revenue in the year of purchase, unless the level of expenditure on individual items would distort the accounts, or if the asset has been donated to a research project while ownership has been retained by IA. In such cases assets are written off on a straight-line basis at rates calculated to reduce their cost to expected residual value over the term of their anticipated useful lives as follows:

Software	33%

1.5) Investments

All investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their

opening carrying value or their purchase value if acquired on or subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

1.6) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7) Financial instruments

The charity has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments” of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Charity’s balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are an obligation to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity’s contractual obligations expire or are discharged or cancelled.

1.8) Funds

IA has both unrestricted and restricted funds, but no endowment funds, as shown below.

Unrestricted Funds

1. General Fund
2. Capital Investment Fund (designated to provide income for the General Fund)
3. Branch member organisation Designated funds

Restricted Funds

1. Research Fund (to provide grants for research projects relevant to our beneficiaries)
2. Welfare Fund (to provide small financial grants to members)
3. Bryan N. Brooke (IA) Overseas Travel Fund (established by our founding president, Professor Bryan N. Brooke, to provide grants to assist members to attend related meetings abroad)
4. Young IA Bursary Fund (to provide grants to young people to attend events which will aid their recovery after surgery)
5. The Victoria Wills IA Internal Pouch Bursary (established in memory of Victoria Wills to provide grants to those with an internal pouch to attend events which will aid their recovery after surgery)
6. IA Annual Award for Innovation (established by former executive committee chairman Carolyn Stammers to provide funds for an annual award offered to IA member organisations for innovative ideas and activities).
7. Robert Wainwright Fund (established as a result of a pecuniary legacy from the estate of Robert Wainwright to promote exercise and fitness in stoma patients through online classes, videos, workshops and other similar services).
8. Branch member organisation Restricted funds

One of the unrestricted funds, the Capital Investment Fund, was designated to special purposes (to provide income for the General Fund) by decision of the board, which could be changed in the future.

For the purposes of clarity in these financial statements, all Branch designated funds have been amalgamated into a single reporting line shown as Branch Designated within unrestricted funds and similarly all Branch restricted funds have been amalgamated into a single reporting line shown as Branch Restricted funds under restricted funds.

Further details of each fund are disclosed in note 20.

1.9) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

1.10) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

As required by law, the charity offers a workplace pension scheme to all eligible employees. The scheme is operated by the National Employment Savings Trust (NEST) and is a defined contribution scheme with contributions made by both employer and employee. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable by the charity in the year.

1.11) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and the future periods where the revision affects both current and future periods.

2 ANALYSIS OF PRIOR YEAR TOTAL FUNDS SHOWN ON STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2022 £
Income from:				
Donations and legacies	3	133,090	9,251	142,341
Charitable activities	4	108,516	-	108,516
Investments	5	129,985	9,540	139,525
Total income		**371,591**	**18,791**	**390,382**
Expenditure on:				
Raising funds	6	26,783	1,906	28,689
Charitable activities	7	476,668	38,736	515,404
Total expenditure		**503,451**	**40,642**	**544,093**
Net income/(expenditure) before gains and losses on investments		**(131,860)**	**(21,851)**	**(153,711)**
Net gains (losses) on investments		(516,938)	(37,997)	(554,935)
Net income/(expenditure)		**(648,798)**	**(59,848)**	**(708,646)**
Transfers between funds	20	(58)	58	-
Net movement in funds		**(648,856)**	**(59,790)**	**(708,646)**
Reconciliation of funds:				
Total funds brought forward		5,479,218	646,674	6,125,892
Total funds carried forward		**4,830,362**	**586,884**	**5,417,246**

3 INCOME FROM DONATIONS AND LEGACIES

	Funds transferred in from Branch member organisations	Member organisation donations £	Other donations £	Legacies £	Total 2023 £	Total 2022 £
General Fund	-	-	24,584	64,068	88,652	115,215
Branch Designated funds	-	-	20,055	2,000	22,055	17,875
Total unrestricted funds	**-**	**-**	**44,639**	**66,068**	**110,707**	**133,090**
Research Fund	-	500	214	3,000	3,714	5,502
Branch Restricted funds	13,801	-	-	-	13,801	3,749
Total restricted funds	**13,801**	**500**	**214**	**3,000**	**17,515**	**9,251**
Total 2023	**13,801**	**500**	**44,853**	**69,068**	**128,222**	
Total 2022	3,749	3,500	37,318	97,774		142,341

As of 1 October 2022, one Affiliate member organisation opted to become a Branch and the transfer of their funds of £13,801 into the national charity is therefore included in donations in the Statement of Financial Activities.

The charity benefits greatly from the involvement and support of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
IA Journal	53,128	-	53,128	50,647
Annual (National Council) meeting	7,171	-	7,171	700
Member organisation annual subscriptions	30,149	-	30,149	29,257
Member subscriptions	41,568	-	41,568	27,912
Total	**132,016**	**-**	**132,016**	**108,516**
Total 2022	108,516	-	-	108,516

Income of £30,149 shown above under unrestricted funds as member organisation annual subscriptions includes £27,314 in relation to annual subscription charges levied on Branch member organisations by the charity. A corresponding expense of £27,314 is included under charitable expenditure to reflect the cost to the individual Branches' restricted funds. As such, the overall net effect of these items on the charity is zero.

5 INVESTMENT INCOME

Investment and interest income was £133,755 (2022: £139,525) of which £124,666 was unrestricted (2022: £129,985) and £9,089 was restricted (2022: £9,540). It came from the following sources:

	2023 £	2022 £
UK listed investments	133,755	139,525
Bank interest	-	-
Total	**133,755**	**139,525**

6 EXPENDITURE ON RAISING FUNDS

	2023 £	2022 £
Investment management costs	27,117	28,059
Online fundraising costs	630	630
Total	**27,747**	**28,689**

Expenditure on raising funds was £27,747 (2022: £28,.689) of which £25,903 was unrestricted (2022: £26,783) and £1,844 was restricted (2022: £1,906).

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	2023 £	2022 £
IA Journal (including distribution costs)		56,346	53,039
Grants and donations	8	15,245	21,149
Annual (National Council) meeting (apportioned)		13,622	7,359
Internal Pouch Group activities		8,860	4,060
One2One training		4,350	5,738
Publicity & promotion		106,884	82,724
Information sheets & booklets		3,686	2,616
National office (apportioned)		154,863	145,892
Charitable activities		-	5
Branch member organisation activities		40,098	31,303
Support costs	9	20,272	11,251
Governance costs	10	163,096	150,268
Total		**587,322**	**515,404**

In 2023, expenditure on charitable activities was £587,322 (2022: £515,404), of which £531,601 was expenditure from unrestricted funds (2022: £476,668) and £55,721 was expenditure from restricted funds (2022: £38,736). Expenditure of £40,098 shown above as Branch member organisation activities includes £27,314 in relation to annual subscription charges levied on Branch member organisations by the charity. Corresponding income of £27,314 is included under

charitable income to reflect the income due to the unrestricted funds of the charity. As such, the overall net effect of these items on the charity is zero.

8 GRANTS AND DONATIONS

	2023 £	2022 £
Grants to individuals	4,129	13,024
Grants to institutions and organisations	5,000	-
Grants to IA member organisations	2,853	3,556
Other donations	3,263	4,569
Total	**15,245**	**21,149**

Recipients of grants to institutions and organisations were –

	£
Cardiff and Vale University Health Board: Grant for IDB surveillance project	5,000

9 SUPPORT COSTS

	2023 £	2022 £
IA Journal	3,231	3,211
Annual (National Council) meeting (apportioned)	6,116	1,452
Publicity & promotion	5,505	1,425
Young IA	120	120
Internal Pouch	120	120
Charitable activities	5,180	4,923
Total	**20,272**	**11,251**

10 GOVERNANCE COSTS

	2023 £	2022 £
National office (apportioned)	132,616	113,883
Annual (National Council) meeting (apportioned)	7,552	5,908
Other administrative meetings	-	5
Audit fee	4,050	3,850
Insurance	4,606	4,187
Bank charges & currency costs	1,004	688
Legal costs	4,613	7,702
Other expenses	8,655	14,045
Total	**163,096**	**150,268**

IA has Trustee Indemnity Insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part and to cover the trustees of IA's member organisations. The cost of this insurance is £4,606 (2022: £4,187) and is shown above.

11 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2023 £	2022 £
Salaries and wages	141,103	162,545
Social security costs	10,559	12,394
Pension costs	13,888	14,628
Other benefits	3,625	3,768
Agency/contract staff	69,256	29,731
Total	**238,431**	**223,066**

During the year no employment termination payments were made (2022: £5,000).

The average number of employees during the year was 4 (2022: 5) with all employee time involved in providing either support to the governance of the charity or support to charitable activities. The average number of full time equivalent employees during the year was 3 (2022: 4).

The number of employees receiving total employee benefits (excluding employer pension costs) in excess of £60,000 were

Total employee benefits (excluding employer pension costs)	2023	2022
£70,001 - £80,000	1	1

The charity considers that its key management personnel comprise the trustees, the Chief Executive Officer and the National Officer Manager. The total employee benefits of the key management personnel were £140,625 (2022: £131,733).

12 PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2022: nil). Trustees were reimbursed expenses incurred in performing their duties as board members, as follows -

Five trustees (2022: 4) were paid £1,305 (2022: £985) for travelling, postage, telephone, stationery and other costs incurred in fulfilling their voluntary activities. No trustees received remuneration for providing services to the charity.

Total donations received without conditions from trustees were zero (2022: nil).

13 INTANGIBLE FIXED ASSETS

	Total £
Software	
Cost	
At 1 October 2022	6,211
Additions	-
At 30 September 2023	**6,211**
Amortisation	
At 1 October 2022	6,211
Charge for the year	-
At 30 September 2023	**6,211**
Net book value	
At 30 September 2022	-
At 30 September 2023	**-**

Software comprises the membership database purchased to administer the membership records of the charity. Development costs which enhance the functionality of the software are capitalised. Costs for the software are amortised over a three year life from the date the expenditure was incurred, with amortisation included within expenditure on charitable activities in the statement of financial activities. The trustees have chosen to amortise such costs over a three year period as in their opinion this most accurately reflects the life of all software, which is inherently limited due to ongoing product development and the retirement and replacement of current software products with new improved versions .

14 FIXED ASSET INVESTMENTS

Movements on investments for the year ended 30 September 2023 were as shown below.

Market value basis	**2023 £**	**2022 £**
Quoted investments		
Brought forward	5,346,790	6,025,689
Additions	539,239	994,821
Disposals at carrying value	(690,504)	(1,105,242)
Unrealised gains/losses	29,088	(568,478)
At market value 30th September	**5,224,613**	**5,346,790**
At cost 30 September	5,053,769	5,278,898

Prior to October 2019, all investments were held in a single main portfolio, with investments allocated to funds on the basis of the cost input by each fund. At 1 October 2019, the split was as follows:

Capital Investment Fund	87.54%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
Elizabeth Clay Memorial Fund	5.18%	Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

In October 2019, £375,000 was transferred from the charity's bank account into a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches in order to generate an income for these Branches. The main portfolio continued to operate using the split noted above until 30 September 2021, when the Elizabeth Clay Memorial Fund was closed and the value of the main portfolio previously allocated to it was transferred to the Capital Investment fund as of 1 October 2021. The split from 1 October 2021 on the main portfolio was therefore as follows:

Capital Investment Fund	92.72%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
		Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

The table above showing movement on investments for the year represents the combined investments held on both the main and "B" portfolios.

The cash held within the investment portfolios is £24,574 (2022: £40,579). All the investments are quoted on the UK Stock Exchange. IA does not hold any investments outside the UK. Looking at the combined investment portfolios, there are no investments that exceed 5% of the total market

value as at 30 September 2023. There are no restrictions on the realisation of any investment held by the charity.

15 FINANCIAL INSTRUMENTS

	2023 £	2022 £
Carrying value of financial assets		
Instruments measured at fair value through profit and loss	5,224,613	5,346,790

16 DEBTORS

Amounts falling due within one year:	2023 £	2022 £
Legacies due	42,468	81,681
Prepayments	8,549	3,231
Other debtors	37,372	39,466
Due from branch member organisations	-	11,510
Rent deposit	3,500	3,500
Total	**91,889**	**139,388**

17 CASH ON DEPOSIT AND IN HAND

The balance shown includes an amount of £100 held on trust for the unincorporated predecessor charity, IA (Charity Commission (England & Wales) registration number 234472).

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accruals	39,802	40,354
Research projects	84,355	84,355
Taxation and social security	4,044	4,298
Due to branch member organisations	1,178	1,038
Other creditors	21,949	27,586
Total	**151,328**	**157,631**

19 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

The charge to profit or loss in respect of defined contribution schemes was £13,888 (2022: £14,628). The creditor at the balance sheet date relating to this scheme is £975 (2022: £472).

20 ANALYSIS OF CHARITABLE FUNDS

For the financial year ended 30 September 2023

	Balance 1/10/22 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2023 £
Unrestricted funds						
General	238,466	295,886	553,935	-	284,018	264,435
Capital Investment	4,375,566	-	-	94,841	(284,018)	4,186,389
Branch Designated	216,330	71,503	3,569	-	(5,076)	279,188
Total unrestricted funds	**4,830,362**	**367,389**	**557,504**	**94,841**	**(5,076)**	**4,730,012**
Restricted funds						
Research	97,853	12,005	1,682	6,560	-	114,736
Welfare	34,483	570	276	451	-	35,228
Bryan N Brooke (IA) Overseas Travel	19,774	228	46	181	-	20,137
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	460	-	111	-	-	349
Robert Wainwright	58,056	-	3,969	-	-	54,087
Branch Restricted	369,215	13,801	51,481	-	5,076	336,611
Total restricted funds	**586,884**	**26,604**	**57,565**	**7,192**	**5,076**	**568,191**
Total funds	**5,417,246**	**393,993**	**615,069**	**102,033**	**-**	**5,298,203**

The transfer of £284,018 from the Capital Investment Fund to the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £5,076 was made from Branch Designated to Branch Restricted funds to cover deficits on individual Branches' Restricted Funds accounts.

For the financial year ended 30 September 2022

	Balance 1/10/21 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2022 £
Unrestricted funds						
General	210,455	318,017	499,584	-	209,578	238,466
Capital Investment	5,102,082	-	-	(516,938)	(209,578)	4,375,566
Branch Designated	166,681	53,574	3,867	-	(58)	216,330
Total unrestricted funds	**5,479,218**	**371,591**	**503,451**	**(516,938)**	**(58)**	**4,830,362**
Restricted funds						
Research	120,046	14,204	1,738	(34,659)	-	97,853
Welfare	36,388	599	120	(2,384)	-	34,483
Bryan N Brooke (IA) Overseas Travel	20,537	239	48	(954)	-	19,774
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	571	-	111	-	-	460
Robert Wainwright	60,000	-	1,944	-	-	58,056
Branch Restricted	402,089	3,749	36,681	-	58	369,215
Total restricted funds	**646,674**	**18,791**	**40,642**	**(37,997)**	**58**	**586,884**
Total funds	**6,125,892**	**390,382**	**544,093**	**(554,935)**	**-**	**5,417,246**

The transfer of £209,578 made to the General Fund from the Capital Investment Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £58 was made from Branch Designated to Branch Restricted funds to cover a deficit on an individual Branch's Restricted Funds account.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the financial year ended 30 September 2023

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2023 £
Unrestricted funds				
General	-	264,435	-	264,435
Capital Investment	4,520,304	(333,915)	-	4,186,389
Branch Designated	-	279,188	-	279,188
Total unrestricted funds	**4,520,304**	**209,708**		**4,730,012**
Restricted funds				
Research	323,715	(208,979)	-	114,736
Welfare	22,426	12,802	-	35,228
Bryan N Brooke (IA) Overseas Travel	8,775	11,362	-	20,137
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	349	-	349
Robert Wainwright	-	54,087	-	54,087
Branch Restricted	349,393	(12,782)	-	336,611
Total restricted funds	**704,309**	**(136,118)**	**-**	**568,191**
Total funds	**5,224,613**	**73,590**	**-**	**5,298,203**

For the financial year ended 30 September 2022

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2022 £
Unrestricted funds				
General	-	238,466	-	238,466
Capital Investment	4,634,600	(259,034)	-	4,375,566
Branch Designated	-	216,330	-	216,330
Total unrestricted funds	**4,634,600**	**195,762**		**4,830,362**
Restricted funds				
Research	331,900	(234,047)	-	97,853
Welfare	22,993	11,490	-	34,483
Bryan N Brooke (IA) Overseas Travel	8,997	10,777	-	19,774
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	460	-	460
Robert Wainwright	-	58,056	-	58,056
Branch Restricted	348,300	20,915	-	369,215
Total restricted funds	**712,190**	**(125,306)**	**-**	**586,884**
Total funds	**5,346,790**	**70,456**	**-**	**5,417,246**

Unrealised gains on investment assets included above:

	2023 £	2022 £
Unrestricted funds	167,686	77,208
Restricted funds	3,158	(9,316)
Total	**170,844**	**67,892**

22 OPERATING LEASE COMMITMENTS

The charity previously entered into a lease for the rental of office premises at Danehurst Court, Rochford on 27/1/2016 with a lease term of 5 years. A rental of £14,000 was payable per annum for the first 3 years of the lease with a rent review after that period based on the rise in the Retail Price Index (RPI) during the lease term, which led to an increased rental of £15,336 per annum

payable from 27/1/2019 until the lease expired. An annual service charge of £1,000 was also payable. A security deposit of £3,500 was paid on the inception of the lease which was returnable at the expiry of the lease term.

The charity entered into a further 5 year lease on the same premises on 27/1/2021 with an agreed rental for the first 2 years of the lease of £14,000 and a rent review after that period where the rent would be subject to negotiation with the landlord but where in any event the increased annual rental payable will not exceed £15,336 per annum. This review took place in January 2023 and the new rental payable was set at £15,336 per annum. The annual service charge of £1,000 will continue to be payable and the security deposit of £3,500 has been retained by the landlord, the latter amount being disclosed in note 16 above.

The amount charged to expenditure on charitable activities in relation to the lease was £15,905.

The charity has the following future minimum payments under this lease for each of the following periods:-

Payment due	2023 £	2022 £
No later than one year	16,336	15,000
Later than one year and not later than five years	21,350	34,583
Total	**37,686**	**49,583**

The charity had no other off-balance sheet arrangements.

23 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(119,043)**	**(708,646)**
Adjustments for:		
Deduct interest income shown in investing activities	(133,755)	(139,525)
Deduct gains/add back losses on investments	(29,088)	568,478
Loss/(profit) on the sale of investments	(72,944)	(13,543)
(Increase)/decrease in debtors	47,499	(34,148)
Increase/(decrease) in creditors	(6,303)	(9,308)
Net cash used in operating activities	**(313,634)**	**(336,692)**

24 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no debt during the year.

25 MEMBER ORGANISATIONS' ACCOUNTS

Branch member organisations' activities are included in these financial statements. Affiliate member organisations, being separately registered charities, prepare their own accounts in accordance with the appropriate legislation and are accordingly not included in these financial statements.

As noted in notes 4 and 7 above, annual subscription charges of £27,314 were charged to Branch member organisations by the charity and as a result, both charitable income for unrestricted funds and charitable expenditure for restricted funds have been increased by this amount to reflect those transactions. The overall net effect on the charity is zero.

ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales - Charity number 1172338

Accounts



Ileostomy and Internal Pouch Association

Registered Charity No. 1172338 (England and Wales) and SC048658 (Scotland)

A Company limited by guarantee in England and Wales No. 10375943

ANNUAL REPORT

and

ACCOUNTS

2022

Because we know, we care



Ileostomy and Internal Pouch Association

(Originally established 1956)

Registered Charity No. 1172338

Registered Company No. 10375943

PRINCIPAL ADDRESS AND REGISTERED OFFICE

Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE

PRESIDENT:

Professor Gordon Carlson CBE, BSc (Hons), MB ChB (Hons), MD, FRCS, FRCS (Gen), FRCSEd (Ad Hom)

BOARD OF TRUSTEES

Chair:	*Mr Stuart Hay*
Vice-chair:	Ms Anna Rennie
Finance sub-committee chair:	Mr Gordon Briars (until 25 March 2022)
	Mr Amar Panchal (from 14 May 2022)
Trustees:	Mr Justin Bishop (from 25 March 2022)
	Ms Cepta Burke
	Mrs Alison Crawshaw RGN, BSc, ENB216 (until 25 March 2022)
	Mr David Drakeley
	Ms Nicola Gee (until 25 March 2022)
	Mrs Carol Katté RGN, DipN(Lond), NDNCert, ENB216 (from 25 March 2022)
	Mrs Jacqui Sibbald
	Ms Brigitte Siefken (from 25 March 2022)
	Mr John Smail
	Mr Neil Smart MBBS(Hons), MD, PhD, FRCSEd, MFMLM (from 14 May 2022)
	Mr Michael Thompson MD, FRCS (until 14 May 2022)
	Ms Tracey Usher

NATIONAL OFFICERS

Chief Executive Officer and National Treasurer:	Mr Michael Bell
National Office Manager:	Ms Leann Lepley
PR & Communications Manager/IA Journal Editor:	Mrs Caroline Bramwell

HONORARY CONSULTANT ADVISERS

Medical adviser:	Professor Christopher Probert MD, FRCP, ILTM
Gynaecological adviser:	Mr Olujimi Jibodu MRCOG
Research advisers:	Professor Sir Miles Irving DSc (Hon). MD, ChM, FRCS, FMedSci
	Professor Sir Norman S Williams FRCS, FRCP, FRCPE, FMedSci, FRCA
	Professor M G Dunlop MD, FRCS, FMedSci, FRSE
	Professor J R T Monson MD, FRCS, FRCSI, FACS, FRCPS Glas (Hon)
	Professor D G Morton MD, FRCS (Colorectal)
Surgical advisers:	Professor Neil Mortensen MBChB, MD, MA, FRCS Eng, FRCS Glas, FRCS Edin, FRCSI
	Mr Mike Thompson MD, FRCS
Dermatological adviser:	Dr Calum Lyon MA, MRCP
Pharmaceutical adviser:	*Ms Anne Chetwood*

PROFESSIONAL ADVISERS

Legal advisers:	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Principal bankers:	The Co-operative Bank PO Box 250, Delf House, Southway, Skelmersdale WN8 6WT
Auditors:	Jones Avens Limited Piper House, 4 Dukes Court, Bognor Road, Chichester PO19 8FX
Investment manager:	Rathbone Investment Management Limited George House, 50 George Square, Glasgow G2 1EH

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

The Board of Trustees has pleasure in presenting its report for the year ended 30 September 2022. This report represents a Directors' Report as required by s417 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

LEGAL STATUS AND OBJECTS

Ileostomy and Internal Pouch Association is a Company Limited by Guarantee in England and Wales (10375943) and is a Charity registered in England and Wales no. 1172338 and in Scotland no. SC048658 with a working name of IA. The Charity is governed by its Articles of Association, last amended in August 2018. Although the Company was incorporated on 14 September 2016 it remained dormant until 30 September 2018, with the Charity operating until that date as an unincorporated association registered in England and Wales under charity number 234472 in the name of IA. The Charity's principal address and registered office is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

In setting the Charity's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need by reason of ill-health.

IA's objects are:

1. To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch;
2. To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research;
3. To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

ORGANISATIONAL STRUCTURE

This charity was originally founded in 1956 and operated as a charitable unincorporated association registered under charity number 234472 until 30 September 2018. Local groups, known as member organisations, located throughout the United Kingdom and Ireland operated as independent charities but under the IA umbrella, with the national charity providing support to the local groups and operating as the governing body of IA through its National Council, which consisted of the honorary president, the national officers and one representative from each member organisation. The National Council elected the president and the other trustees, who operated as the executive committee, which was responsible for the overall and day-to-day administration of the association. Policy matters were referred to the annual meeting of the National Council for consideration and decision.

In 2017 the National Council voted in favour of transferring its undertakings, including all activities, employees and assets subject to all its liabilities in its entirety to a charitable Company Limited by Guarantee, Ileostomy and Internal Pouch Association, company number 10375943 (England and Wales). As part of this organisational restructure, member organisations were given the option of either merging into the national charity and becoming an Integrated Branch (hereinafter termed

"Branch") of the national charity or remaining as a separate charity and becoming an Affiliated Member Organisation (hereinafter termed "Affiliate") of the national charity, with the relationship between the Affiliate and the national charity being governed by an Affiliation Agreement. The Branch option was offered to allow a reduction in the administrative workload placed on the committees of local member organisations, this in turn hopefully alleviating the difficulties in identifying suitable volunteers to sit on the committees of local member organisations. Of the 45 member organisations that existed at the point the transfer to the charitable Company took place at midnight on 30 September 2018, 33 opted to become Branches and 12 became Affiliates. Since that date, two Affiliates opted to change their status and become Branches in previous financial years and during the year under review, one further Affiliate decided to change its status and became a Branch, leaving 9 Affiliates and 36 Branches in total as at year end.

The trustees, who are also the directors for the purposes of company law, who served during the year, are listed on page 2. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members of the Company consist of the board of trustees and one representative from each member organisation, thereby closely replicating the arrangements that existed under the unincorporated predecessor charity and ensuring that member organisations continue to be central to the charity's governance and policy setting. There are generally four board meetings a year which, prior to the Covid pandemic, took place in London. During the pandemic these meetings were held online instead and this situation has continued since Covid restrictions were eased and then removed, with all four board meetings in the year under review taking place online. The Trustees believe that this was both more economic and a more efficient use of time and resources, and that this did not affect their ability to discuss important issues and make decisions where appropriate.

Applications for elected trustee positions are invited from member organisations when a position becomes available and any applications are dealt with by the Trustee Recruitment and Selection sub-committee, who carry out an interview and selection process with the successful candidate(s) being put forward for election, subject to board approval. Trustees are elected at a general meeting of the company 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 an induction which includes visiting the charity's national office where possible and receiving training as and when required.

Authority for the day to day management of the charity is delegated to the Chief Executive Officer, Mr. Michael Bell, as per the charity's governing document. Remuneration for all staff including key management personnel is agreed by the remuneration sub-committee. Salaries are reviewed annually by the committee and are benchmarked against similar charities using independent data to ensure that salary levels are appropriate and competitive, whilst taking into account performance, the past year's achievements and other relevant factors.

The unincorporated association IA (charity registration number 234472 (England & Wales)) remains in existence as a dormant shell charity in order to safeguard any future legacies in its name that might otherwise have failed due to the manner in which a particular will was written and therefore might have been distributed instead to another charity or beneficiary. The Company holds £100 on trust for the unincorporated association and is one of the two trustees of this shell charity, the other being the chair of the Company.

ACHIEVEMENT OF OBJECTIVES

To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch.

During the year 2021/22, the total number of enquiries received at IA national office from members of the public, healthcare professionals and others with a professional interest in the work of IA showed an increase compared to the previous year. Membership enquiries resulted in 187 joining

as full or associate members, 163 (87%) of whom joined on-line, in keeping with recent years where the majority of applications are made via our website.

Each new member received an information pack containing booklets and leaflets on a wide range of relevant subjects covering many aspects of life with an ileostomy or internal pouch. This literature has been specially written by IA's honorary consultant advisers and by members with particular experiences and expertise upon which they can draw. A total of 305 requests for literature and publications were received from a combination of healthcare professionals, members and member organisations this year, which was significantly up on the 191 requests received last year.

Enquiries regarding travel continue to be received although at a lower level than in recent years and there is still a demand our popular travel certificates which, in a range of languages, explain the conditions of ileostomy and internal pouch.

As there was a slow return to face-to-face events during the latter part of the year, promotional items were made available to local groups and members for distribution at exhibitions, meetings and open days to further publicise the support that is available from IA.

We currently have 45 member organisations located throughout the United Kingdom. These continue to provide information, advice and assistance to existing, new and potential members. We also continue to offer valuable support via our One2One Support offering, further details of which are provided below.

To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research.

Last year's report noted that Covid-19 was having a significant impact on both existing research and also on the number of applications that the Charity received during the year, but that we were seeing encouraging signs that some of the projects that had been delayed due to the pandemic were now beginning to be picked up again and restarted. This year however, there has been a dearth of new funding applications, with no new applications received during the year under review.

Nevertheless, work on the project being funded by the Professor Neil Mortensen Research Fellowship (in association with the Royal College of Surgeons), "Resolving the immunopathology of perianal Crohn's fistulae" continued and the project was completed during the year. The report outcome won the Clive Bartram Prize for best scientific report at the 24th Annual British Society of Gastrointestinal and Abdominal Radiology (BSGAR) annual meeting in February 2022, and the valuable work completed will inform future studies aiming to find markers identifying patients in whom treatments are likely to be effective. We are gratified that our former president's Fellowship funded this exciting project.

In addition to funded research, IA assisted in a variety of research projects involving members' participation covering a wide range of subjects, including -

- Project Stomasense - A new route to the proactive detection and management of leaks within ostomy pouches: This study aimed to demonstrate the capacity of a device which detects early onset of leakage and thereby prevents leakage.
- The complex effects of chronic illness around the life course and into older age – a multi-cohort interdisciplinary study: We were invited to bring our specific expertise to the researchers' network via the provision of a representative on the steering group/advisory board, given it was anticipated there would be study participants with inflammatory bowel disease (IBD) who also have a stoma.

- Stoma support study – supporting management of psychological distress in young people with IBD: Following our support in the previous year of an application for funding for this project, this year we provided a representative to participate on the project's steering group.
- Development of national "exercise with a stoma" guidelines: This project, led by a cancer specialist physiotherapist, aimed to gather a group of experts to develop these guidelines based on clinical knowledge, experience and available research given there is very little guidance in the public domain for patients. We were happy to be involved and offer our endorsement along with other professional bodies such as ASCN and ACPGBI.
- Lifting the lid - managing messy bodies at work: The project aimed to identify research priorities regarding people with "leaky bodies" (people who secrete bodily fluids involuntarily or with little control) in the workplace, with the findings to be used to co-develop a large research grant application. IA contributed through the provision of IA staff to participate in interviews to discuss matters pertinent to the project outcomes.

To keep ileostomists and others informed of all matters of interest to the Charity by the *periodic dissemination of information by way of publications, by arranging conferences,* seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

The quarterly IA Journal continues to be the primary form of communication between the Charity and members, providing updates with the latest developments in products and services along with human interest stories and other articles of interest, such as readers' letters, medical articles and news items. The regular article from an exercise expert continues to be well received by readers, as does the regular article on diet from a qualified dietician which was added last year. The current Journal Editor will continue to incorporate new ideas into the Journal moving forward.

Last year's report noted the launch of our One2One Support service, which replaced our previous visiting service. One2One gives high quality support to patients by volunteers who have lived experience with an ileostomy or internal pouch. IA Support Volunteers work in conjunction with stoma care nurses to offer a unique non-medical perspective which can be invaluable in recovery from surgery and at the start of a new life with an ileostomy or an internal pouch. Anyone can request support from the volunteers – there is no requirement to be an IA member to use One2One Support. Over the past year we continued to identify and train more volunteers using our new online training course which, very positively, has received ASCN endorsement. We continue to further develop and actively promote One2One Support going forward.

As noted elsewhere in this report, our annual Information Day, which was planned to take place in person in March 2022, had to be moved online due to the ongoing reticence amongst some delegates to attend events with a large number of participants, which affected the take up of places at the planned event. We nevertheless managed to deliver a full programme of seminars and sessions that allowed for audience participation virtually to a large online audience, which included members, non-members and other interested parties such as medical professionals.

Other online events have been held throughout the year, including monthly Coffee and Chat online session run by the Internal Pouch sub-committee.

The Charity's website, which was relaunched after an extensive overhaul in February 2021, with a more modern look and feel and with new content, continues to be further developed and improved to ensure it remains relevant and informative for all its users.

Media coverage using both traditional channels such as TV and radio outlets, as well as printed media such as newspaper and magazines, continued during the year, with various subjects tackled, from the stigma of having a stoma to life after surgery, and included an inclusion in the Guardian's Bowel and Bladder supplement in June. In addition to traditional media, IA's social media presence continued to be expanded through Facebook, Twitter and Instagram and engagement continued to increase as a result. Successful campaigns run on social media included a "not all stomas are the same" campaign in September, which was well received, and an

ileostomy awareness month in April. Our Facebook private group "Pouch Pals", which was launched last year, continues to go from strength to strength and membership has grown substantially over the period under review. All who have an interest in internal pouches are welcome, whether they are IA members or not.

SERVICES FOR MEMBERS

Services for members and potential members continued, as did the work of the association under the appropriate national officers as listed on pages 2 and 3. At national office, enquiries of a general nature came from potential and existing members, healthcare professionals and commercial companies and working relationships continued with member organisations, Government bodies and associated patient support organisations.

IA's website remains a popular resource for information to those looking for guidance on living with an ileostomy and internal pouch.

As with last year, this year there were no new applications for welfare grants, which was disappointing given there are funds available for members to apply for in cases of hardship. Further advertising of the grant was undertaken to ensure members are aware of this service, but this did not yield any results so this will be repeated in the future in the hope there is some take up of the help available. As noted earlier in this report, the number of enquiries increased last year with enquiries being received on wide range of welfare issues such as access to toilet cards and keys and disability benefits, and these were handled by national office, with a number of these being referred to other organisations for further information where relevant.

Matched funding continued to assist member organisations to support local projects such as equipment for hospitals and healthcare professionals. This year grants totalling £3,556 were paid out under this scheme (see Note 8 on page 32), compared to £1,308 last year.

Although we were unable during the year under review to hold any face-to-face events such as Information Days, as noted elsewhere in this report we continued to operate using online channels, running a variety of events over the period, including an online Q&A event in December with the qualified dietician whose article is included in each Journal.

A new "Can't Wait" card was launched in August for members to keep in their purse or wallet for those moments where they urgently need to use a bathroom. They are available on request for members from national office.

The receipt during the previous year of the pecuniary legacy from the estate of Robert Wainwright has allowed us to launch our Specialist Core Rehabilitation Program this year in association with clinical exercise specialist Sarah Russell. This offers free online core rehabilitation classes for any member with an ileotomy or internal pouch, as well as those who have reversal surgery or a parastomal hernia. Initial take up of the program has been encouraging and we will be looking to develop this program further over the coming months so that more members can take advantage of the service.

GRANT MAKING POLICY

Members of IA benefit from a number of grants which enable them to apply for funding to attend events and purchase essential items.

- Bryan N Brooke IA Overseas Travel Fund: Professor Bryan Brooke, IA's national founding President, wanted to enable ordinary IA members to attend international meetings, which they otherwise might not consider. Therefore, the Bryan N Brooke (IA) Overseas Travel Fund (BBOTF) was set up to assist IA members with their travel costs for overseas meetings and events. The fund was established as Bryan Brooke's retirement gift from IA and in memory of his contribution as President for over 20 years.

- Victoria Wills (IA) Internal Pouch Bursary: This bursary is available for members with an internal pouch to assist with their travel costs to relevant IA meetings and events.
- Welfare Fund: This fund has been set up to assist IA members who are experiencing financial hardship to:
    - Purchase essential item(s) where ileostomy or internal pouch surgery has directly affected the need for the item(s).
    - Provide towards a convalescent break immediately following ileostomy or internal pouch surgery.
    - Purchase essential medical equipment which is not covered by a state grant or benefit.
- YIA Bursary Fund: The Young IA Bursary Fund has been set up to fund IA members under the age of 40 to attend events in circumstances whereby the IA member may not be able to attend the event through financial hardship.
- Research Fund: This fund supports research being carried out throughout the UK. This support can take the form of financial assistance, or promoting awareness of research being carried out that may be of benefit to members.

Each fund has its own set of grant making guidelines which must be adhered to and all applications are assessed by the appropriate executive committee sub-committee. Information and instructions for making an application are available to members, and application forms available from national office.

These grant making activities contribute to the achievement of IA's aims and objectives by:

- Helping those with an ileostomy and internal pouch who are in financial hardship.
- Providing a service to its members, and keeping ileostomists and those with an internal pouch informed by giving them the opportunity to attend a variety of conferences, meetings and seminars.
- Promoting research by enabling members to attend a variety of research events and/or participate in research activities.

We continue to encourage the take up of the various grants available as the level of applications has remained low over recent years.

In addition to the grants noted above, during the year under review we also awarded a further five bursaries to stoma care nurses to allow them to access the Advanced Stoma Care module run by the University of East Anglia, with five bursaries for the same course having been awarded in the previous financial year. Given the importance of good stoma care nursing practices to all our current and future members, these bursaries are a valuable way of ensuring this is achieved.

LIAISON WITH OTHER GROUPS

We continue to maintain good working relationships with other ostomy associations in the UK such as Colostomy UK and the Urostomy Association, as well as with internal pouch support groups, with Crohn's & Colitis UK, and other relevant charities such as A Bear Named Buttony. Membership of the European Ostomy Association (EOA) enabled co-operation with ostomy support organisations in Europe and the worldwide ostomy community. In April 2022, IA's PR & Communications Manager Caroline Bramwell was elected onto EOA's Executive Committee, further strengthening ties and co-operation between our two associations and ensuring IA represents the UK at a European and wider level. IA is also one of the patient and professional organisations working together in partnership as IBD UK to improve standards of care and treatment for everyone with Inflammatory Bowel Disease.

In July, following work coordinated by Coloplast and involving IA, the Urostomy Association and Colostomy UK, a "Stomas in Parliament" event took place, which was a collaborative effort focused on engaging policy makers with a "Calls to Action" statement setting out clear steps that

policymakers and decision makers across the system can take to ensure everyone with a stoma across the UK is able to live their life to the full. A relay of 16 members of the stoma community, including our own PR and Communications Manager, carried the message from "patients" to policymakers over a 6km course from Chelsea and Westminster Hospital to the Houses of Parliament, where a Parliamentary reception was then held involving a number of high profile parliamentarians. The event was well received and generated positive publicity in both print and online media.

Mutual benefit was derived from the continued liaison with the Royal College of Nursing, the Association of Stoma Care Nurses UK, the Royal College of Surgeons of England, the World Council of Enterostomal Therapists, the Kingston Trust, the Association of Coloproctology of Great Britain & Ireland, the Association of Coloproctology Nurses, the Irish Stoma Care Nursing Association, the Romanian Ostomy Patients' Support Foundation, the British Healthcare Trades Association, Patients, Industry and Professionals (PIPs) Forum and the Scottish Stoma Forum.

RISK AND RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- The maintenance of a risk register recording all identified risks.
- An annual review of the risk register including the principal risks and uncertainties that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the performance of its investments is the major financial risk for the charity. Investment income forms a significant proportion of overall income and any reduction in investment income levels could have an adverse effect on the income available to support day-to-day operations. This risk is mitigated by retaining expert investment managers, Rathbone Investment Management (Rathbones), on a discretionary basis and ensuring that an investment policy is in place which specifies both the level of risk to be applied to the management of the investment portfolio and the approach to income generation. The arrangement with Rathbones is reviewed on an annual basis to ensure that performance continues to meet with the charity's requirements. An annual review meeting with Rathbones also normally takes place, although the Covid pandemic has meant that this has not taken place in person this year. Nevertheless, regular communication between the charity and Rathbones has continued during this period and email updates are provided by our dedicated investment manager whenever changes to the portfolio's composition occur.

Attention has also been focused on non-financial risks, the principal ones relating to the employment of staff and the potential loss of key staff and officers. The former risk has been mitigated by the engagement of professional legal advice on employment matters, the latter by the creation of contingency plans that include the identification of alternate resources able to assume responsibility should the loss of key people occur.

During the financial year, the Covid-19 pandemic continued to have some effect on the charity's operations and activities, and as in the previous year the Trustees reviewed the situation on a regular basis to ensure risks caused by this were mitigated as necessary. Following the remote working procedures that had been put in place in the previous financial year for staff working at our National Office, a trial hybrid working scheme was introduced at the start of the year to allow staff to work a proportion of their working week from home, this ensuring our staff's health and wellbeing continues to be treated as a priority whilst still allowing the charity to continue its operational activities as normal. Our annual Information Day, which was planned to be held in

person in March 2022, also had to be moved online as there was still some reticence amongst the delegates about attending events with a large number of participants. A full programme was nevertheless delivered virtually to a large online audience so the charity still managed to mitigate any adverse impacts and risks associated with the pandemic. Income levels on our investment portfolios managed by Rathbones continued to be depressed following their falls during the pandemic. In addition, slow global economic growth more recently as a result of high level of inflation, exacerbated by the ongoing war in the Ukraine, led to falls in investment values and adversely affected the capital value of our portfolios. However, although the Trustees do not consider this to be of concern, they continue to monitor the situation going forward and as noted above, use the services of Rathbones to ensure that the necessary expertise is used to manage our investments. On that basis, the Trustees do not consider that any changes need to be made to the financial statements as a result of either Covid-19 or the more recent global economic downturn.

FINANCIAL RESULTS AND REVIEW

The full accounts of IA are shown on pages 20 to 44. They show the activities of the principal charity and the Branch member organisations but do not include the activities of the Affiliate member organisations, who are separately registered charities responsible for preparing their own accounts in accordance with the appropriate legislation.

The accounts show a deficit of £708,646 in the financial year to 30 September 2022. This figure includes an amount of £554,935 in relation to losses on investments. Of the £708,646 deficit recorded, £648,856 related to a deficit on unrestricted funds whilst £59,790 related to restricted funds. Taking these results into account, closing assets stood at £5,417,246.

RESERVES POLICY

The Board of Trustees has determined that the following policies will apply in respect of the various funds held.

General Fund

The General Fund provides resources for the day to day running of the charity and should hold reserves sufficient to cover a minimum of six months' payments based on the expenses incurred in the last full financial year, plus any future planned additional expenditure.

Designated funds

Any designated funds established by the Board of Trustees are intended to provide income for specific purposes. The Capital Investment Fund was established to provide income for the General Fund. The Elizabeth Clay Memorial Fund was used in recent years to provide income for grants to member organisations, but as described in note 1.8 below, this fund was closed immediately following the previous financial year as the balance had been reduced to nil following a transfer to the General Fund. All capital in any designated funds may be spent on the authority of the Board of Trustees. In addition to the designated funds noted above, each Branch member organisation has its own designated fund. Further information on this is provided in the section Branch Funds below.

Restricted Funds

Restricted funds have been established either where the donations received are restricted by the donors, or where the fund has been established for a restricted purpose. In the case of the Welfare Fund and the Bryan N. Brooke (IA) Overseas Travel Fund, the intention is to maintain the capital, adding any donations received, and to spend the income providing grants for the purposes for which the funds were established. All other restricted funds are holding donations until such time as they can be spent in accordance with the restriction. In addition to the named restricted funds, each Branch member organisation has its own restricted fund(s). Further information on this is provided in the section Branch Funds below.

When assessing levels of reserves in each fund, the Board of Trustees ignores unrealised profits on investments, as these are not considered sufficiently reliable to guarantee future spending levels.

Branch Funds

Each Branch member organisation has its own designated fund and restricted fund. All income for a particular Branch is credited to its designated fund, whilst all expenditure for that Branch is taken from its restricted fund until such time as that fund has been exhausted, when expenditure is then set against the branch's designated fund. Rather than set an individual reserves policy for each Branch and its funds, the Board of Trustees instead monitor the net position of each Branch on an ongoing basis to ensure that sufficient funds remain in each branch to continue their activities for the foreseeable future.

Overall

All fund balances are in line with or exceed their reserves policy. The total funds held by the charity at 30 September was £5,417,246, of which £4,830,362 was held as unrestricted funds and the remaining £586,884 held as restricted funds. Included in unrestricted funds are designated funds of £4,591,896 leaving £238,466 in general unrestricted funds.

INCOMING AND OUTGOING RESOURCES

Income for the year was £390,382 compared to £468,095 in the prior year, a 16.6% decrease year on year.

Of this decrease, the most significant contributor was income from donations and legacies, which fell from £213,531 in 2021 to £142,341 this year, with a fall in legacy income being the main driver behind that decrease. It is in the nature of this income stream that levels can fluctuate significantly year on year and are neither controllable nor forecastable.

Income from charitable activities fell slightly from £109,278 last year to £108,516 this year. Of this figure, income from advertising in the IA Journal showed a pleasing increase this year to £50,647 from £44,920 last year. Also included within income from charitable activities, member organisation annual subscription income of £29,257 (2021: £30,951) credited to unrestricted funds relates to the annual charge payable by member organisations to the national charity and includes £26,061 of annual subscription income charges to Branch member organisations. As the £26,061 is also a cost to the Branches, the same amount is also included in expenditure on charitable activities as this was charged against the Branches' individual restricted funds. Income from member subscriptions fell to £27,912 (2021: £33,407), however much of the fall can be ascribed to overdue subscriptions for the year which were not chased until post year end.

Income from investments was down slightly to £139,525 from a figure of £145,286 the previous year, as income levels continue to remain depressed after the economic fall out from Covid-19.

Expenditure for the year was £544,093 (2021: £488,941), of that £503,451 (2021: £446,690) being charged to unrestricted funds and £40,642 (2021: £42,251) to restricted funds. Of total expenditure, 95% (2021: 94%) or £515,404 (2021: £457,929) was in support of IA's charitable activities with 5% (2021: 6%) or £28,689 (2021: £31,012) being the cost of raising funds. Of the £515,404 incurred as expenditure of charitable activities, £31,303 (2021: £27,835) related to costs borne by Branches as a result of their charitable activities and charged to their restricted funds.

INVESTMENT POLICY

Investments are shown in the accounts at market value. Up until October 2019, the charity had a single investment portfolio managed under a discretionary management agreement with Rathbone Investment Management using a medium risk stance. In October 2019 £385,000 was transferred from the charity's bank account in to a new "B" portfolio, this being the investment of a proportion

of funds held on behalf of Branches. The "B" portfolio is similarly managed under a discretionary management agreement using a low to medium risk stance.

The charity's investment policy is shown in the Financial Regulations document and is "to hold investments to provide income in support of its core operations". Income generated from the "B" portfolio is credited to Branches taking into account their average funds over the financial year as a proportion of total funds. There are no social, environmental or ethical considerations contained within the investment policy.

As noted above, combined total investment income from both portfolios was £139,525 this year compared to £145,286 in 2021. Net losses on investment stood at £554,935 (2021: net gains of £807,296). Of the total net losses of £554,935, unrealised losses on investments held within the portfolios at year end were £568,478, whilst realised gains on investment sales were £13,543.

Total return on investments over the 12-month period to 30 September 2022 for the main portfolio was -7.81%, lagging the reference point benchmark return of -7.14% (these returns are stated after all charges). We are moving through a difficult period for markets and this is reflected in portfolio performance. Returns over three years on an annualised basis were -2.18% against a benchmark of -1.55%, again on a total return basis after all charges, which gives a better picture of the longer term performance on the portfolio. The "B" portfolio, which has a slightly more defensive strategy than the main portfolio, posted a total return over the 12-month period to 30 September 2022 of -7.12% against its benchmark of -8.91%. Returns over three years on an annualised basis were -0.80% against a benchmark of -3.73%.

In accordance with the requirements of the Trustee Act, 2000, Part II, section 4(2), from time to time, the trustees review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied. Changes in policy would be reflected in the investment management agreement and in the targets set for IA's investment managers. There were no changes to the investment policy document during the year.

FUTURE PLANNING

The restructure that the Charity went through in 2018 put firm foundations in place on which to build a more resilient charity, with the option of local groups becoming a Branch if they wished to ease their regulatory and administrative burdens and concentrate instead on supporting their members, or to remain as an independent charity affiliated to IA, these groups known as Affiliates. A further Affiliate group took the decision to become a Branch in the year under review, leaving a total of 36 Branches and 9 Affiliates. This demonstrates that the decision to restructure was the *right one to take for the Charity. The Trustees will continue to offer the option of becoming a* Branch to any Affiliate who feels their circumstances warrant a change of status going forward.

Last year's report noted the Trustees recognised that further work needed to be done to ensure the longer-term success of the Charity and an extensive strategy planning process had therefore been started to this end, with the review considering all aspects of the organisation. The aim of the resultant strategic plan would be to identify both new opportunities as well as challenges that the *Charity needed to deal with through adaptation and innovation. In this way the Charity would* continue to meet the needs of both its members and those connected with them, as well as its charitable objectives. The outcome of this process was that in September 2022 a new IA Strategic Plan 2022-25 was published, firstly to our local groups via a dedicated online seminar and then to the wider world on 1st October 2022, World Ostomy Day. Feedback on the new strategy has been overwhelming positive to date, and the Trustees believe its implementation presents many exciting opportunities for the charity to further develop its services to members and the wider community. Nevertheless, they also recognise that strategy setting is an organic process and work will continue on further strategic planning going forward.

The working undertaken during the year under review to create a national set of policies and procedures will continue over the coming year as the Charity seeks to ensure that all areas of the Charity are operating in a consistent way and that good governance is built into everything it does.

The management committee, which was formed post restructure and consists of senior staff and Trustees, continues to meet regularly to consider matters of both strategic and operational natures, making recommendations to the Board of Trustees where relevant. All meetings continue to be held online as this has proved more effective and efficient than arranging face-to-face meetings, this including all Board meetings and sub-committee meetings as well.

As noted above, we had to move our annual Information Day for 2022 online due to continued concerns amongst attendees about large in person gatherings. However, given that society generally has returned to "normal life" since then and all Covid restrictions have been removed, we are planning an in person Information Day event for 2023. This will be the first time since 2019 that our local groups and members have managed to meet up face to face so we are hopeful that attendance will be good and the event is a success.

The Trustees consider that the charity will be able to continue to meet its charitable objectives over the coming year.

CONCLUSION

Although adverse market movements have had an impact on investment values, it remains the case that IA has a significant level of assets which offers a cushion against future problems. All funds remain stable and all activities can continue as planned. The Trustees are satisfied that all known commitments can be met for the foreseeable future.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also the directors of IA for the purposes of company law, are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures that must be disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Stuart Hay
Chair of the Trustees
11 February 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

Opinion

We have audited the accounts of IA (the 'Charity') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 the Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the Trustees' Report which includes the directors' report for the purposes of company law for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report included within the Trustees' Report has been prepared in accordance *with applicable legal requirements.*

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal controls as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Identification and assessment of irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We designed procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures were capable of detecting irregularities, including fraud is detailed below:

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 1.11 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited
Chartered Accountants
Statutory Auditor
Piper House, 4 Dukes Court,
Bognor Road, Chichester
W. Sussex PO19 8FX

Dated 12/5/23

Statement of Financial Activities (including income and expenditure account) for the year ended 30 September 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2022 £	Total funds 30/9/2021 £ (Note 2)
Income from:					
Donations and legacies	3	133,090	9,251	142,341	213,531
Charitable activities	4	108,516	-	108,516	109,278
Investments	5	129,985	9,540	139,525	145,286
Total income		**371,591**	**18,791**	**390,382**	**468,095**
Expenditure on:					
Raising funds	6	26,783	1,906	28,689	31,012
Charitable activities	7	476,668	38,736	515,404	457,929
Total expenditure		**503,451**	**40,642**	**544,093**	**488,941**
Net income/(expenditure) before gains and losses on investments		**(131,860)**	**(21,851)**	**(153,711)**	**(20,846)**
Net gains (losses) on investments		(516,938)	(37,997)	(554,935)	807,296
Net income/(expenditure)		**(648,798)**	**(59,848)**	**(708,646)**	**786,450**
Transfers between funds	20	(58)	58	-	-
Net movement in funds		**(648,856)**	**(59,790)**	**(708,646)**	**786,450**
Reconciliation of funds:					
Total funds brought forward		5,479,218	646,674	6,125,892	5,339,442
Total funds carried forward		**4,830,362**	**586,884**	**5,417,246**	**6,125,892**

IA has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 30 September 2022

	Notes	£	Total 30/9/2022 £	£	Total 30/9/2021 £
Fixed Assets					
Investments	14		5,346,790		6,025,689
Total Fixed Assets			**5,346,790**		**6,025,689**
Current Assets					
Debtors	16	139,388		105,240	
Cash on deposit and in hand		88,699		161,902	
Total Current Assets		228,087		267,142	
Liabilities					
Creditors falling due within one year	18	157,631		166,939	
Net Current Assets			**70,456**		**100,203**
Total assets less current liabilities			**5,417,246**		**6,125,892**
Net Assets			**5,417,246**		**6,125,892**
The Funds of the Charity					
General unrestricted income funds	20 & 21	4,753,154		4,673,030	
Revaluation reserve		77,208		806,188	
Total unrestricted income funds			**4,830,362**		**5,479,218**
General restricted income funds	20 & 21	596,200		567,387	
Revaluation reserve		(9,316)		79,287	
Total restricted income funds			**586,884**		**646,674**
Total Charity Funds			**5,417,246**		**6,125,892**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The notes on pages 23 to 44 form part of these accounts.

Approved by the board on 11 February 2023 and signed on its behalf by

Mr. Stuart Hay
Chair

Mr. Amar Panchal
Finance Sub-Committee Chair

Company Registration No. 10375943

Statement of Cash Flows for the year ended 30 September 2022

	Notes	Total Funds 2022 £	Total Funds 2021 £
Net cash used in operating activities	23	**(336,692)**	**(223,025)**
Cash flows from investing activities			
Interest and dividend income		139,525	145,286
Proceeds from sale of investments		1,118,785	1,999,623
Purchase of investments		(994,821)	(1,922,477)
Net cash provided by/(used in) investing activities		**263,489**	**222,432**
Change in cash and cash equivalents in the year		**(73,203)**	**(593)**
Cash and cash equivalents brought forward		161,902	162,495
Cash and cash equivalents carried forward		**88,699**	**161,902**
Relating to:			
Cash on deposit and in hand		**88,699**	**161,902**

Notes to the Accounts for the Year ended 30 September 2022

1 ACCOUNTING POLICIES

Charity information

Ileostomy and Internal Pouch Association is a private company limited by guarantee incorporated in England and Wales. The registered address is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

1.1) Basis of preparation and assessment of going concern

The Charity is a public benefit entity and the financial statements have been prepared in accordance with the governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting *periods commencing from 1 January 2019), the Companies Act 2006, the Charities and Trustee* Investment (Scotland) Act 2005, the Charities Act 2011, relevant law and accounting standards.

The charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in the financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

All property, assets, rights and charitable undertakings of IA (Ileostomy and Internal Pouch Support Group) (registered charity number 234472) were transferred to Ileostomy and Internal Pouch Association with effect from 1 October 2018.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and that they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts of the incorporated association.

1.2) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount of the income can be measured reliably.

Journal advertising is taken on an accruals basis. Donations are recognised when the charity has been notified in writing of both the amount and the settlement date. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receipts basis upon notification by the charity's investment manager.

All other income has been taken into account on a cash received basis.

1.3) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

"Raising funds" includes all direct costs incurred in running fundraising events and investment management costs.

"Charitable activities" includes all costs incurred in meeting our charitable objects and providing support and information to our beneficiaries. Half of the costs of the annual meeting (formerly known as the National Council meeting) are charged under this heading since this meeting not only fulfils the requirements of an annual general meeting but also includes activities designed to help representatives of IA's member organisations to run their charities effectively. Included are updates on research undertaken and other matters important to the running of the charity.

In addition 50% of the costs of our national office are included. The national office of IA not only provides administrative support to the Board of Trustees but also acts as the first point of contact for patients needing our advice and support, as well as supporting IA's member organisations. For this reason the costs are divided between this category and "governance costs".

Much of the work of IA is managed by sub-committees of the main board. The costs of their meetings are included as part of our charitable activities. In addition, since the responsibilities of the board include much direct charitable work, 50% of the cost of the board meetings is included as charitable activities.

"Governance costs" include all costs incurred in the financial management of IA. In addition, 50% of the cost of the annual meeting, the running of national office and the meetings of the board are shown here. Any other costs of an administrative nature are also charged to this heading.

Grants for research and other purposes are recognised as soon as a written agreement between the parties confirming the amount committed and the work to be carried out has been made. Provisions for grants for research and other purposes are recognised when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of the grant payable.

1.4) Tangible and intangible fixed assets

Expenditure on tangible and intangible fixed assets is normally charged to revenue in the year of purchase, unless the level of expenditure on individual items would distort the accounts, or if the asset has been donated to a research project while ownership has been retained by IA. In such cases assets are written off on a straight-line basis at rates calculated to reduce their cost to expected residual value over the term of their anticipated useful lives as follows:

Software 33%

1.5) Investments

All investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their



opening carrying value or their purchase value if acquired on or subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

1.6) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7) Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments" of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are an obligation to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8) Funds

IA has both unrestricted and restricted funds, but no endowment funds, as shown below.

Unrestricted Funds

1. General Fund
2. Capital Investment Fund (designated to provide income for the General Fund)
3. The Elizabeth Clay Memorial Fund (previously designated to provide grants for member organisations and for specific one-off non-recurring and material items of expenditure, this fund was closed as of 1 October 2021 as noted below)
4. Branch member organisation Designated funds

Restricted Funds

1. Research Fund (to provide grants for research projects relevant to our beneficiaries)
2. Welfare Fund (to provide small financial grants to members)
3. Bryan N. Brooke (IA) Overseas Travel Fund (established by our founding president, Professor Bryan N. Brooke, to provide grants to assist members to attend related meetings abroad)
4. Young IA Bursary Fund (to provide grants to young people to attend events which will aid their recovery after surgery)
5. The Victoria Wills IA Internal Pouch Bursary (established in memory of Victoria Wills to provide grants to those with an internal pouch to attend events which will aid their recovery after surgery)
6. IA Annual Award for Innovation (established by former executive committee chairman Carolyn Stammers to provide funds for an annual award offered to IA member organisations for innovative ideas and activities).
7. Robert Wainwright Fund (established as a result of a pecuniary legacy from the estate of Robert Wainwright to promote exercise and fitness in stoma patients through online classes, videos, workshops and other similar services).
8. Branch member organisation Restricted funds

Two of the unrestricted funds, the Capital Investment Fund and the Elizabeth Clay Memorial Fund, were designated to special purposes by decisions of the board which could be changed in the future. With respect to the Elizabeth Clay Memorial Fund, the Board took the decision during the previous year to formally close the fund immediately post the year end date of 30 September 2021, taking into account the fact that the balance on the fund would be reduced to nil as at year end as a result of the transfer from the fund to the General fund to cover the latter fund's reserves policy (see note 20 below).

For the purposes of clarity in these financial statements, all Branch designated funds have been amalgamated into a single reporting line shown as Branch Designated within unrestricted funds and similarly all Branch restricted funds have been amalgamated into a single reporting line shown as Branch Restricted funds under restricted funds.

Further details of each fund are disclosed in note 20.

1.9) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

1.10) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

As required by law, the charity offers a workplace pension scheme to all eligible employees. The scheme is operated by the National Employment Savings Trust (NEST) and is a defined contribution scheme with contributions made by both employer and employee. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable by the charity in the year.

1.11) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and the future periods where the revision affects both current and future periods.

2 ANALYSIS OF PRIOR YEAR TOTAL FUNDS SHOWN ON STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2021 £
Income from:				
Donations and legacies	3	122,283	91,248	213,531
Charitable activities	4	109,278	-	109,278
Investments	5	135,303	9,983	145,286
Total income		**366,864**	**101,231**	**468,095**
Expenditure on:				
Raising funds	6	28,934	2,078	31,012
Charitable activities	7	417,756	40,173	457,929
Total expenditure		**446,690**	**42,251**	**488,941**
Net income/(expenditure) before gains and losses on investments		**(79,826)**	**58,980**	**(20,846)**
Net gains (losses) on investments		751,265	56,031	807,296
Net income/(expenditure)		**671,439**	**115,011**	**786,450**
Transfers between funds	20	(1,076)	1,076	-
Net movement in funds		**670,363**	**116,087**	**786,450**
Reconciliation of funds:				
Total funds brought forward		4,808,855	530,587	5,339,442
Total funds carried forward		**5,479,218**	**646,674**	**6,125,892**

3 INCOME FROM DONATIONS AND LEGACIES

	Funds transferred in from Branch member organisations	Member organisation donations £	Other donations £	Legacies £	Total 2022 £	Total 2021 £
General Fund	-	-	18,441	96,774	115,215	34,616
Elizabeth Clay Memorial Fund (now closed)	-	-	-	-	-	67,374
Branch Designated funds	-	-	16,875	1,000	17,875	20,293
Total unrestricted funds	**-**	**-**	**35,316**	**97,774**	**133,090**	**122,283**
Research Fund	-	3,500	2,002	-	5,502	26,069
Robert Wainwright Fund	-	-	-	-	-	60,000
Branch Restricted funds	3,749	-	-	-	3,749	5,179
Total restricted funds	**3,749**	**3,500**	**2,002**	**-**	**9,251**	**91,248**
Total 2022	**3,749**	**3,500**	**37,318**	**97,774**	**142,341**	
Total 2021	5,179	500	30,815	177,037		213,531

As of 1 November 2021, one Affiliate member organisation opted to become a Branch and the transfer of their funds of £3,749 into the national charity is therefore included in donations in the Statement of Financial Activities.

The charity benefits greatly from the involvement and support of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
IA Journal	50,647	-	50,647	44,920
Annual (National Council) meeting	700	-	700	-
Member organisation annual subscriptions	29,257	-	29,257	30,951
Member subscriptions	27,912	-	27,912	33,407
Pouch Information Day	-	-	-	-
Total	**108,516**	**-**	**108,516**	**109,278**
Total 2021	109,278	-	-	109,278

Income of £29,257 shown above under unrestricted funds as member organisation annual subscriptions includes £26,061 in relation to annual subscription charges levied on Branch member organisations by the charity. A corresponding expense of £26,061 is included under charitable expenditure to reflect the cost to the individual Branches' restricted funds. As such, the overall net effect of these items on the charity is zero.

5 INVESTMENT INCOME

Investment and interest income was £139,525 (2021: £145,286) of which £129,985 was unrestricted (2021: £135,303) and £9,540 was restricted (2021: £9,983). It came from the following sources:

	2022 £	2021 £
UK listed investments	139,525	145,286
Bank interest	-	-
Total	**139,525**	**145,286**

6 EXPENDITURE ON RAISING FUNDS

	2022 £	2021 £
Investment management costs	28,059	30,434
Online fundraising costs	630	578
Total	**28,689**	**31,012**

Expenditure on raising funds was £28,689 (2021: £31,012) of which £26,783 was unrestricted (2021: £28,934) and £1,906 was restricted (2021: £2,078).

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	2022 £	2021 £
IA Journal (including distribution costs)		53,039	53,535
Grants and donations	8	21,149	20,851
Annual (National Council) meeting (apportioned)		7,359	1,185
Young IA activities		-	318
Internal Pouch Group activities		4,060	-
Visitor training		5,738	1,110
Publicity & promotion		82,724	71,768
Information sheets & booklets		2,616	241
National office (apportioned)		145,892	144,783
Charitable activities		5	91
Branch member organisation activities		31,303	27,835
Support costs	9	11,251	8,273
Governance costs	10	150,268	127,939
Total		**515,404**	**457,929**

In 2022, expenditure on charitable activities was £515,404 (2021: £457,929), of which £476,668 was expenditure from unrestricted funds (2021: £417,756) and £38,736 was expenditure from restricted funds (2021: £40,173). Expenditure of £31,303 shown above as Branch member organisation activities includes £26,061 in relation to annual subscription charges levied on Branch

member organisations by the charity. Corresponding income of £26,061 is included under charitable income to reflect the income due to the unrestricted funds of the charity. As such, the overall net effect of these items on the charity is zero.

8 GRANTS AND DONATIONS

	2022 £	2021 £
Grants to individuals	13,024	8,850
Grants to institutions and organisations	-	10,300
Grants to IA member organisations	3,556	1,308
Other donations	4,569	393
Total	**21,149**	**20,851**

9 SUPPORT COSTS

	2022 £	2021 £
IA Journal	3,211	3,105
Annual (National Council) meeting (apportioned)	1,452	-
Publicity & promotion	1,425	-
Young IA	120	120
Internal Pouch	120	120
Charitable activities	4,923	4,928
Total	**11,251**	**8,273**

10 GOVERNANCE COSTS

	2022 £	2021 £
National office (apportioned)	113,883	111,769
Annual (National Council) meeting (apportioned)	5,908	1,173
Other administrative meetings	5	5
Audit fee	3,850	3,700
Insurance	4,187	3,350
Bank charges & currency costs	688	812
Legal costs	7,702	1,513
Other expenses	14,045	5,617
Total	**150,268**	**127,939**

IA has Trustee Indemnity Insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part and to cover the trustees of IA's member organisations. The cost of this insurance is £4,187 (2021: £3,350) and is shown above.

11 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2022 £	2021 £
Salaries and wages	162,545	162,083
Social security costs	12,394	12,354
Pension costs	14,628	20,499
Other benefits	3,768	4,403
Agency/contract staff	29,731	16,765
Total	**223,066**	**216,104**

During the year an employment termination payment was made of £5,000 (2021: £0).

The average number of employees during the year was 5 (2021: 6) with all employee time involved in providing either support to the governance of the charity or support to charitable activities. The average number of full time equivalent employees during the year was 4 (2021: 4).

The number of employees receiving total employee benefits (excluding employer pension costs) in excess of £60,000 were

Total employee benefits (excluding employer pension costs)	**2022**	**2021**
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

The charity considers that its key management personnel comprise the trustees, the Chief Executive Officer and the National Officer Manager. The total employee benefits of the key management personnel were £131,733 (2021: £128,571).

12 PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2021: nil). Trustees were reimbursed expenses incurred in performing their duties as board members, as follows -

Four trustees (2021: 3) were paid £985 (2021: £204) for travelling, postage, telephone, stationery and other costs incurred in fulfilling their voluntary activities. No trustees received remuneration for providing services to the charity.

Total donations received without conditions from trustees were zero (2021: nil).

13 INTANGIBLE FIXED ASSETS

	Total £
Software	
Cost	
At 1 October 2021	6,211
Additions	-
At 30 September 2022	**6,211**
Amortisation	
At 1 October 2021	6,211
Charge for the year	-
At 30 September 2022	**6,211**
Net book value	
At 30 September 2021	-
At 30 September 2022	-

Software comprises the membership database purchased to administer the membership records of the charity. Development costs which enhance the functionality of the software are capitalised. Costs for the software are amortised over a three year life from the date the expenditure was incurred, with amortisation included within expenditure on charitable activities in the statement of financial activities. The trustees have chosen to amortise such costs over a three year period as in their opinion this most accurately reflects the life of all software, which is inherently limited due to ongoing product development and the retirement and replacement of current software products with new improved versions .

14 FIXED ASSET INVESTMENTS

Movements on investments for the year ended 30 September 2022 were as shown below.

Market value basis	**2022** **£**	**2021** **£**
Quoted investments		
Brought forward	6,025,689	5,295,539
Additions	994,821	1,922,477
Disposals at carrying value	(1,105,242)	(1,828,042)
Unrealised gains/losses	(568,478)	635,715
At market value 30th September	**5,346,790**	**6,025,689**
At cost 30 September	5,278,898	5,140,214

Prior to October 2019, all investments were held in a single main portfolio, with investments allocated to funds on the basis of the cost input by each fund. At 1 October 2019, the split was as follows:

Capital Investment Fund	87.54%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
Elizabeth Clay Memorial Fund	5.18%	Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

In October 2019, £375,000 was transferred from the charity's bank account into a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches in order to generate an income for these Branches. The main portfolio continued to operate using the split noted above until 30 September 2021, when the Elizabeth Clay Memorial Fund was closed and the value of the main portfolio previously allocated to it was transferred to the Capital Investment fund as of 1 October 2021. The split from 1 October 2021 on the main portfolio was therefore as follows:

Capital Investment Fund	92.72%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
		Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

The table above showing movement on investments for the year represents the combined investments held on both the main and "B" portfolios.

The cash held within the investment portfolios is £40,579 (2021: £29,452). All the investments are quoted on the UK Stock Exchange. IA does not hold any investments outside the UK. Looking at the combined investment portfolios, there are no investments that exceed 5% of the total market

value as at 30 September 2022. There are no restrictions on the realisation of any investment held by the charity.

15 FINANCIAL INSTRUMENTS

	2022 £	2021 £
Carrying value of financial assets		
Instruments measured at fair value through profit and loss	5,346,790	6,025,689

16 DEBTORS

Amounts falling due within one year:	2022 £	2021 £
Legacies due	81,681	68,042
Prepayments	3,231	3,255
Other debtors	39,466	19,501
Due from branch member organisations	11,510	10,942
Rent deposit	3,500	3,500
Total	**139,388**	**105,240**

17 CASH ON DEPOSIT AND IN HAND

The balance shown includes an amount of £100 held on trust for the unincorporated predecessor charity, IA (Charity Commission (England & Wales) registration number 234472).

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Accruals	40,354	34,715
Research projects	84,355	113,210
Taxation and social security	4,298	4,121
Due to branch member organisations	1,038	758
Other creditors	27,586	14,135
Total	**157,631**	**166,939**

19 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

The charge to profit or loss in respect of defined contribution schemes was £14,628 (2021: £20,499). The creditor at the balance sheet date relating to this scheme is £472 (2021: £1,668).

20 ANALYSIS OF CHARITABLE FUNDS

For the financial year ended 30 September 2022

	Balance 1/10/21 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2022 £
Unrestricted funds						
General	210,455	318,017	499,584	-	209,578	238,466
Capital Investment	5,102,082	-	-	(516,938)	(209,578)	4,375,566
Branch Designated	166,681	53,574	3,867	-	(58)	216,330
Total unrestricted funds	**5,479,218**	**371,591**	**503,451**	**(516,938)**	**(58)**	**4,830,362**
Restricted funds						
Research	120,046	14,204	1,738	(34,659)	-	97,853
Welfare	36,388	599	120	(2,384)	-	34,483
Bryan N Brooke (IA) Overseas Travel	20,537	239	48	(954)	-	19,774
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	571	-	111	-	-	460
Robert Wainwright	60,000	-	1,944	-	-	58,056
Branch Restricted	402,089	3,749	36,681	-	58	369,215
Total restricted funds	**646,674**	**18,791**	**40,642**	**(37,997)**	**58**	**586,884**
Total funds	**6,125,892**	**390,382**	**544,093**	**(554,935)**	**-**	**5,417,246**

The transfer of £209,578 made to the General Fund from the Capital Investment Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £58 was made from Branch Designated to Branch Restricted funds to cover a deficit on an individual Branch's Restricted Funds account.



For the financial year ended 30 September 2021

	Balance 1/10/20 £	Income £	Expenditure £	*Gains/* (losses) on investment assets £	Transfers between funds	Balance 30/9/2021 £
Unrestricted funds						
General	231,106	231,384	441,159	-	189,124	210,455
Capital Investment	4,420,790	-	-	711,411	(30,119)	5,102,082
Elizabeth Clay Memorial	47,461	74,475	2,785	39,854	(159,005)	-
Branch Designated	109,498	61,005	2,746	-	(1,076)	166,681
Total unrestricted funds	**4,808,855**	**366,864**	**446,690**	**751,265**	**(1,076)**	**5,479,218**
Restricted funds						
Research	45,960	35,175	12,196	51,107	-	120,046
Welfare	32,375	626	130	3,517	-	36,388
Bryan N Brooke (IA) *Overseas Travel*	18,931	251	52	1,407	-	20,537
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	571	-	-	-	-	571
Robert Wainwright	-	60,000	-	-	-	60,000
Branch Restricted	425,707	5,179	29,873	-	1,076	402,089
Total restricted funds	**530,587**	**101,231**	**42,251**	**56,031**	**1,076**	**646,674**
Total funds	**5,339,442**	**468,095**	**488,941**	**807,296**	**-**	**6,125,892**

The transfer of £189,124 made to the General Fund from the Elizabeth Clay Memorial Fund (£159,005) and the Capital Investment Fund (£30,119) respectively was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £1,076 was

made from Branch Designated to Branch Restricted funds to cover a deficit on an individual Branch's Restricted Funds account.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the financial year ended 30 September 2022

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2022 £
Unrestricted funds				
General	-	238,466	-	238,466
Capital Investment	4,634,600	(259,034)	-	4,375,566
Branch Designated	-	216,330	-	216,330
Total unrestricted funds	**4,634,600**	**195,762**		**4,830,362**
Restricted funds				
Research	331,900	(234,047)	-	97,853
Welfare	22,993	11,490	-	34,483
Bryan N Brooke (IA) Overseas Travel	8,997	10,777	-	19,774
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	460	-	460
Robert Wainwright	-	58,056	-	58,056
Branch Restricted	348,300	20,915	-	369,215
Total restricted funds	**712,190**	**(125,306)**	**-**	**586,884**
Total funds	**5,346,790**	**70,456**	**-**	**5,417,246**

For the financial year ended 30 September 2021

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2021 £
Unrestricted funds				
General	-	210,455	-	210,455
Capital Investment	4,939,168	162,914	-	5,102,082
Elizabeth Clay Memorial	292,265	(292,265)	-	-
Branch Designated	-	166,681	-	166,681
Total unrestricted funds	**5,231,433**	**247,785**		**5,479,218**
Restricted funds				
Research	374,641	(254,595)	-	120,046
Welfare	25,954	10,434	-	36,388
Bryan N Brooke (IA) Overseas Travel	10,156	10,381	-	20,537
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	571	-	571
Robert Wainwright	-	60,000	-	60,000
Branch Restricted	383,505	18,584	-	402,089
Total restricted funds	**794,256**	**(147,582)**	**-**	**646,674**
Total funds	**6,025,689**	**100,203**	**-**	**6,125,892**

Unrealised gains on investment assets included above:

	2022 £	2021 £
Unrestricted funds	77,208	806,188
Restricted funds	(9,316)	79,287
Total	**67,892**	**885,475**

22 OPERATING LEASE COMMITMENTS

The charity previously entered into a lease for the rental of office premises at Danehurst Court, Rochford on 27/1/2016 with a lease term of 5 years. A rental of £14,000 was payable per annum for the first 3 years of the lease with a rent review after that period based on the rise in the Retail Price Index (RPI) during the lease term, which led to an increased rental of £15,336 per annum payable from 27/1/2019 until the lease expired. An annual service charge of £1,000 was also payable. A security deposit of £3,500 was paid on the inception of the lease which was returnable at the expiry of the lease term.

The charity entered into a further 5 year lease on the same premises on 27/1/2021 with an agreed rental for the first 2 years of the lease of £14,000 and a rent review after that period where the rent will be subject to negotiation with the landlord but where in any event the increased annual rental payable will not exceed £15,336 per annum. The annual service charge of £1,000 will continue to be payable and the security deposit of £3,500 has been retained by the landlord, the latter amount being disclosed in note 16 above.

The amount charged to expenditure on charitable activities in relation to the lease was £15,000.

The charity has the following future minimum payments under this lease for each of the following periods:

Payment due	2022 £	2021 £
No later than one year	15,000	15,000
Later than one year and not later than five years	34,583	49,583
Total	**49,583**	**64,583**

The charity had no other off-balance sheet arrangements.

23 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(708,646)**	**786,450**
Adjustments for:		
Add back depreciation on intangible fixed assets	-	117
Deduct interest income shown in investing activities	(139,525)	(145,286)
Deduct gains/add back losses on investments	*568,478*	*(635,715)*
Loss/(profit) on the sale of investments	(13,543)	(171,581)
(Increase)/decrease in debtors	(34,148)	(30,750)
Increase/(decrease) in creditors	(9,308)	(26,260)
Net cash used in operating activities	**(336,692)**	**(223,025)**

24 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no debt during the year.

25 MEMBER ORGANISATIONS' ACCOUNTS

Branch member organisations' activities are included in these financial statements. Affiliate member organisations, being separately registered charities, prepare their own accounts in accordance with the appropriate legislation and are accordingly not included in these financial statements.

As noted in notes 4 and 7 above, annual subscription charges of £26,061 were charged to Branch member organisations by the charity and as a result, both charitable income for unrestricted funds and charitable expenditure for restricted funds have been increased by this amount to reflect those transactions. The overall net effect on the charity is zero.

ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales - Charity number 1172338

Accounts



Ileostomy and Internal Pouch Association

Registered Charity No. 1172338 (England and Wales) and SC048658 (Scotland)

A Company limited by guarantee in England and Wales No. 10375943

ANNUAL REPORT

and

ACCOUNTS

2021

Because we know, we care



Ileostomy and Internal Pouch Association

(Originally established 1956)

Registered Charity No. 1172338

Registered Company No. 10375943

PRINCIPAL ADDRESS AND REGISTERED OFFICE

Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE

PRESIDENT:

Professor Gordon Carlson CBE, BSc (Hons), MB ChB (Hons), MD, FRCS, FRCS (Gen), FRCSEd (Ad Hom)

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Pharmaceutical adviser:	Ms Anne Chetwood

PROFESSIONAL ADVISERS

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Auditors:	Jones Avens Limited Piper House, 4 Dukes Court, Bognor Road, Chichester PO19 8FX
Investment manager:	Rathbone Investment Management Limited George House, 50 George Square, Glasgow G2 1EH

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

The Board of Trustees has pleasure in presenting its report for the year ended 30 September 2021. This report represents a Directors' Report as required by s417 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

LEGAL STATUS AND OBJECTS

Ileostomy and Internal Pouch Association is a Company Limited by Guarantee in England and Wales (10375943) and is a Charity registered in England and Wales no. 1172338 and in Scotland no. SC048658 with a working name of IA. The Charity is governed by its Articles of Association, last amended in August 2018. Although the Company was incorporated on 14 September 2016 it remained dormant until 30 September 2018, with the Charity operating until that date as an unincorporated association registered in England and Wales under charity number 234472 in the name of IA. The Charity's principal address and registered office is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

In setting the Charity's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need by reason of ill-health.

IA's objects are:

1. To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch;
2. To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research;
3. To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

ORGANISATIONAL STRUCTURE

This charity was originally founded in 1956 and operated as a charitable unincorporated association registered under charity number 234472 until 30 September 2018. Local groups, known as member organisations, located throughout the United Kingdom and Ireland operated as independent charities but under the IA umbrella, with the national charity providing support to the local groups and operating as the governing body of IA through its National Council, which consisted of the honorary president, the national officers and one representative from each member organisation. The National Council elected the president and the other trustees, who operated as the executive committee, which was responsible for the overall and day-to-day administration of the association. Policy matters were referred to the annual meeting of the National Council for consideration and decision.

In 2017 the National Council voted in favour of transferring its undertakings, including all activities, employees and assets subject to all its liabilities in its entirety to a charitable Company Limited by Guarantee, Ileostomy and Internal Pouch Association, company number 10375943 (England and Wales). As part of this organisational restructure, member organisations were given the option of either merging into the national charity and becoming an Integrated Branch (hereinafter termed



"Branch") of the national charity or remaining as a separate charity and becoming an Affiliated Member Organisation (hereinafter termed "Affiliate") of the national charity, with the relationship between the Affiliate and the national charity being governed by an Affiliation Agreement. The Branch option was offered to allow a reduction in the administrative workload placed on the committees of local member organisations, this in turn hopefully alleviating the difficulties in identifying suitable volunteers to sit on the committees of local member organisations. Of the 45 member organisations that existed at the point the transfer to the charitable Company took place at midnight on 30 September 2018, 33 opted to become Branches and 12 became Affiliates, with one of those Affiliates opting to change its status and become a Branch in the financial year ended 30 September 2020. During the year under review, one further Affiliate decided to change its status and became a Branch, leaving 10 Affiliates and 35 Branches in total as at year end.

The trustees, who are also the directors for the purposes of company law, who served during the year, are listed on page 2. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members of the Company consist of the board of trustees and one representative from each member organisation, thereby closely replicating the arrangements that existed under the unincorporated predecessor charity and ensuring that member organisations continue to be central to the charity's governance and policy setting. There are generally four board meetings a year which historically have taken place in London, however, in the year under review all four board meetings took place online instead of in person due to the ongoing Covid pandemic. However, this did not affect the Trustees' ability to discuss important issues and make decisions where appropriate.

Applications for trustee positions are invited from member organisations when a position becomes available. Trustees are elected at a general meeting of the company 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 an induction which includes visiting the charity's national office where possible and receiving training as and when required.

Authority for the day to day management of the charity is delegated to the Chief Executive Officer. Mr. Michael Bell, as per the charity's governing document. Remuneration for all staff including key management personnel is agreed by the remuneration sub-committee. Salaries are reviewed annually by the committee and are benchmarked against similar charities using independent data to ensure that salary levels are appropriate and competitive, whilst taking into account performance, the past year's achievements and other relevant factors.

The unincorporated association IA (charity registration number 234472 (England & Wales)) remains in existence as a dormant shell charity in order to safeguard any future legacies in its name that might otherwise have failed due to the manner in which a particular will was written and therefore might have been distributed instead to another charity or beneficiary. The Company holds £100 on trust for the unincorporated association and is one of the two trustees of this shell charity, the other being the chair of the Company.

ACHIEVEMENT OF OBJECTIVES

To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch.

During the year 2020/21, the number of general enquiries received at IA national office from members of the public, healthcare professionals and others with a professional interest in the work of IA showed a decrease compared to the previous year, however, in part this was due to the impact of Covid-19 and also reflected the increase in the provision of information using other channels such as the website and social media. Membership enquiries resulted in 226 joining as full or associate members, 214 (95%) of whom joined on-line which continues to demonstrate the shift towards the use of our online offering compared to more traditional print methods.

Each new member received an information pack containing booklets and leaflets on a wide range of relevant subjects covering many aspects of life with an ileostomy or internal pouch. This literature has been specially written by IA's honorary consultant advisers and by members with particular experiences and expertise upon which they can draw. A total of 191 requests for literature and publications were received from a combination of healthcare professionals, members and member organisations this year, which was down very slightly on the previous year's total of 200. This is to be expected given the increase in information available online.

Enquiries regarding travel continue to be received although at a lower level than in recent years and there is still a demand our popular travel certificates which, in a range of languages, explain the conditions of ileostomy and internal pouch.

Due to the lack of face-to-face events, it was not possible to make promotional items available in the usual way for distribution at exhibitions, meetings and open days. However, the supply of IA face masks to IA members continued during the earlier part of the financial year and this once again proved very popular.

We currently have 45 member organisations located throughout the United Kingdom. These continue to provide information, advice and assistance to existing, new and potential members, mainly through remote means at present. We also continue to offer valuable support via our newly rebranded One2One Support offering, further details of which are included below.

To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research.

Covid-19 has had a significant impact on both existing research and also on the number of applications that the Charity received during the year. However, we are seeing encouraging signs that some of the projects that had been delayed due to the pandemic are now beginning to be picked up again and restarted.

In terms of funded research, IA continued to support the new National Pouch Registry administered by The Association of Coloproctology of Great Britain and Ireland by providing a grant for the ongoing maintenance of the registry.

Work on project being funded by the Professor Neil Mortensen Research Fellowship (in association with the Royal College of Surgeons), "Resolving the immunopathology of perianal Crohn's fistulae", started during the year. It is gratifying our former president's Fellowship funding this exciting project and we look forward to the outcome of the research.

In addition to funded research, IA assisted in a variety of research projects involving members' participation covering a wide range of subjects, including -

- Stoma support study: supporting management of psychological distress in young people with inflammatory bowel disease (IBD). Recognising that emotional distress is common in young people with IBD, this research aimed to develop novel online resources to support young people to manage stoma-related distress and information/training for stoma care nurses and GPs to help them identify and manage distress. IA agreed to support the study's funding application to Bowel Research UK and also facilitated contact between the applicant and Young IA .
- The development of a Core Outcome Set for pouch anal and vaginal fistulae using a Delphi study. Fistulae may develop in 4.5% of patients causing significant difficulties and are challenging to treat with symptoms often persisting despite multiple surgical attempts at closure of the fistulae. Although studies have been conducted to assess the different treatment modalities as these studies have not assessed the same outcomes following treatment it has made it difficult for clinicians to compare evidence between studies and carry out meaningful analysis. This project aimed to produce a core outcome set in order to

standardise reporting in interventional studies and eventually improve clinical management of patients. IA helped with this project by allowing the IA platform to inform patients of the study and the web-based Delphi survey used to develop the core outcome set.

- Study investigating the efficacy of AMT-101 in subjects with chronic antibiotic-resistant Pouchitis: This research aimed at determining whether the investigational medication, AMT-101, was safe and beneficial in research participants with pouchitis. IA supported this project through the publicising of the study to our members.
- Service evaluation of Paediatric Patients with Familial Adenomatous Polyposis and Inflammatory Bowel Disease undergoing Reconstructive Colorectal Surgery (Ileo-rectal anastomosis and ileal pouch-anal anastomosis): This study explored the timing of FAP and IBD patients' reconstructive surgery and quality of pre-operative counselling and care. IA assisted through giving feedback on the patient questionnaire.
- Understanding day-to-day well-being and self-management practices in people with a stoma: This study used ecological momentary assessment (EMA) methodology to intensively gather data on participants in real time over 7 days from which interventions could be developed which could have an impact in participants' everyday lives. IA helped publicise this study to its membership and provided input into the definition of the inclusion criteria.

To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

The quarterly IA Journal continues to be the primary form of communication between the Charity and members, providing updates with the latest developments in products and services along with human interest stories and other articles of interest, such as readers' letters, medical articles and news items. Last year's introduction of a regular article from an exercise expert, which was well received by readers, has been added to this year by a regular article on diet from a qualified dietician – gratifyingly this has also been a great success. The current Journal Editor will continue to incorporate new ideas into the Journal moving forward.

Historically, one of the most important support mechanisms that IA offers around the country has been its visiting service, which allows high quality support to be given to patients by volunteers who have lived experience with an ileostomy or internal pouch. Last year's report noted how there was to be a renewed focus in this area with the aim of further strengthening it to meet the needs of our members and the wider community, taking into account the way the world has changed since the service was first started. Following an extensive review and the introduction of a new online training and assessment tool for volunteers, the service has now been rebranded as One2One Support and its recent launch has been a great success. IA Support Volunteers work in conjunction with stoma care nurses to offer a unique non-medical perspective which can be invaluable in recovery from surgery and at the start of a new life with an ileostomy or an internal pouch. Anyone can request support from the volunteers – there is no requirement to be an IA member to use One2One Support. Our aim is to continue identifying and training more volunteers in the months ahead using our new online training course, the first iteration which has recently been completed.

Covid continued to have a major impact on our ability to hold face-to-face meetings and a number of planned events had to be postponed until further notice. However, whilst we were unable to hold our usual national annual event (historically known as our National Council meeting and more recently as our Information Day) in Spring 2021, we were able to take advantage of an opportunity given to us by the Royal Society of Medicine to hold our Information Day online on 1 May 2021 as part of their Medicine and Me programme. The day was a great success, with a number of online presentations and discussions taking place throughout the day and attended virtually by a significant number of members and other interested parties, including medical professionals.

Other online events have been held throughout the year, including Saturday Coffee and Chat online session run by the Internal Pouch sub-committee and various online events run by Young IA, such as "Middle of the Month Mondays", quiz nights and a murder mystery evening.

The Charity launched its new website in February 2021 with a more modern look and feel and with new content. The website will continue to be further developed and improved to ensure it remains relevant and informative for all its users.

Media coverage using both traditional channels such as TV and radio outlets, as well as printed media such as newspaper and magazines, continued during the year, with various subjects tackled, from the stigma of having a stoma to life after surgery. In addition to traditional media, a greater focus was given to IA's social media presence through Facebook, Twitter and Instagram and engagement continued to increase as a result. A Facebook private group called "Pouch Pals" was launched and membership has continued to grow since its launch. All who have an interest in internal pouches are welcome, whether they are IA members or not.

SERVICES FOR MEMBERS

Services for members and potential members continued, as did the work of the association under the appropriate national officers as listed on pages 2 and 3. At national office, enquiries of a general nature came from potential and existing members, healthcare professionals and commercial companies and working relationships continued with member organisations, Government bodies and associated patient support organisations.

IA's website, which as noted above was relaunched in February 2021, remains a popular resource for information to those looking for guidance on living with an ileostomy and internal pouch.

This year there were no new applications for welfare grants, which was disappointing given there are funds available for members to apply for in cases of hardship. Further advertising of the grant will therefore be undertaken to ensure members are aware of this service. As noted earlier in this report, the number of enquiries did fall last year but enquiries were still received on wide range of welfare issues such as access to toilet cards and keys and disability benefits, and these were handled by national office, with a number of these being referred to other organisations for further information where relevant.

Matched funding continued to assist member organisations to support local projects such as equipment for hospitals and healthcare professionals. This year grants totalling £1,308 were paid out under this scheme (see Note 9 on page 32).

Although we were unable during the year under review to hold any face-to-face events such as Information Days, as noted elsewhere in this report we continued to operate using online channels, running a variety of events over the period, including on online event on 3 October 2020 for Ostomy Awareness Day.

The receipt of a pecuniary legacy during the year from the estate of Robert Wainwright means that we will shortly be launching new online classes, videos, workshops and other similar services to promote exercise and fitness in stoma patients, available exclusively for our members. We are excited by the prospect of launching this new service to our members.

GRANT MAKING POLICY

Members of IA benefit from a number of grants which enable them to apply for funding to attend events and purchase essential items.

- Bryan N Brooke IA Overseas Travel Fund: Professor Bryan Brooke, IA's national founding President, wanted to enable ordinary IA members to attend international meetings, which they otherwise might not consider. Therefore, the Bryan N Brooke (IA) Overseas Travel

Fund (BBOTF) was set up to assist IA members with their travel costs for overseas meetings and events. The fund was established as Bryan Brooke's retirement gift from IA and in memory of his contribution as President for over 20 years.

- Victoria Wills (IA) Internal Pouch Bursary: This bursary is available for members with an internal pouch to assist with their travel costs to relevant IA meetings and events.
- Welfare Fund: This fund has been set up to assist IA members who are experiencing financial hardship to:
    - Purchase essential item(s) where ileostomy or internal pouch surgery has directly affected the need for the item(s).
    - Provide towards a convalescent break immediately following ileostomy or internal pouch surgery.
    - Purchase essential medical equipment which is not covered by a state grant or benefit.
- YIA Bursary Fund: The Young IA Bursary Fund has been set up to fund IA members under the age of 40 to attend events in circumstances whereby the IA member may not be able to attend the event through financial hardship.
- Research Fund: This fund supports research being carried out throughout the UK. This support can take the form of financial assistance, or promoting awareness of research being carried out that may be of benefit to members.

Each fund has its own set of grant making guidelines which must be adhered to and all applications are assessed by the appropriate executive committee sub-committee. Information and instructions for making an application are available to members, and application forms available from national office.

These grant making activities contribute to the achievement of IA's aims and objectives by:

- Helping those with an ileostomy and internal pouch who are in financial hardship.
- Providing a service to its members, and keeping ileostomists and those with an internal pouch informed by giving them the opportunity to attend a variety of conferences, meetings and seminars.
- Promoting research by enabling members to attend a variety of research events and/or participate in research activities.

We continue to encourage the take up of the various grants available as the level of applications has remained low over recent years.

In addition to the grants noted above, during the year under review we also awarded five bursaries to stoma care nurses to allow them to access the Advanced Stoma Care module run by the University of East Anglia. Given the importance of good stoma care nursing practices to all our current and future members, these bursaries are a valuable way of ensuring this is achieved.

LIAISON WITH OTHER GROUPS

We continue to maintain good working relationships with other ostomy associations in the UK such as Colostomy UK and the Urostomy Association, as well as with internal pouch support groups, with Crohn's & Colitis UK, and other relevant charities such as A Bear Named Buttony. Membership of the European Ostomy Association enabled co-operation with ostomy support organisations in Europe and the worldwide ostomy community. IA is also one of the patient and professional organisations working together in partnership as IBD UK to improve standards of care and treatment for everyone with Inflammatory Bowel Disease.

Mutual benefit was derived from the continued liaison with the Royal College of Nursing, the Association of Stoma Care Nurses UK, the Royal College of Surgeons of England, Guts UK, the National Institute for Health Research, the Kingston Trust, the Association of Coloproctology of Great Britain & Ireland, the Romanian Ostomy Patients' Support Foundation, the British Healthcare

Trades Association, Patients, Industry and Professionals (PIPs) Forum and the Scottish Stoma Forum.

RISK AND RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- The maintenance of a risk register recording all identified risks.
- An annual review of the risk register including the principal risks and uncertainties that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the performance of its investments is the major financial risk for the charity. Investment income forms a significant proportion of overall income and any reduction in investment income levels would have an adverse effect on the income available to support day-to-day operations. This risk is mitigated by retaining expert investment managers, Rathbone Investment Management (Rathbones), on a discretionary basis and ensuring that an investment policy is in place which specifies both the level of risk to be applied to the management of the investment portfolio and the approach to income generation. The arrangement with Rathbones is reviewed on an annual basis to ensure that performance continues to meet with the charity's requirements. An annual review meeting with Rathbones also normally takes place, although the Covid pandemic has meant that this has not taken place this year. Nevertheless, regular communication between the charity and Rathbones has continued during this period and email updates are provided by our dedicated investment manager whenever changes to the portfolio's composition.

Attention has also been focused on non-financial risks, the principal ones relating to the employment of staff and the potential loss of key staff and officers. The former risk has been mitigated by the engagement of professional legal advice on employment matters, the latter by the creation of contingency plans that include the identification of alternate resources able to assume responsibility should the loss of key people occur.

During the financial year, the Covid-19 pandemic continued to affect operations and the charity's activities, and as in the previous year the Trustees reviewed the situation on a regular basis to ensure risks caused by this were mitigated as necessary. Arrangements around staff working at our National Office remained a priority, with appropriate Covid-safe procedures put in place to ensure the safeguarding of our staff's health and wellbeing, whilst at the same time ensuring that the charity could continue its operational activities without interruption. As part of this, remote working procedures continued to be followed for periods during the year under review according to government guidance at that time. Last year's report noted the likelihood of a fall in income levels on our investment portfolio managed by Rathbones and our expectations were realised as income earned did indeed fall during the period under review. However, overall total returns (that is, taking into account capital gains as well as income) on the portfolio remain above benchmark levels looking over one, three and five year periods and on this basis the Trustees do not believe this is a matter of concern, although they will to continue to monitor the situation going forward. They do not consider that any changes need to be made to the financial statements as a result of the ongoing Covid-19 situation.

FINANCIAL RESULTS AND REVIEW

The full accounts of IA are shown on pages 20 to 44. They show the activities of the principal charity and the Branch member organisations but do not include the activities of the Affiliate

member organisations, who are separately registered charities responsible for preparing their own accounts in accordance with the appropriate legislation.

The accounts show a surplus of £786,450 in the financial year to 30 September 2021. This figure includes an amount of £807,296 in relation to gains on investments. Of the £786,450 surplus recorded, £670,363 related to a surplus on unrestricted funds whilst £116,087 related to restricted funds. Taking these results into account, closing assets stood at £6,125,892.

RESERVES POLICY

The Board of Trustees has determined that the following policies will apply in respect of the various funds held.

General Fund

The General Fund provides resources for the day to day running of the charity and should hold reserves sufficient to cover a minimum of six months' payments based on the expenses incurred in the last full financial year, plus any future planned additional expenditure.

Designated funds

Any designated funds established by the Board of Trustees are intended to provide income for specific purposes. The Capital Investment Fund was established to provide income for the General Fund. The Elizabeth Clay Memorial Fund has in recent years been used to provide income for grants to member organisations, although as described in note 1.8 below, this fund will be closed immediately following the financial year under review as the balance is reduced to nil following a transfer to the General Fund. All capital in any funds so designated may be spent on the authority of the Board of Trustees. In addition to the designated funds noted above, each Branch member organisation has its own designated fund. Further information on this is provided in the section Branch Funds below.

Restricted Funds

Restricted funds have been established either where the donations received are restricted by the donors, or where the fund has been established for a restricted purpose. In the case of the Welfare Fund and the Bryan N. Brooke (IA) Overseas Travel Fund, the intention is to maintain the capital, adding any donations received, and to spend the income providing grants for the purposes for which the funds were established. All other restricted funds are holding donations until such time as they can be spent in accordance with the restriction. In addition to the named restricted funds, each Branch member organisation has its own restricted fund(s). Further information on this is provided in the section Branch Funds below.

During the year under review, a new restricted fund titled the Robert Wainwright Fund was established, further details of which can be found in note 1.8.

When assessing levels of reserves in each fund, the Board of Trustees ignores unrealised profits on investments, as these are not considered sufficiently reliable to guarantee future spending levels.

Branch Funds

Each Branch member organisation has its own designated fund and restricted fund. All income for a particular Branch is credited to its designated fund, whilst all expenditure for that Branch is taken from its restricted fund until such time as that fund has been exhausted, when expenditure is then set against the branch's designated fund. Rather than set an individual reserves policy for each Branch and its funds, the Board of Trustees instead monitor the net position of each Branch on an ongoing basis to ensure that sufficient funds remain in each branch to continue their activities for the foreseeable future.

Overall

Other than the balance on the Elizabeth Clay Memorial Fund which as at year end and for the reasons noted in note 1.8 is zero, all fund balances are in line with or exceed their reserves policy. The total funds held by the charity at 30 September was £6,125,892, of which £5,479,218 was held as unrestricted funds and the remaining £646,674 held as restricted funds. Included in unrestricted funds are designated funds of £5,268,763 leaving £210,455 in general unrestricted funds.

INCOMING AND OUTGOING RESOURCES

Income for the year was £468,095 compared to £453,566 in the prior year, a 3.2% increase year on year.

Of this increase, the most significant contributor was income from donations and legacies, which rose from £142,888 in 2020 to £213,531 this year, with a rise in legacy income being the main driver behind that increase. It is in the nature of this income stream that levels can fluctuate significantly year on year and are neither controllable nor forecastable.

Income from charitable activities fell from £124,649 last year to £109,278 this year. Of this figure, income from advertising in the IA Journal remained broadly static at £44,920 this year compared to £45,138 last year. Also included within income from charitable activities, member organisation annual subscription income of £30,951 (2020: £32,274) credited to unrestricted funds relates to the annual charge payable by member organisations to the national charity and includes £27,279 of annual subscription income charges to Branch member organisations. As the £27,279 is also a cost to the Branches, the same amount is also included in expenditure on charitable activities as this was charged against the Branches' individual restricted funds. Income from member subscriptions fell to £33,407 (2020: £47,075). However, much of this decrease can be explained by the 2020 figure including an element of catch up on overdue subscriptions from 2019 which were chased and received during 2020, thereby skewing the 2020 figure somewhat upwards and leading to it being of limited use as a comparative for the 2021 results.

Income from investments was down to £145,286 from a figure of £181,271 the previous year, this fall being expected given the continued economic impact of Covid-19 during the reporting period, which has adversely affected dividend payments made by companies worldwide. However, total return on investments was in positive territory as reported elsewhere.

Expenditure for the year was £488,941 (2020: £626,340), of that £446,690 (2020: £491,468) being charged to unrestricted funds and £42,251 (2020: £134,872) to restricted funds. Of total expenditure, 94% (2020: 97%) or £457,929 (2020: £608,410) was in support of IA's charitable activities with 6% (2020: 3%) or £31,012 (2020: £17,930) being the cost of raising funds. Of the £457,929 incurred as expenditure of charitable activities, £27,835 (2020: £32,956) related to costs borne by Branches as a result of their charitable activities and charged to their restricted funds.

INVESTMENT POLICY

Investments are shown in the accounts at market value. Up until October 2019, the charity had a single investment portfolio managed under a discretionary management agreement with Rathbone Investment Management using a medium risk stance. In October 2019 £385,000 was transferred from the charity's bank account in to a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches. The "B" portfolio is similarly managed under a discretionary management agreement using a low to medium risk stance.

The charity's investment policy is shown in the Financial Regulations document and is "to hold investments to provide income in support of its core operations". Income generated from the "B" portfolio is credited to Branches taking into account their average funds over the financial year as a proportion of total funds. There are no social, environmental or ethical considerations contained within the investment policy.

As noted above, combined total investment income from both portfolios was £145,286 this year compared to £181,271 in 2020. Net gains on investment stood at £807,296 (2020: net losses of £750,688). Of the total net gains of £807,296, unrealised gains on investments held within the portfolios at year end were £635,715, whilst realised gains on investment sales were £171,581.

Total return on investments over the 12-month period to 30 September 2021 for the main portfolio was 17.86%, a little ahead of the reference point benchmark return of 17.59%. These returns are stated after all charges. The one year return is abnormal reflecting a recovery in equity markets from a period of market weakness following the first of the Covid lockdowns last year. Returns over three years on an annualised basis were 5.47% against a benchmark of 4.61%, again on a total return basis after all charges, which gives a better picture of the longer term performance on the portfolio. The "B" portfolio, which has a slightly more defensive strategy than the main portfolio, posted a total return over the 12-month period to 30 September 2021 of 12.6% against its benchmark of 13.01%. Longer term performance figures are not available for this portfolio given it was only set up in 2019.

In accordance with the requirements of the Trustee Act, 2000, Part II, section 4(2), from time to time, the trustees review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied. Changes in policy would be reflected in the investment management agreement and in the targets set for IA's investment managers. There were no changes to the investment policy document during the year.

FUTURE PLANNING

The restructure that the Charity went through in 2018 put firm foundations in place on which to build a more resilient charity, with the option of local groups becoming a Branch if they wished to ease their regulatory and administrative burdens and concentrate instead on supporting their members, or to remain as an independent charity affiliated to IA, these groups known as Affiliates. A further Affiliate group took the decision to become a Branch in the year under review, and another Affiliate has taken that decision post the year end, leaving a total of 36 Branches and 9 Affiliates. This demonstrates that the decision to restructure was the right one to take for the Charity. The Trustees will continue to offer the option of becoming a Branch to any Affiliate who feels their circumstances warrant a change of status going forward.

In order to ensure that the benefits of the restructure are fully realised, the Trustees recognise that further work needs to be done to ensure the longer-term success of the Charity. To this end, during the year under review they started an extensive strategy planning process which will continue over the coming months. The review is considering all aspects of the organisation and the resultant strategic plan will identify both new opportunities as well as challenges that the Charity needs to deal with through adaptation and innovation. In this way the Charity will continue to meet the needs of both its members and those connected with them, as well as its charitable objectives.

The working being undertaken to create a national set of policies and procedures will continue over the coming year as the Charity seeks to ensure that all areas of the Charity are operating in a consistent way and that good governance is built into everything it does.

The management committee, which was formed post restructure and consists of senior staff and Trustees, continues to meet regularly to consider matters of both strategic and operational natures, making recommendations to the Board of Trustees where relevant. All meetings at present are still held online rather than face-to-face due to the ongoing Covid-19 situation, this including all Board meetings and sub-committee meetings as well.

We are currently planning to hold our annual Information Day for 2022 in person for the first time since 2019, as our local groups and members get so much out of the event and the networking opportunities it provides. It is hoped that the event will be able to go ahead but this will depend on government guidance at the time.

The Trustees consider that the charity will be able to continue to meet its charitable objectives over the coming year.

CONCLUSION

Although Covid-19 continues to have some negative impact on the charity, it remains the case that IA has a significant level of assets which offers a cushion against future problems. All funds remain stable and all activities can continue as planned. The Trustees are satisfied that all known commitments can be met for the foreseeable future.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also the directors of IA for the purposes of company law, are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing the financial statements, the trustees are required to:

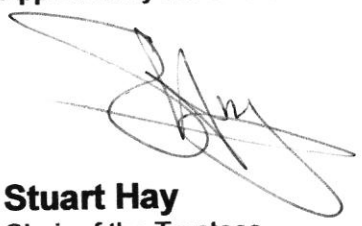
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Stuart Hay
Chair of the Trustees
12 February 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IA

Opinion

We have audited the accounts of IA (the 'Charity') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 the Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the Trustees' Report which includes the directors' report for the purposes of company law for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal controls as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Identification and assessment of irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We designed procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures were capable of detecting irregularities, including fraud is detailed below:

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 1.11 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited
Chartered Accountants
Statutory Auditor
Piper House, 4 Dukes Court,
Bognor Road, Chichester
W. Sussex PO19 8FX

Dated 13/4/22

Statement of Financial Activities (including income and expenditure account) for the year ended 30 September 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2021 £	Total funds 30/9/2020 £ (Note 2)
Income from:					
Donations and legacies	3	122,283	91,248	213,531	142,888
Charitable activities	4	109,278	-	109,278	124,649
Investments	5	135,303	9,983	145,286	181,271
Other income	6	-	-	-	4,758
Total income		**366,864**	**101,231**	**468,095**	**453,566**
Expenditure on:					
Raising funds	7	28,934	2,078	31,012	17,930
Charitable activities	8	417,756	40,173	457,929	608,410
Total expenditure		**446,690**	**42,251**	**488,941**	**626,340**
Net income/(expenditure) before gains and losses on investments		**(79,826)**	**58,980**	**(20,846)**	**(172,774)**
Net gains (losses) on investments		751,265	56,031	807,296	(750,688)
Net income/(expenditure)		**671,439**	**115,011**	**786,450**	**(923,462)**
Transfers between funds	21	(1,076)	1,076	-	-
Net movement in funds		**670,363**	**116,087**	**786,450**	**(923,462)**
Reconciliation of funds:					
Total funds brought forward		4,808,855	530,587	5,339,442	6,262,904
Total funds carried forward		**5,479,218**	**646,674**	**6,125,892**	**5,339,442**

IA has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 30 September 2021

	Notes	£	Total 30/9/2021 £	£	Total 30/9/2020 £
Fixed Assets					
Intangible assets	14		-		117
Investments	15		6,025,689		5,295,539
Total Fixed Assets			**6,025,689**		**5,295,656**
Current Assets					
Debtors	17	105,240		74,490	
Cash on deposit and in hand		161,902		162,495	
Total Current Assets		267,142		236,985	
Liabilities					
Creditors falling due within one year	19	166,939		193,199	
Net Current Assets			**100,203**		**43,786**
Total assets less current liabilities			**6,125,892**		**5,339,442**
Net Assets			**6,125,892**		**5,339,442**
The Funds of the Charity					
General unrestricted income funds	21 & 22	4,673,030		4,197,983	
Revaluation reserve		806,188		610,872	
Total unrestricted income funds			**5,479,218**		**4,808,855**
General restricted income funds	21 & 22	567,387		501,628	
Revaluation reserve		79,287		28,959	
Total restricted income funds			**646,674**		**530,587**
Total Charity Funds			**6,125,892**		**5,339,442**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The notes on pages 23 to 44 form part of these accounts.

Approved by the board on 12 February 2022 and signed on its behalf by

Mr. Stuart Hay
Chair

Mr. Gordon Briars
Finance Sub-Committee Chair

Company Registration No. 10375943

Statement of Cash Flows for the year ended 30 September 2021

	Notes	Total Funds 2021 £	Total Funds 2020 £
Net cash used in operating activities	24	**(223,025)**	**(332,624)**
Cash flows from investing activities			
Interest and dividend income		145,286	181,271
Proceeds from sale of investments		1,999,623	1,461,553
Purchase of investments		(1,922,477)	(1,790,546)
Net cash provided by/(used in) investing activities		**222,432**	**(147,722)**
Change in cash and cash equivalents in the year		**(593)**	**(480,346)**
Cash and cash equivalents brought forward		162,495	642,841
Cash and cash equivalents carried forward		**161,902**	**162,495**
Relating to:			
Cash on deposit and in hand		**161,902**	**162,495**

Notes to the Accounts for the Year ended 30 September 2021

1 ACCOUNTING POLICIES

Charity information

Ileostomy and Internal Pouch Association is a private company limited by guarantee incorporated in England and Wales. The registered address is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

1.1) Basis of preparation and assessment of going concern

The Charity is a public benefit entity and the financial statements have been prepared in accordance with the governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting *periods commencing from 1 January 2019), the Companies Act 2006, the Charities and Trustee* Investment (Scotland) Act 2005, the Charities Act 2011, relevant law and accounting standards.

The charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in the financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

All property, assets, rights and charitable undertakings of IA (Ileostomy and Internal Pouch Support Group) (registered charity number 234472) were transferred to Ileostomy and Internal Pouch Association with effect from 1 October 2018.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and that they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts of the incorporated association.

1.2) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount of the income can be measured reliably.

Journal advertising is taken on an accruals basis. Donations are recognised when the charity has been notified in writing of both the amount and the settlement date. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receipts basis upon notification by the charity's investment manager.

All other income has been taken into account on a cash received basis.

1.3) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

"Raising funds" includes all direct costs incurred in running fundraising events and investment management costs.

"Charitable activities" includes all costs incurred in meeting our charitable objects and providing support and information to our beneficiaries. Half of the costs of the annual meeting (formerly known as the National Council meeting) are charged under this heading since this meeting not only fulfils the requirements of an annual general meeting but also includes activities designed to help representatives of IA's member organisations to run their charities effectively. Included are updates on research undertaken and other matters important to the running of the charity.

In addition 50% of the costs of our national office are included. The national office of IA not only provides administrative support to the Board of Trustees but also acts as the first point of contact for patients needing our advice and support, as well as supporting IA's member organisations. For this reason the costs are divided between this category and "governance costs".

Much of the work of IA is managed by sub-committees of the main board. The costs of their meetings are included as part of our charitable activities. In addition, since the responsibilities of the board include much direct charitable work, 50% of the cost of the board meetings is included as charitable activities.

"Governance costs" include all costs incurred in the financial management of IA. In addition, 50% of the cost of the annual meeting, the running of national office and the meetings of the board are shown here. Any other costs of an administrative nature are also charged to this heading.

Grants for research and other purposes are recognised as soon as a written agreement between the parties confirming the amount committed and the work to be carried out has been made. Provisions for grants for research and other purposes are recognised when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of the grant payable.

1.4) Tangible and intangible fixed assets

Expenditure on tangible and intangible fixed assets is normally charged to revenue in the year of purchase, unless the level of expenditure on individual items would distort the accounts, or if the asset has been donated to a research project while ownership has been retained by IA. In such cases assets are written off on a straight-line basis at rates calculated to reduce their cost to expected residual value over the term of their anticipated useful lives as follows:

Software	33%

1.5) Investments

All investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their



opening carrying value or their purchase value if acquired on or subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

1.6) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7) Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments" of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are an obligation to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8) Funds

IA has both unrestricted and restricted funds, but no endowment funds. Two of the unrestricted funds, the Capital Investment Fund and the Elizabeth Clay Memorial Fund, have been designated

to special purposes by decisions of the board which can be changed in the future. With respect to the Elizabeth Clay Memorial Fund, the Board took the decision during the year under review to formally close the fund immediately post the year end date of 30 September, taking into account the fact that the balance on the fund would be reduced to nil as at year end as a result of the transfer from the fund to the General fund to cover the latter fund's reserves policy (see note 21 below).

For the purposes of clarity in these financial statements, all Branch designated funds have been amalgamated into a single reporting line shown as Branch Designated within unrestricted funds and similarly all Branch restricted funds have been amalgamated into a single reporting line shown as Branch Restricted funds under restricted funds.

In the year under review a new restricted fund was set up, the Robert Wainwright Fund. This fund has been established as a result of a pecuniary legacy from the estate of Robert Wainwright and will promote exercise and fitness in stoma patients through online classes, videos, workshops and other similar services.

Unrestricted Funds

1. General Fund
2. Capital Investment Fund (designated to provide income for the General Fund)
3. The Elizabeth Clay Memorial Fund (previously designated to provide grants for member organisations and for specific one-off non-recurring and material items of expenditure, this fund will be closed immediately post year end as noted above)
4. Branch member organisation Designated funds

Restricted Funds

1. Research Fund (to provide grants for research projects relevant to our beneficiaries)
2. Welfare Fund (to provide small financial grants to members)
3. Bryan N. Brooke (IA) Overseas Travel Fund (established by our founding president, Professor Bryan N. Brooke, to provide grants to assist members to attend related meetings abroad)
4. Young IA Bursary Fund (to provide grants to young people to attend events which will aid their recovery after surgery)
5. The Victoria Wills IA Internal Pouch Bursary (established in memory of Victoria Wills to provide grants to those with an internal pouch to attend events which will aid their recovery after surgery)
6. IA Annual Award for Innovation (established by former executive committee chairman Carolyn Stammers to provide funds for an annual award offered to IA member organisations for innovative ideas and activities).
7. Robert Wainwright Fund (established as a result of a pecuniary legacy from the estate of Robert Wainwright to promote exercise and fitness in stoma patients through online classes, videos, workshops and other similar services).
8. Branch member organisation Restricted funds

Further details of each fund are disclosed in note 21.

1.9) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

1.10) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

As required by law, the charity offers a workplace pension scheme to all eligible employees. The scheme is operated by the National Employment Savings Trust (NEST) and is a defined contribution scheme with contributions made by both employer and employee. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable by the charity in the year.

1.11) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and the future periods where the revision affects both current and future periods.

2 ANALYSIS OF PRIOR YEAR TOTAL FUNDS SHOWN ON STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2020 £
Income from:				
Donations and legacies	3	118,773	24,115	142,888
Charitable activities	4	124,649	-	124,649
Investments	5	168,660	12,611	181,271
Other income	6	4,758	-	4,758
Total income		**416,840**	**36,726**	**453,566**
Expenditure on:				
Raising funds	7	16,748	1,182	17,930
Charitable activities	8	474,720	133,690	608,410
Total expenditure		**491,468**	**134,872**	**626,340**
Net income/(expenditure) before gains and losses on investments		**(74,628)**	**(98,146)**	**(172,774)**
Net gains (losses) on investments		(697,987)	(52,701)	(750,688)
Net income/(expenditure)		**(772,615)**	**(150,847)**	**(923,462)**
Net movement in funds		**(772,615)**	**(150,847)**	**(923,462)**
Reconciliation of funds:				
Total funds brought forward		5,581,470	681,434	6,262,904
Total funds carried forward		**4,808,855**	**530,587**	**5,339,442**

3 INCOME FROM DONATIONS AND LEGACIES

	Funds transferred in from Branch member organisations	Member organisation donations £	Other donations £	Legacies £	Total 2021 £	Total 2020 £
General Fund	-	-	10,677	23,939	34,616	22,666
Elizabeth Clay Memorial Fund	-	-	-	67,374	67,374	82,927
Branch Designated funds	-	-	19,793	500	20,293	13,180
Total unrestricted funds	**-**	**-**	**30,470**	**91,813**	**122,283**	**118,773**
Research Fund	-	500	345	25,224	26,069	2,219
Robert Wainwright Fund	-	-	-	60,000	60,000	-
Branch Restricted funds	5,179	-	-	-	5,179	21,896
Total restricted funds	**5,179**	**500**	**345**	**85,224**	**91,248**	**24,115**
Total 2021	**5,179**	**500**	**30,815**	**177,037**	**213,531**	
Total 2020	21,500	500	24,590	96,298		142,888

As of 1 July 2021, one Affiliate member organisation opted to become a Branch and the transfer of their funds of £4,497 into the national charity is therefore included in donations in the Statement of Financial Activities, along with a further £682 transferred in from another Affiliate member organisation as their final transfer, this member organisation becoming a branch on 1 September 2020 and whose initial transfer in of £21,500 was disclosed in the previous year's accounts.

The charity benefits greatly from the involvement and support of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
IA Journal	44,920	-	44,920	45,138
Annual (National Council) meeting	-	-	-	-
Member organisation annual subscriptions	30,951	-	30,951	32,274
Member subscriptions	33,407	-	33,407	47,075
Pouch Information Day	-	-	-	162
Total	**109,278**	**-**	**109,278**	**124,649**
Total 2020	124,649	-	-	124,649

Income of £30,951 shown above under unrestricted funds as member organisation annual subscriptions includes £27,279 in relation to annual subscription charges levied on Branch member organisations by the charity. A corresponding expense of £27,279 is included under charitable expenditure to reflect the cost to the individual Branches' restricted funds. As such, the overall net effect of these items on the charity is zero.

5 INVESTMENT INCOME

Investment and interest income was £145,286 (2020: £181,271) of which £135,303 was unrestricted (2020: £168,660) and £9,983 was restricted (2020: £12,611). It came from the following sources:

	2021 £	2020 £
UK listed investments	145,286	181,271
Bank interest	-	-
Total	**145,286**	**181,271**

6 OTHER INCOME

	2021 £	2020 £
Coronavirus Job Retention Scheme grant	-	4,758
Total	**-**	**4,758**

7 EXPENDITURE ON RAISING FUNDS

	2021 £	2020 £
Investment management costs	30,434	17,352
Online fundraising costs	578	578
Total	**31,012**	**17,930**

Expenditure on raising funds was £31,012 (2020: £17,930) of which £28,934 was unrestricted (2020: £16,748) and £2,078 was restricted (2020: £1,182).

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	2021 £	2020 £
IA Journal (including distribution costs)		53,535	53,738
Grants and donations	9	20,851	105,523
Annual (National Council) meeting (apportioned)		1,185	476
Young IA activities		318	-
Internal Pouch Group activities		-	2,782
Visitor training		1,110	807
Publicity & promotion		71,768	89,942
Information sheets & booklets		241	1,187
National office (apportioned)		144,783	159,609
Charitable activities		91	3,028
Branch member organisation activities		27,835	32,956
Support costs	10	8,273	12,684
Governance costs	11	127,939	145,678
Total		**457,929**	**608,410**

In 2021, expenditure on charitable activities was £457,929 (2020: £608,410), of which £417,756 was expenditure from unrestricted funds (2020: £474,720) and £40,173 was expenditure from restricted funds (2020: £133,690). Expenditure of £27,835 shown above as Branch member organisation activities includes £27,279 in relation to annual subscription charges levied on Branch

member organisations by the charity. Corresponding income of £27,279 is included under charitable income to reflect the income due to the unrestricted funds of the charity. As such, the overall net effect of these items on the charity is zero.

9 GRANTS AND DONATIONS

	2021 £	2020 £
Grants to individuals	8,850	11,880
Grants to institutions and organisations (see below)	10,300	91,709
Grants to IA member organisations	1,308	804
Other donations	393	1,130
Total	**20,851**	**105,523**

Recipients of grants to institutions and organisations were:

	£
The Association of Coloproctology of Great Britain and Ireland: Grant for maintenance of the National Pouch Registry	10,300

10 SUPPORT COSTS

	2021 £	2020 £
IA Journal	3,105	2,972
Annual (National Council) meeting (apportioned)	-	380
Publicity & promotion	-	4,793
Young IA	120	-
Internal Pouch	120	30
Charitable activities	4,928	4,509
Total	**8,273**	**12,684**

11 GOVERNANCE COSTS

	2021 £	2020 £
National office (apportioned)	111,769	118,590
Annual (National Council) meeting (apportioned)	1,173	96
Other administrative meetings	5	2,541
Audit fee	3,700	3,600
Insurance	3,350	2,690
Bank charges & currency costs	812	1,056
Legal costs	1,513	7,078
Other expenses	5,617	10,027
Total	**127,939**	**145,678**

IA has Trustee Indemnity Insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part and to cover the trustees of IA's member organisations. The cost of this insurance is £3,350 (2020: £2,690) and is shown above.

12 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2021 £	2020 £
Salaries and wages	162,083	174,597
Social security costs	12,354	13,238
Pension costs	20,499	17,473
Other benefits	4,403	4,608
Agency/contract staff	16,765	15,297
Total	**216,104**	**225,213**

The average number of employees during the year was 6 (2020: 6) with all employee time involved in providing either support to the governance of the charity or support to charitable activities. The average number of full time equivalent employees during the year was 4 (2020: 5).

The number of employees receiving total employee benefits (excluding employer pension costs) in excess of £60,000 were

Total employee benefits (excluding employer pension costs)	2021	2020
£60,001 - £70,000	1	1

The charity considers that its key management personnel comprise the trustees, the Chief Executive Officer and the National Officer Manager. The total employee benefits of the key management personnel were £128,571 (2020: £114,883).

13 PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2020: nil). Trustees were reimbursed expenses incurred in performing their duties as board members, as follows -

Three trustees (2020: 8) were paid £204 (2020: £4,938) for travelling, postage, telephone, stationery and other costs incurred in fulfilling their voluntary activities. No trustees received remuneration for providing services to the charity.

Total donations received without conditions from trustees were zero (2020: nil).

14 INTANGIBLE FIXED ASSETS

	Total £
Software	
Cost	
At 1 October 2020	6,211
Additions	-
At 30 September 2021	**6,211**
Amortisation	
At 1 October 2020	6,094
Charge for the year	117
At 30 September 2021	**6,211**
Net book value	
At 30 September 2020	117
At 30 September 2021	-

Software comprises the membership database purchased to administer the membership records of the charity. Development costs which enhance the functionality of the software are capitalised. Costs for the software are amortised over a three year life from the date the expenditure was incurred, with amortisation included within expenditure on charitable activities in the statement of financial activities. The trustees have chosen to amortise such costs over a three year period as in their opinion this most accurately reflects the life of all software, which is inherently limited due to ongoing product development and the retirement and replacement of current software products with new improved versions .

15 FIXED ASSET INVESTMENTS

Movements on investments for the year ended 30 September 2021 were as shown below.

Market value basis	**2021 £**	**2020 £**
Quoted investments		
Brought forward	5,295,539	5,717,234
Additions	1,922,477	1,790,546
Disposals at carrying value	(1,828,042)	(1,666,568)
Unrealised gains/losses	635,715	(545,673)
At market value 30th September	**6,025,689**	**5,295,539**
At cost 30 September	5,140,214	4,655,708

Prior to October 2019, all investments were held in a single main portfolio, with investments allocated to funds on the basis of the cost input by each fund. At 1 October 2019, the split was as follows:

Capital Investment Fund	87.54%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
Elizabeth Clay Memorial Fund	5.18%	Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

In October 2019, £375,000 was transferred from the charity's bank account into a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches in order to generate an income for these Branches. The main portfolio continued to operate using the split noted above.

The table above showing movement on investments for the year represents the combined investments held on both the main and "B" portfolios.

The cash held within the investment portfolios is £29,452 (2020: £14,535). All the investments are quoted on the UK Stock Exchange. IA does not hold any investments outside the UK. Looking at the combined investment portfolios, there is one investment that exceeds 5% of the total market value as at 30 September 2021 as detailed below. There are no restrictions on the realisation of any investment held by the charity.

Holding: Sarasin Global Higher Dividend Market value: £321,701

16 FINANCIAL INSTRUMENTS

	2021 £	2020 £
Carrying value of financial assets		
Instruments measured at fair value through profit and loss	6,025,689	5,295,539

17 DEBTORS

Amounts falling due within one year:	2021 £	2020 £
Legacies due	68,042	-
Prepayments	3,255	4,539
Other debtors	19,501	24,110
Due from branch member organisations	10,942	42,341
Rent deposit	3,500	3,500
Total	**105,240**	**74,490**

18 CASH ON DEPOSIT AND IN HAND

The balance shown includes an amount of £100 held on trust for the unincorporated predecessor charity, IA (Charity Commission (England & Wales) registration number 234472).

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accruals	34,715	30,601
Deferred income	-	1,012
Research projects	113,210	146,333
Taxation and social security	4,121	4,585
Due to branch member organisations	758	638
Other creditors	14,135	10,030
Total	**166,939**	**193,199**

20 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

The charge to profit or loss in respect of defined contribution schemes was £20,499 (2020: £17,473). The creditor at the balance sheet date relating to this scheme is £1,668 (2020: £1,766).

21 ANALYSIS OF CHARITABLE FUNDS

For the financial year ended 30 September 2021

	Balance 1/10/20 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2021 £
Unrestricted funds						
General	231,106	231,384	441,159	-	189,124	210,455
Capital Investment	4,420,790	-	-	711,411	(30,119)	5,102,082
Elizabeth Clay Memorial	47,461	74,475	2,785	39,854	(159,005)	-
Branch Designated	109,498	61,005	2,746	-	(1,076)	166,681
Total unrestricted funds	**4,808,855**	**366,864**	**446,690**	**751,265**	**(1,076)**	**5,479,218**
Restricted funds						
Research	45,960	35,175	12,196	51,107	-	120,046
Welfare	32,375	626	130	3,517	-	36,388
Bryan N Brooke (IA) Overseas Travel	18,931	251	52	1,407	-	20,537
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	571	-	-	-	-	571
Robert Wainwright	-	60,000	-	-	-	60,000
Branch Restricted	425,707	5,179	29,873	-	1,076	402,089
Total restricted funds	**530,587**	**101,231**	**42,251**	**56,031**	**1,076**	**646,674**
Total funds	**5,339,442**	**468,095**	**488,941**	**807,296**	**-**	**6,125,892**

The transfer of £189,124 made to the General Fund from the Elizabeth Clay Memorial Fund (£159,005) and the Capital Investment Fund (£30,119) respectively was made to bring the level of General Fund reserves back into line with the charity's reserves policy. A transfer of £1,076 was

made from Branch Designated to Branch Restricted funds to cover a deficit on an individual Branch's Restricted Funds account.

For the financial year ended 30 September 2020

	Balance 1/10/19 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2020 £
Unrestricted funds						
General	228,533	258,164	488,819	-	233,228	231,106
Capital Investment	5,081,291	-	-	(660,501)	-	4,420,790
Elizabeth Clay Memorial	227,740	91,897	1,462	(37,486)	(233,228)	47,461
Branch Designated	43,906	66,779	1,187	-	-	109,498
Total unrestricted funds	**5,581,470**	**416,840**	**491,468**	**(697,987)**	**-**	**4,808,855**
Restricted funds						
Research	173,095	13,722	92,787	(48,070)	-	45,960
Welfare	35,466	791	574	(3,308)	-	32,375
Bryan N Brooke (IA) Overseas Travel	20,221	317	284	(1,323)	-	18,931
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	571	-	-	-	-	571
Branch Restricted	445,038	21,896	41,227	-	-	425,707
Total restricted funds	**681,434**	**36,726**	**134,872**	**(52,701)**	**-**	**530,587**
Total funds	**6,262,904**	**453,566**	**626,340**	**(750,688)**	**-**	**5,339,442**

The transfer of £233,228 between the Elizabeth Clay Memorial Fund and the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy.

22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the financial year ended 30 September 2021

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2021 £
Unrestricted funds				
General	-	210,455	-	210,455
Capital Investment	4,939,168	162,914	-	5,102,082
Elizabeth Clay Memorial	292,265	(292,265)	-	-
Branch Designated	-	166,681	-	166,681
Total unrestricted funds	**5,231,433**	**247,785**		**5,479,218**
Restricted funds				
Research	374,641	(254,595)	-	120,046
Welfare	25,954	10,434	-	36,388
Bryan N Brooke (IA) Overseas Travel	10,156	10,381	-	20,537
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	571	-	571
Robert Wainwright	-	60,000	-	60,000
Branch Restricted	383,505	18,584	-	402,089
Total restricted funds	**794,256**	**(147,582)**	**-**	**646,674**
Total funds	**6,025,689**	**100,203**	**-**	**6,125,892**

For the financial year ended 30 September 2020

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2020 £
Unrestricted funds				
General	-	231,106	-	231,106
Capital Investment	4,331,075	89,715	-	4,420,790
Elizabeth Clay Memorial	256,399	(208,938)	-	47,461
Branch Designated	-	109,498	-	109,498
Total unrestricted funds	**4,587,474**	**221,381**		**4,808,855**
Restricted funds				
Research	328,517	(282,557)	-	45,960
Welfare	22,758	9,617	-	32,375
Bryan N Brooke (IA) Overseas Travel	8,906	10,025	-	18,931
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	571	-	571
Branch Restricted	348,001	77,706	-	425,707
Total restricted funds	**708,182**	**(177,595)**	**-**	**530,587**
Total funds	**5,295,656**	**43,786**	**-**	**5,339,442**

Unrealised gains on investment assets included above:

	2021 £	2020 £
Unrestricted funds	806,188	610,872
Restricted funds	79,287	28,959
Total	**885,475**	**639,831**

23 OPERATING LEASE COMMITMENTS

The charity previously entered into a lease for the rental of office premises at Danehurst Court, Rochford on 27/1/2016 with a lease term of 5 years. A rental of £14,000 was payable per annum for the first 3 years of the lease with a rent review after that period based on the rise in the Retail Price Index (RPI) during the lease term, which led to an increased rental of £15,336 per annum

payable from 27/1/2019 until the lease expired. An annual service charge of £1,000 was also payable. A security deposit of £3,500 was paid on the inception of the lease which was returnable at the expiry of the lease term.

The charity entered into a further 5 year lease on the same premises on 27/1/2021 with an agreed rental for the first 2 years of the lease of £14,000 and a rent review after that period where the rent will be subject to negotiation with the landlord but where in any event the increased annual rental payable will not exceed £15,336 per annum. The annual service charge of £1,000 will continue to be payable and the security deposit of £3,500 has been retained by the landlord, the latter amount being disclosed in note 17 above.

The amount charged to expenditure on charitable activities in relation to the lease was £15,385.

The charity has the following future minimum payments under this lease for each of the following periods:

Payment due	2021 £	2020 £
No later than one year	15,000	4,814
Later than one year and not later than five years	49,583	-
Total	**64,583**	**4,814**

The charity had no other off-balance sheet arrangements.

24 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**786,450**	**(923,462)**
Adjustments for:		
Add back depreciation on intangible fixed assets	117	2,802
Deduct interest income shown in investing activities	(145,286)	(181,271)
Deduct gains/add back losses on investments	(635,715)	546,575
Loss/(profit) on the sale of investments	(171,581)	204,113
(Increase)/decrease in debtors	(30,750)	(23,874)
Increase/(decrease) in creditors	(26,260)	42,493
Net cash used in operating activities	**(223,025)**	**(332,624)**

25 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no debt during the year.

26 MEMBER ORGANISATIONS' ACCOUNTS

Branch member organisations' activities are included in these financial statements. Affiliate member organisations, being separately registered charities, prepare their own accounts in accordance with the appropriate legislation and are accordingly not included in these financial statements.

As noted in notes 4 and 8 above, annual subscription charges of £27,279 were charged to Branch member organisations by the charity and as a result, both charitable income for unrestricted funds and charitable expenditure for restricted funds have been increased by this amount to reflect those transactions. The overall net effect on the charity is zero.

ILEOSTOMY AND INTERNAL POUCH ASSOCIATION

England & Wales - Charity number 1172338

Accounts



Ileostomy and Internal Pouch Association

Registered Charity No. 1172338 (England and Wales) and SC048658 (Scotland)

A Company limited by guarantee in England and Wales No. 10375943

ANNUAL REPORT

and

ACCOUNTS

2020

Because we know, we care

Ileostomy and Internal Pouch Association

(Originally established 1956)

Registered Charity No. 1172338

Registered Company No. 10375943

PRINCIPAL ADDRESS AND REGISTERED OFFICE

Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE

PRESIDENT:

Professor Gordon Carlson CBE, BSc (Hons), MB ChB (Hons), MD, FRCS, FRCS (Gen), FRCSEd (Ad Hom)

BOARD OF TRUSTEES

Chair:	Mr Stuart Hay
Vice-chair:	Ms Anna Rennie
Finance sub-committee chair:	Mr Gordon Briars
Trustees:	Ms Cepta Burke
	Mrs Alison Crawshaw RGN, BSc, ENB216 (until 16 May 2020)
	Mr David Drakeley
	Ms Nicola Gee
	Mrs Carol Katté RGN, DipN (Lond), NDNCert, ENB216 (from 16 May 2020)
	Mrs Jacqui Sibbald
	Mr John Smail
	Mr Michael Thompson MD, FRCS
	Ms Tracey Usher

NATIONAL OFFICERS

Chief Executive Officer and National Treasurer:	Mr Michael Bell
National Office Manager:	Ms Leann Lepley
PR Manager:	Mrs Caroline Bramwell
Journal Editor:	Ms Ashleigh Condon

HONORARY CONSULTANT ADVISERS

Medical adviser:	Professor Christopher Probert MD, FRCP, ILTM
Gynaecological adviser:	Mr Olujimi Jibodu MRCOG
Research advisers:	Professor Sir Miles Irving DSc (Hon). MD, ChM, FRCS, FMedSci
	Professor Sir Norman S Williams FRCS, FRCP, FRCPE, FMedSci, FRCA
	Professor M G Dunlop MD, FRCS, FMedSci, FRSE
	Professor J R T Monson MD, FRCS, FRCSI, FACS, FRCPS Glas (Hon)
	Professor D G Morton MD, FRCS (Colorectal)
Surgical advisers:	Professor Neil Mortensen MBChB, MD, MA, FRCS Eng, FRCS Glas, FRCS Edin, FRCSI
	Mr Mike Thompson MD, FRCS
Dermatological adviser:	Dr Calum Lyon MA, MRCP
Pharmaceutical adviser:	Ms Anne Chetwood

PROFESSIONAL ADVISERS

Legal advisers:	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Principal bankers:	The Co-operative Bank PO Box 250, Delf House, Southway, Skelmersdale WN8 6WT
Auditors:	Jones Avens Limited Piper House, 4 Dukes Court, Bognor Road, Chichester PO19 8FX
Investment manager:	Rathbone Investment Management Limited George House, 50 George Square, Glasgow G2 1EH

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

The Board of Trustees has pleasure in presenting its report for the year ended 30 September 2020. This report represents a Directors' Report as required by s417 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

LEGAL STATUS AND OBJECTS

Ileostomy and Internal Pouch Association is a Company Limited by Guarantee in England and Wales (10375943) and is a Charity registered in England and Wales no. 1172338 and in Scotland no. SC048658 with a working name of IA. The Charity is governed by its Articles of Association, last amended in August 2018. Although the Company was incorporated on 14 September 2016 it remained dormant until 30 September 2018, with the Charity operating until that date as an unincorporated association registered in England and Wales under charity number 234472 in the name of IA. The Charity's principal address and registered office is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

In setting the Charity's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need by reason of ill-health.

IA's objects are:

1. To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch;
2. To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research;
3. To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

ORGANISATIONAL STRUCTURE

This charity was originally founded in 1956 and operated as a charitable unincorporated association registered under charity number 234472 until 30 September 2018. Local groups, known as member organisations, located throughout the United Kingdom and Ireland operated as independent charities but under the IA umbrella, with the national charity providing support to the local groups and operating as the governing body of IA through its National Council, which consisted of the honorary president, the national officers and one representative from each member organisation. The National Council elected the president and the other trustees, who operated as the executive committee, which was responsible for the overall and day-to-day administration of the association. Policy matters were referred to the annual meeting of the National Council for consideration and decision.

In 2017 the National Council voted in favour of transferring its undertakings, including all activities, employees and assets subject to all its liabilities in its entirety to a charitable Company Limited by Guarantee, Ileostomy and Internal Pouch Association, company number 10375943 (England and Wales). As part of this organisational restructure, member organisations were given the option of either merging into the national charity and becoming an Integrated Branch (hereinafter termed

"Branch") of the national charity or remaining as a separate charity and becoming an Affiliated Member Organisation (hereinafter termed "Affiliate") of the national charity, with the relationship between the Affiliate and the national charity being governed by an Affiliation Agreement. The Branch option was offered to allow a reduction in the administrative workload placed on the committees of local member organisations, this in turn hopefully alleviating the difficulties in identifying suitable volunteers to sit on the committees of local member organisations. Of the 45 member organisations that existed at the point the transfer to the charitable Company took place at midnight on 30 September 2018, 33 opted to become Branches and 12 became Affiliates. During the year under review, one Affiliate decided to change its status and became a Branch.

The trustees, who are also the directors for the purposes of company law, who served during the year, are listed on page 2. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members of the Company consist of the board of trustees and one representative from each member organisation, thereby closely replicating the arrangements that existed under the unincorporated predecessor charity and ensuring that member organisations continue to be central to the charity's governance and policy setting. There are generally four board meetings a year that take place in London, however, in the year under review two of these meetings took place online instead of in person due to the pandemic. However, this did not affect the Trustees' ability to discuss important issues and make decisions where appropriate.

Applications for trustee positions are invited from member organisations when a position becomes available. Trustees are elected at a general meeting of the company 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 an induction which includes visiting the charity's national office where possible and receiving training as and when required.

Authority for the day to day management of the charity is delegated to the Chief Executive Officer. Mr. Michael Bell, as per the charity's governing document. Remuneration for all staff including key management personnel is agreed by the remuneration sub-committee. Salaries are reviewed annually by the committee and are benchmarked against similar charities using independent data to ensure that salary levels are appropriate and competitive, whilst taking into account performance, the past year's achievements and other relevant factors.

The unincorporated association IA (charity registration number 234472 (England & Wales)) remains in existence as a dormant shell charity in order to safeguard any future legacies in its name that might otherwise have failed due to the manner in which a particular will was written and therefore might have been distributed instead to another charity or beneficiary. The Company holds £100 on trust for the unincorporated association and is one of the two trustees of this shell charity, the other being the chair of the Company.

During the year, we said goodbye to our president Professor Neil Mortensen and said hello to his successor, Professor Gordon Carlson. Our sincere thanks go to Professor Mortensen for all of his valuable input over his time as President and we wish him well in his new role as President of the Royal College of Surgeons. We are also very much looking forward to working with Professor Carlson, who will undoubtedly make as valuable a contribution as his predecessors. IA has been honoured to have such prominent surgeons serve as President over the years, a tradition which started right back at IA's inception with our founder, Professor Bryan Brooke.

ACHIEVEMENT OF OBJECTIVES

To help anyone whose colon has been, or is about to be, removed by surgical procedure or who has an ileostomy or an internal pouch.

During the year 2019/20, the number of general enquiries received at IA national office from members of the public, healthcare professionals and others with a professional interest in the work of IA continued to show an increase as in recent years, with the number of enquiries up by 18%

year on year. Membership enquiries resulted in 301 joining as full or associate members, 257 (85%) of whom joined on-line which continues to demonstrate a preference to join by this means. However, once again this year there was a slight decrease in new member applications when compared to the same period last year.

Each new member received an information pack containing booklets and leaflets on a wide range of relevant subjects covering many aspects of life with an ileostomy or internal pouch. This literature has been specially written by IA's honorary consultant advisers and by members with particular experiences and expertise upon which they can draw. A total of 200 requests for literature and publications were received from a combination of healthcare professionals, members and member organisations this year, which was down on the previous year's total of 353. This is to be expected given the increase in information available online.

Enquiries regarding travel continue to be received although at a lower level than in recent years and there is still a demand our popular travel certificates which, in a range of languages, explain the conditions of ileostomy and internal pouch.

Promotional items were made available to members for distribution at exhibitions, meetings and open days to further publicise the support that is available from IA. In addition, in response to the Covid pandemic, a supply of IA face masks was made available to IA members and advertised through social media, which proved very popular to the extent that a re-order was made to fulfill demand.

There are now 45 member organisations located throughout the United Kingdom. These continue to provide information, advice and assistance to existing, new and potential members. Valuable support was provided by our team of specially trained visitors to those facing surgery, their families, friends and carers.

To promote and co-ordinate research into bowel disease and other conditions leading to the removal of the colon, surgical procedures pertaining thereto, and related matters, and further to promote the dissemination of knowledge gained by such research.

Professor Neil Mortensen Research Fellowship (in association with the Royal College of Surgeons): In order to mark the retirement of our President, Professor Neil Mortensen, IA funded a Research Fellowship in the area of IBD in his name. Following a formal review of the applications received in conjunction with our partner, the Royal College of Surgeons, the successful project titled "Resolving the immunopathology of perianal Crohn's fistulae" was selected. We look forward to the outcome of this research.

IA continues to support the new National Pouch Registry administered by The Association of Coloproctology of Great Britain and Ireland by providing a grant for the ongoing maintenance of the registry.

DiSCO - Defining Standards in Colorectal Optimisation: IA agreed to fund this research which aims to determine standards that can be used in future "prehabilitation" offered before bowel surgery, leading to better outcomes for patients.

Funding was provided for a project titled "The Plato Project - the influence of surgeon personality on the anastomotic decision" being conducted by the University of Aberdeen and Royal Alexandra Hospital Paisley. The project aims to be the definitive study exploring the role of personality traits on decision making (e.g. stoma formation) in complex cases, where there is currently wide variability amongst surgeons. Further investigation into decision making regarding stomas could lead to improved pre-operative planning for patients undergoing cancer surgery, and may reduce the psychological burden experienced by patients undergoing surgery.

In addition to funded research, IA assisted in a variety of research projects involving members' participation covering a wide range of subjects, including -

- Dietary intake and pouch: The Psychosocial experience of eating for patients with an Ileal Pouch Anal Anastomosis. A three-phase exploratory qualitative study collecting data via 1) patient one-time focus groups; 2) individual longitudinal interviews with patients; 3) individual one-time interviews with clinicians, to produce a composite insight into the concerns about, and the experience of eating with a pouch, and into the decision-making by patients and clinicians regarding dietary intake. IA assisted with this project with input into some of the project documentation and assisting in the recruitment of patients.
- Development of core outcome sets for gastrointestinal recovery after surgery and surgical disease: The aim of this study was to develop core outcome sets for gastrointestinal recovery in the contexts of ileus and small bowel obstruction. An international Steering Group consisting of patient and clinician representatives was established. IA was approached to ensure that the opinion of patients living with a stoma was represented and to help inform the final outcome set.
- isPO – integrated, cross-sectoral Psycho-Oncology: The isPO project pursues two primary goals: (1) reducing disease-related anxiety and depression of patients with an initial diagnosis of cancer, and (2) providing a structured psycho-oncological care programme for the comprehensive expansion and implementation in standard oncological care in Germany. Part of this was the creation of a user friendly checklist for the assessment of patient information materials. IA was asked to help with checking whether this material was understandable and usable for patients speaking English as their mother tongue.
- The impact of psychology factors and cognitive processes on help seeking behaviour and attitudes towards therapy in individuals with ileostomies and ileal pouch anastomosis: this study examined the impact of psychological factors and cognitive processes on help seeking behaviours and attitudes towards therapy in individuals with ileostomies and ileal pouch anal anastomosis. IA agreed to promote this study via the IA website and social media.
- Understanding ileostomates' response to leakage and the quality of life impacts on them: As noted in last year's report, this was a patient survey to understand how ileostomates manage leakage and the skin complications that arise, and IA agreed to participate in the production of this survey and the review of the survey responses. The survey has now taken place with over 700 participants and the results are currently being analysed.

To keep ileostomists and others informed of all matters of interest to the Charity by the periodic dissemination of information by way of publications, by arranging conferences, seminars and courses on topics of interest, and in any other manner which is charitable and which the trustees consider appropriate.

IA members place great value on the quarterly Journal which, as the primary form of communication, keeps members updated with the latest developments in products and services. Medical articles and personal stories are regular features in the Journal, as are news items and articles by the national officers, and readers' letters continue to stimulate interaction within the membership. A recent redesign of the Journal both inside and out has met with a strong positive response from readers, as has the inclusion of a regular article from an exercise expert. Further new ideas will be incorporated into the Journal over the coming year.

One of the most important support mechanisms that IA offers around the country is its visiting service. The number of enquiries coming from stoma care nurses and directly from patients, demonstrates the need for this service to continue. Professional packs containing samples of all of the literature available from IA national office are sent to healthcare professionals throughout the UK. Over the coming year there will be a renewed focus on the visiting service with the aim of further strengthening it to ensure we continue to meet the needs of our members taking into account the way the world has changed since the service was started.

Following on from the “Introduction to Visiting Skills” course held in Birmingham in February 2019, a further one day introductory level course took place in Liverpool in November 2019, providing those interested with the necessary tools to deal with the increasing number of referrals.

Building on the very successful Kock and Internal Pouch Information Day that was held in Newcastle in September 2019, another combined Kock and Internal Pouch Information Day was held in February 2020. This too was a great success with lots of positive feedback from participants, allowing both members and non-members the opportunity to meet together in both formal and informal settings to discuss issues of common interest, share personal experiences and enjoy talks from healthcare professionals. A further event planned to take place in Birmingham in September 2020 had to unfortunately be cancelled due to Covid-19. This was also the case for a new format Young IA Information Day which had also been planned for June 2020 but again, was cancelled due to the pandemic. It is hoped that these events will take place when circumstances allow.

The timing of the pandemic also meant that our national annual event (historically referred to as our National Council meeting), which was to take place towards the end of March 2020, also had to be cancelled. This was a great disappointment as this event has always proved very popular with member organisations, giving them the opportunity to participate in the various presentations, lectures and workshops that take place as well as socialise with other members and view the exhibition provided by the various stoma equipment manufacturers and suppliers.

Following a collaboration with director and film maker Michael Durban, IA funded the production and eventual launch of a 20 minute documentary film about living with a stoma titled “My Bag and I”. The documentary confronted difficult subjects in an open and honest way, tackling social issues facing ostomates today such as dating, sex, mental wellbeing and day to day living. It met with fantastic praise from ostomates and the public across IA’s social media channels, as well as being shown at various film festivals and nominated for a number of awards.

Media coverage using both TV and radio outlets continued during the year, with various subjects tackled, from the stigma of having a stoma to life after surgery. In addition to traditional media, IA has continued to significantly increase its social media presence through Facebook, Twitter and Instagram.

SERVICES FOR MEMBERS

Services for members and potential members continued, as did the work of the association under the appropriate national officers as listed on pages 2 and 3. At national office, enquiries of a general nature came from potential and existing members, healthcare professionals and commercial companies and working relationships continued with member organisations, Government bodies and associated patient support organisations.

IA's website continues to be a popular source of information to those looking for guidance on living with an ileostomy and internal pouch. However, an upgrade and redesign of the website will shortly be completed with the aim of further improving the value to our members and other interested parties.

Maintaining high level of contact with others in a similar situation continues to be challenging and while many visits were arranged through national office, many more were undertaken through our network of visitors in the local member organisations. IA is very fortunate to be able to access this support throughout the country through teams of volunteer visitors who give their time to offer support to those in a similar situation to themselves.

As noted earlier in this report, the number of enquiries received continues to rise year on year and enquiries were received on wide range of welfare issues such as access to toilet cards and keys and disability benefits, which were handled by national office, with a number of these being

referred to other organisations for further information where relevant. One applications for a welfare grant was granted.

Matched funding continued to assist member organisations to support local projects such as equipment for hospitals and healthcare professionals. This year grants totalling £804 were paid out under this scheme (see Note 10 on page 31).

As noted above, a Kock and Internal Pouch Information Day was held in London in February 2020. Presentations were given by senior healthcare professionals including surgeons and pouch nurse specialists, as well as those with internal pouches who gave a patient's perspective of living with a pouch. Feedback from the event was extremely positive. Unfortunately, another one of these Information Days had to be cancelled due to Covid-19, as did a planned Young IA Information Day, which was unfortunate given this was a new event. Both of these events and others will be rescheduled once there is greater certainty as to the status of the pandemic.

GRANT MAKING POLICY

Members of IA benefit from a number of grants which enable them to apply for funding to attend events and purchase essential items.

- Bryan N Brooke IA Overseas Travel Fund: Professor Bryan Brooke, IA's national founding President, wanted to enable ordinary IA members to attend international meetings, which they otherwise might not consider. Therefore, the Bryan N Brooke (IA) Overseas Travel Fund (BBOTF) was set up to assist IA members with their travel costs for overseas meetings and events. The fund was established as Bryan Brooke's retirement gift from IA and in memory of his contribution as President for over 20 years.
- Victoria Wills (IA) Internal Pouch Bursary: This bursary is available for members with an internal pouch to assist with their travel costs to relevant IA meetings and events.
- Welfare Fund: This fund has been set up to assist IA members who are experiencing financial hardship to:
    - Purchase essential item(s) where ileostomy or internal pouch surgery has directly affected the need for the item(s).
    - Provide towards a convalescent break immediately following ileostomy or internal pouch surgery.
    - Purchase essential medical equipment which is not covered by a state grant or benefit.
- YIA Bursary Fund: The Young IA Bursary Fund has been set up to fund IA members under the age of 40 to attend events in circumstances whereby the IA member may not be able to attend the event through financial hardship.
- Research Fund: This fund supports research being carried out throughout the UK. This support can take the form of financial assistance, or promoting awareness of research being carried out that may be of benefit to members.

Each fund has its own set of grant making guidelines which must be adhered to and all applications are assessed by the appropriate executive committee sub-committee. Information and instructions for making an application are available to members, and application forms available from national office.

These grant making activities contribute to the achievement of IA's aims and objectives by:

- Helping those with an ileostomy and internal pouch who are in financial hardship.
- Providing a service to its members, and keeping ileostomists and those with an internal pouch informed by giving them the opportunity to attend a variety of conferences, meetings and seminars.
- Promoting research by enabling members to attend a variety of research events and/or participate in research activities.

We continue to encourage the take up of the various grants available as the level of applications has remained low over recent years.

LIAISON WITH OTHER GROUPS

Working relationships with the two other principal ostomy associations in the UK, Colostomy UK (CU) and the Urostomy Association (UA), with internal pouch support groups, with Crohn's & Colitis UK, and the Breakaway Foundation, continued through joint initiatives at meetings, events and exhibitions. Membership of the European Ostomy Association enabled co-operation with ostomy support organisations in Europe and the worldwide ostomy community. IA is also one of the patient and professional organisations working together in partnership as IBD UK to improve standards of care and treatment for everyone with Inflammatory Bowel Disease.

Mutual benefit was derived from the continued liaison with the Royal College of Nursing, the Association of Stoma Care Nurses UK, the Royal College of Surgeons of England, Guts UK, the National Institute for Health Research, the Kingston Trust, the Association of Coloproctology of Great Britain & Ireland, the Romanian Ostomy Patients' Support Foundation, the British Healthcare Trades Association, Patients, Industry and Professionals (PIPs) Forum and the Scottish Stoma Forum.

IA was represented at a number of events in the first six months of the financial year, including

- A House of Lords reception in November 2019 held to launch "Excellence in Stoma Care", a report authored by an independent panel of nurses documenting the excellent work that stoma care nurses undertake and the continued importance of the specialist nursing role.
- Incontinence Policy and Clinical Forum, supporting the work of APPG on Continence Care in London in November 2019
- European Association of Coloproctology Kock Pouch Training Day in Hamburg in November 2019, which was attended by surgeons from UK, Europe and USA and aimed to encourage and train surgeons in Kock Pouch Surgery.

Most events in the second half of the financial year were postponed or cancelled due to Covid-19, although a limited number were held online and IA was represented at them. This included Stories from the Insides Live, which featured live interviews around sport and fitness with a chronic illness, and CCUK's Patient Involvement in Research Day.

As in previous years, IA planned to exhibit at several large meetings during the year. Once again these were either cancelled or postponed due to the pandemic.

RISK AND RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- The maintenance of a risk register recording all identified risks.
- An annual review of the risk register including the principal risks and uncertainties that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the performance of its investments is the major financial risk for the charity. Investment income forms a significant proportion of overall income and any reduction in investment income levels would have an adverse effect on the income available to support day-to-day operations. This risk is mitigated by retaining expert investment managers, Rathbone Investment Management (Rathbones), on a discretionary basis and ensuring that an investment policy is in place which specifies both the level of risk to be applied to the management of the

investment portfolio and the approach to income generation. The arrangement with Rathbones is reviewed on an annual basis to ensure that performance continues to meet with the charity's requirements. An annual review meeting with Rathbones also takes place.

Attention has also been focused on non-financial risks, the principal ones relating to the employment of staff and the potential loss of key staff and officers. The former risk has been mitigated by the engagement of professional legal advice on employment matters, the latter by the creation of contingency plans that include the identification of alternate resources able to assume responsibility should the loss of key people occur.

During the financial year, the Covid-19 pandemic occurred, and the Trustees reviewed the situation on a regular basis to ensure risks caused by this were mitigated as necessary. This included in particular the arrangements around staff working at our National Office, where appropriate Covid-safe procedures were put in place to ensure the safeguarding of our staff's health and wellbeing, whilst at the same time ensuring that the charity could continue its operational activities without interruption. As part of this, remote working procedures were put into practice. Member organisations were also advised on issues such as holding their regular meetings. Alongside these matters, regular liaison with Rathbones took place to ensure that the income earned from our investments was monitored and that the likely fall in income levels caused by a reduction in dividend payments from the underlying investments could be understood and quantified. The Trustees will continue to closely monitor this situation going forward given that there continues to be ongoing change in many areas. They do not consider that any changes need to be made to the financial statements as a result of the Covid-19 situation.

FINANCIAL RESULTS AND REVIEW

The full accounts of IA are shown on pages 19 to 43. They show the activities of the principal charity and the Branch member organisations but do not include the activities of the Affiliate member organisations, who are separately registered charities responsible for preparing their own accounts in accordance with the appropriate legislation. Until 30 September 2018 the Company remained dormant, with the Charity operating in its previous legal form as an unincorporated association and last year's accounts for the financial year ended 30 September 2019 therefore included both the fair value of the net assets transferred into the charity from the unincorporated predecessor transfer and also transfers in from Branch organisations, which were included in donations within the Statement of Financial Activities. These items should be borne in mind when looking at the comparative figures presented within these accounts.

The accounts show a deficit of £923,462 in the financial year to 30 September 2020. Of this deficit, £750,688 relates to net losses on investments caused by the large falls in investment valuations due to the Covid-19 pandemic. When these investment valuations are included, a deficit of £772,615 was generated on unrestricted funds whilst restricted funds reported a deficit of £150,847. Taking these results into account, closing assets were £5,339,442.

RESERVES POLICY

The Board of Trustees has determined that the following policies will apply in respect of the various funds held.

General Fund

The General Fund provides resources for the day to day running of the charity and should hold reserves sufficient to cover a minimum of six months' payments based on the expenses incurred in the last full financial year, plus any future planned additional expenditure.

Designated funds

The Capital Investment Fund, the Elizabeth Clay Memorial Fund and any other designated fund which the Board of Trustees may choose to establish, are intended to provide income for specific

purposes. The Capital Investment Fund was established to provide income for the General Fund. The Elizabeth Clay Memorial Fund is set aside to provide income for grants to member organisations. All capital in the funds so designated may be spent on the authority of the Board of Trustees. In addition to the designated funds noted above, each Branch member organisation has its own designated fund. Further information on this is provided in the section Branch Funds below.

Restricted Funds

Restricted funds have been established either where the donations received are restricted by the donors, or where the fund has been established for a restricted purpose. In the case of the Welfare Fund and the Bryan N. Brooke (IA) Overseas Travel Fund, the intention is to maintain the capital, adding any donations received, and to spend the income providing grants for the purposes for which the funds were established. All other restricted funds are holding donations until such time as they can be spent in accordance with the restriction. In addition to the named restricted funds, each Branch member organisation has its own restricted fund(s). Further information on this is provided in the section Branch Funds below.

When assessing levels of reserves in each fund, the Board of Trustees ignores unrealised profits on investments, as these are not considered sufficiently reliable to guarantee future spending levels.

Branch Funds

Each Branch member organisation has its own designated fund and restricted fund. All income for a particular Branch is credited to its designated fund, whilst all expenditure for that Branch is taken from its restricted fund until such time as that fund has been exhausted, when expenditure is then set against the branch's designated fund. Rather than set an individual reserves policy for each Branch and its funds, the Board of Trustees instead monitor the net position of each Branch on an ongoing basis to ensure that sufficient funds remain in each branch to continue their activities for the foreseeable future.

Overall

All fund balances are in line with or exceed their reserves policy. The total funds held by the charity at 30 September was £5,339,442, of which £4,808,855 was held as unrestricted funds and the remaining £530,587 held as restricted funds. Included in unrestricted funds are designated funds of £4,577,749 leaving £231,106 in general unrestricted funds.

INCOMING AND OUTGOING RESOURCES

Income for the year was £453,566, the comparative figure for 2019 being £6,798,840. However, when excluding the fair value of net assets transferred in from the unincorporated predecessor charity from this comparative, the figure was £935,470, of which £513,492 related to the transfer in of funds from branch member organisations as a result of the restructure, so underlying income in 2019 was £421,978. The 2020 result therefore represents a 7% increase on the prior year.

Of this increase, the most significant contributor was income from donations and legacies, which rose from £103,765 in 2019 to £142,888 this year, this being due to a rise in legacy income. It is in the nature of this income stream that levels can fluctuate significantly year on year and are neither controllable nor forecastable.

Further contributing to the 7% increase in overall income was a small rise in income from charitable activities, up to £124,649 this year compared to £119,847 in 2019. The rise in income from advertising in the IA Journal of £4,293 (£45,138 in 2020 compared to £40,845) is gratifying considering the downward trend in recent years. Also included within income from charitable activities, member organisation annual subscription income of £32,274 (2019: £38,986) credited to unrestricted funds relates to the annual charge payable by member organisations to the national charity and includes £27,919 of annual subscription income charges to Branch member

organisations. As the £27,919 is also a cost to the Branches, the same amount is also included in expenditure on charitable activities as this was charged against the Branches' individual restricted funds.

Partially offsetting the increases noted above, income from investments was £181,271, down £17,095 from £198,366 in 2019, a 9% decrease. This is to be expected given the economic impact of Covid-19 during the reporting period, which has adversely affected both capital values of investments and dividend payments made by companies worldwide.

Expenditure for the year was £626,340 (2019: £627,287), of that £491,468 (2019: £499,414) being charged to unrestricted funds and £134,872 (2019: £127,873) to restricted funds. Of total expenditure, 97% (2019: 97%) or £608,410 (2019: £609,162) was in support of IA's charitable activities with 3% (2019: 3%) or £17,930 (2019: £18,125) being the cost of raising funds. Of the £608,410 incurred as expenditure of charitable activities, £32,956 (2019: £53,683) related to costs borne by Branches as a result of their charitable activities and charged to their restricted funds.

INVESTMENT POLICY

Investments are shown in the accounts at market value. Up until October 2019, the charity had a single investment portfolio managed under a discretionary management agreement with Rathbone Investment Management using a medium risk stance. In October 2019 £385,000 was transferred from the charity's bank account in to a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches. The "B" portfolio is similarly managed under a discretionary management agreement using a low to medium risk stance.

The charity's investment policy is shown in the Financial Regulations document and is "to hold investments to provide income in support of its core operations". Income generated from the "B" portfolio is credited to Branches taking into account their average funds over the financial year as a proportion of total funds. There are no social, environmental or ethical considerations contained within the investment policy.

As noted above, combined total investment income from both portfolios was £181,271 this year compared to £198,366 in 2019. Net losses on investment stood at £750,688 (2019: net gains of £91,351). Of the total net losses of £750,688, unrealised losses on investments held within the portfolios at year end were £546,575, whilst realised losses on investment sales set off against that figure were £204,113.

Total return on investments over the 12-month period to 30 September 2020 for the main portfolio was -9.97% compared to a virtually identical benchmark return of -9.82%. These negative returns are of course as a result of Covid and its impact on global markets and economies. Nevertheless, longer term performance is still in positive territory, with a return of 5.41% on an annualised basis over the five year period to the end of the September, compared to the benchmark return over the same period of 4.25% annualised. The "B" portfolio, with its more defensive strategy, has declined by 5.15% over the past 12 months to the end of September, ahead of the 6.46% fall of its benchmark reference point.

In accordance with the requirements of the Trustee Act, 2000, Part II, section 4(2), from time to time, the trustees review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied. Changes in policy would be reflected in the investment management agreement and in the targets set for IA's investment managers. There were no changes to the investment policy document during the year.

FUTURE PLANNING

As noted in last year's report, the Charity's planned restructure took effect on 1 October 2018 and the Charity began operating in its new legal form as a Company Limited by Guarantee. At that date, the unincorporated predecessor legally transferred all of its undertaking to the new Charity and in addition, the integration of 33 member organisations who opted to become Branches into the new national Charity occurred. Twelve member organisations opted to become Affiliates and

continue to exist as separately registered charities whilst within the IA network and operating within the terms of an Affiliation Agreement between national and local charity.

In part, the restructure was undertaken to ensure that there was the required infrastructure put in place to allow those member organisations who were finding their regulatory and administrative burdens difficult, and that might possibly therefore have been forced to cease operations, to pass that burden on to the national charity and concentrate instead on the important task of supporting their members. Whilst the restructure process was challenging, the Trustees nevertheless felt that its completion would give the Charity firm foundations on which to build a more resilient charity that would be fit for the 21st century. Evidence that this was the right approach came this year when one of the Affiliate groups opted to become a Branch, and another Affiliate group is currently discussing this possibility as well, only being delayed by the Covid situation.

Nevertheless, the work continues to ensure that the benefits of the restructure, and the opportunities created by it, are fully realised. The creation of a national set of policies and procedures is part of this process and work continues in this area to ensure these are rolled out in due course across the organisation.

The management committee, which was formed post restructure and consists of senior staff and Trustees, continues to meet regularly to consider matters of both strategic and operational natures, making recommendations to the Board of Trustees where relevant. Overall strategic direction remains with the Board of Trustees as their responsibility and further work in this area is planned over the next 12 months to ensure that the Charity continues to meet the needs of both its members and those connected with them, as well as its charitable objectives.

The ongoing uncertainty caused by Covid-19 does have some potential impact on the charity's plans for the coming year, in as much as it is not possible at the present time to accurately forecast when it will be possible to hold face-to-face events again. However, the Trustees will continue to monitor the situation closely and further in person events will be arranged when there is some greater certainty as to the direction of travel of the virus. In addition, the possibility of running some events online is being considered to mitigate these problems. Other than this, the Trustees consider that the charity will be able to continue to meet its charitable objectives over the coming year.

CONCLUSION

Even taking into account the negative impacts of Covid-19 and the ongoing uncertainty caused by the pandemic, IA continues to enjoy a significant level of assets which offers a cushion against future problems. All funds remain stable and all activities can continue as planned. The Trustees are satisfied that all known commitments can be met for the foreseeable future.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also the directors of IA for the purposes of company law, are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures that must be disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

Stuart Hay
Chair of the Trustees
13 February 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IA

Opinion

We have audited the accounts of IA (the 'Charity') for the year ended 30 September 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 the Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Charity'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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 our audit:

- the information given in the Trustees' Report which includes the directors' report for the purposes of company law for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal controls as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited
Chartered Accountants
Statutory Auditor
Piper House, 4 Dukes Court,
Bognor Road, Chichester
W. Sussex PO19 8FX

Dated 31/3/21

Statement of Financial Activities (including income and expenditure account) for the year ended 30 September 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2020 £	Total funds 30/9/2019 £ (Note 2)
Income from:					
Donations and legacies	3	118,773	24,115	142,888	617,257
Charitable activities	4	124,649	-	124,649	119,847
Investments	5	168,660	12,611	181,271	198,366
Other income	6	4,758	-	4,758	-
Fair value of net assets transferred in from unincorporated predecessor charity	7	-	-	-	5,863,370
Total income		**416,840**	**36,726**	**453,566**	**6,798,840**
Expenditure on:					
Raising funds	8	16,748	1,182	17,930	18,125
Charitable activities	9	474,720	133,690	608,410	609,162
Total expenditure		**491,468**	**134,872**	**626,340**	**627,287**
Net income/(expenditure) before gains and losses on investments		**(74,628)**	**(98,146)**	**(172,774)**	**6,171,553**
Net gains (losses) on investments		(697,987)	(52,701)	(750,688)	91,351
Net income/(expenditure)		**(772,615)**	**(150,847)**	**(923,462)**	**6,262,904**
Net movement in funds		**(772,615)**	**(150,847)**	**(923,462)**	**6,262,904**
Reconciliation of funds:					
Total funds brought forward		5,581,470	681,434	6,262,904	-
Total funds carried forward		**4,808,855**	**530,587**	**5,339,442**	**6,262,904**

IA has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 30 September 2020

	Notes	£	Total 30/9/2020 £	£	Total 30/9/2019 £
Fixed Assets					
Intangible assets	15		117		2,919
Investments	16		5,295,539		5,717,234
Total Fixed Assets			**5,295,656**		**5,720,153**
Current Assets					
Debtors	18	74,490		50,616	
Cash on deposit and in hand		162,495		642,841	
Total Current Assets		236,985		693,457	
Liabilities					
Creditors falling due within one year	20	193,199		115,040	
Net Current Assets			**43,786**		**578,417**
Total assets less current liabilities			**5,339,442**		**6,298,570**
Creditors falling due after more than one year	21		-		35,666
Net Assets			**5,339,442**		**6,262,904**
The Funds of the Charity					
General unrestricted income funds	23 & 24	4,197,983		4,163,964	
Revaluation reserve		610,872		1,417,506	
Total unrestricted income funds			**4,808,855**		**5,581,470**
General restricted income funds	23 & 24	501,628		570,137	
Revaluation reserve		28,959		111,297	
Total restricted income funds			**530,587**		**681,434**
Total Charity Funds			**5,339,442**		**6,262,904**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The notes on pages 22 to 43 form part of these accounts.

Approved by the board on 13 February 2021 and signed on its behalf by

Mr. Stuart Hay
Chair

Mr. Gordon Briars
Finance Sub-Committee Chair

Company Registration No. 10375943

Statement of Cash Flows for the year ended 30 September 2020

	Notes	Total Funds 2020 £	Total Funds 2019 £
Net cash used in operating activities	26	**(332,624)**	**443,485**
Cash flows from investing activities			
Interest and dividend income		181,271	198,366
Proceeds from sale of investments		1,461,553	356,798
Purchase of investments		(1,790,546)	(355,808)
Net cash provided by/(used in) investing activities		**(147,722)**	**199,356**
Change in cash and cash equivalents in the year		**(480,346)**	**642,841**
Cash and cash equivalents brought forward		642,841	-
Cash and cash equivalents carried forward		**162,495**	**642,841**
Relating to:			
Cash on deposit and in hand		**162,495**	**642,841**

Notes to the Accounts for the Year ended 30 September 2020

1 ACCOUNTING POLICIES

Charity information

Ileostomy and Internal Pouch Association is a private company limited by guarantee incorporated in England and Wales. The registered address is Danehurst Court, 35-37 West Street, Rochford, Essex SS4 1BE.

1.1) Basis of preparation and assessment of going concern

The Charity is a public benefit entity and the financial statements have been prepared in accordance with the governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting periods commencing from 1 January 2019), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011, relevant law and accounting standards.

The charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in the financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

All property, assets, rights and charitable undertakings of IA (Ileostomy and Internal Pouch Support Group) (registered charity number 234472) were transferred to Ileostomy and Internal Pouch Association with effect from 1 October 2018.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and that they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts of the incorporated association.

1.2) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount of the income can be measured reliably.

Journal advertising is taken on an accruals basis. Donations are recognised when the charity has been notified in writing of both the amount and the settlement date. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receipts basis upon notification by the charity's investment manager.

All other income has been taken into account on a cash received basis.

1.3) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

“Raising funds” includes all direct costs incurred in running fundraising events and investment management costs.

“Charitable activities” includes all costs incurred in meeting our charitable objects and providing support and information to our beneficiaries. Half of the costs of the annual meeting (formerly known as the National Council meeting) are charged under this heading since this meeting not only fulfils the requirements of an annual general meeting but also includes activities designed to help representatives of IA’s member organisations to run their charities effectively. Included are updates on research undertaken and other matters important to the running of the charity.

In addition 50% of the costs of our national office are included. The national office of IA not only provides administrative support to the Board of Trustees but also acts as the first point of contact for patients needing our advice and support, as well as supporting IA’s member organisations. For this reason the costs are divided between this category and “governance costs”.

Much of the work of IA is managed by sub-committees of the main board. The costs of their meetings are included as part of our charitable activities. In addition, since the responsibilities of the board include much direct charitable work, 50% of the cost of the board meetings is included as charitable activities.

“Governance costs” include all costs incurred in the financial management of IA. In addition, 50% of the cost of the annual meeting, the running of national office and the meetings of the board are shown here. Any other costs of an administrative nature are also charged to this heading.

Grants for research and other purposes are recognised as soon as a written agreement between the parties confirming the amount committed and the work to be carried out has been made. Provisions for grants for research and other purposes are recognised when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of the grant payable.

1.4) Tangible and intangible fixed assets

Expenditure on tangible and intangible fixed assets is normally charged to revenue in the year of purchase, unless the level of expenditure on individual items would distort the accounts, or if the asset has been donated to a research project while ownership has been retained by IA. In such cases assets are written off on a straight-line basis at rates calculated to reduce their cost to expected residual value over the term of their anticipated useful lives as follows:

Software	33%

1.5) Investments

All investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired on or subsequent to the first day of the

financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

1.6) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7) Financial instruments

The charity has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments” of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Charity’s balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are an obligation to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity’s contractual obligations expire or are discharged or cancelled.

1.8) Funds

IA has both unrestricted and restricted funds, but no endowment funds. Two of the unrestricted funds, the Capital Investment Fund and the Elizabeth Clay Memorial Fund, are designated to

special purposes by decisions of the board which can be changed in the future. Each branch member organisation also holds its own designated fund and restricted fund. For the purposes of clarity in these financial statements, all Branch designated funds have been amalgamated into a single reporting line shown as Branch Designated within unrestricted funds and similarly all Branch restricted funds have been amalgamated into a single reporting line shown as Branch Restricted funds under restricted funds.

Unrestricted Funds

1. General Fund
2. Capital Investment Fund (designated to provide income for the General Fund)
3. The Elizabeth Clay Memorial Fund (currently designated to provide grants for member organisations and for specific one-off non-recurring and material items of expenditure)
4. Branch member organisation Designated funds

Restricted Funds

1. Research Fund (to provide grants for research projects relevant to our beneficiaries)
2. Welfare Fund (to provide small financial grants to members)
3. Bryan N. Brooke (IA) Overseas Travel Fund (established by our founding president, Professor Bryan N. Brooke, to provide grants to assist members to attend related meetings abroad)
4. Young IA Bursary Fund (to provide grants to young people to attend events which will aid their recovery after surgery)
5. The Victoria Wills IA Internal Pouch Bursary (established in memory of Victoria Wills to provide grants to those with an internal pouch to attend events which will aid their recovery after surgery)
6. IA Annual Award for Innovation (established by former executive committee chairman Carolyn Stammers to provide funds for an annual award offered to IA member organisations for innovative ideas and activities).
7. Branch member organisation Restricted funds

Further details of each fund are disclosed in note 23.

1.9) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

1.10) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

As required by law, the charity offers a workplace pension scheme to all eligible employees. The scheme is operated by the National Employment Savings Trust (NEST) and is a defined contribution scheme with contributions made by both employer and employee. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable by the charity in the year.

1.11) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and the future periods where the revision affects both current and future periods.

2 ANALYSIS OF PRIOR YEAR TOTAL FUNDS SHOWN ON STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 30/9/2019 £
Income from:				
Donations and legacies	3	102,230	515,027	617,257
Charitable activities	4	119,847	-	119,847
Investments	5	183,942	14,424	198,366
Other income	6	-	-	-
Fair value of net assets transferred in from unincorporated predecessor charity	7	5,590,163	273,207	5,863,370
Total income		**5,996,182**	**802,658**	**6,798,840**
Expenditure on:				
Raising funds	8	16,848	1,277	18,125
Charitable activities	9	482,566	126,596	609,162
Total expenditure		**499,414**	**127,873**	**627,287**
Net income/(expenditure) before gains and losses on investments		**5,496,768**	**674,785**	**6,171,553**
Net gains (losses) on investments		84,702	6,649	91,351
Net income/(expenditure)		**5,581,470**	**681,434**	**6,262,904**
Net movement in funds		**5,581,470**	**681,434**	**6,262,904**
Reconciliation of funds:				
Total funds brought forward		-	-	-
Total funds carried forward		**5,581,470**	**681,434**	**6,262,904**

3 INCOME FROM DONATIONS AND LEGACIES

	Funds transferred in from Branch member organisations	Member organisation donations £	Other donations £	Legacies £	Total 2020 £	Total 2019 £
General Fund	-	-	9,295	13,371	22,666	60,918
Elizabeth Clay Memorial Fund	-	-	-	82,927	82,927	26,241
Branch Designated funds	-	-	13,180	-	13,180	15,071
Total unrestricted funds	**-**	**-**	**22,475**	**96,298**	**118,773**	**102,230**
Research Fund	-	500	1,719	-	2,219	1,475
The Victoria Wills Pouch Bursary	-	-	-	-	-	60
Branch Restricted funds	21,500	-	396	-	21,896	513,492
Total restricted funds	**21,500**	**500**	**2,115**	**-**	**24,115**	**515,027**
Total 2020	**21,500**	**500**	**24,590**	**96,298**	**142,888**	
Total 2019	513,492	500	35,110	68,155		617,257

As of 1 September 2020, one Affiliate member organisation opted to become a Branch and the transfer of their funds of £21,500 into the national charity is therefore included in donations in the Statement of Financial Activities.

The charity benefits greatly from the involvement and support of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
IA Journal	45,138	-	45,138	40,845
Annual (National Council) meeting	-	-	-	9,961
Member organisation annual subscriptions	32,274	-	32,274	38,986
Member subscriptions	47,075	-	47,075	29,674
Pouch Information Day	162	-	162	156
Branch Information Days	-	-	-	225
Total	**124,649**	**-**	**124,649**	**119,847**
Total 2019	119,847	-	-	119,847

Income of £32,274 shown above under unrestricted funds as member organisation annual subscriptions includes £27,909 in relation to annual subscription charges levied on Branch member organisations by the charity. A corresponding expense of £27,909 is included under charitable expenditure to reflect the cost to the individual Branches' restricted funds. As such, the overall net effect of these items on the charity is zero.

5 INVESTMENT INCOME

Investment and interest income was £181,271 (2019: £198,366) of which £168,660 was unrestricted (2019: £183,942) and £12,611 was restricted (2019: £14,424). It came from the following sources:

	2020 £	2019 £
UK listed investments	181,271	198,166
Bank interest	-	200
Total	**181,271**	**198,366**

6 OTHER INCOME

	2020 £	2019 £
Coronavirus Job Retention Scheme grant	4,758	-
Total	**4,758**	**-**

7 FAIR VALUE OF NET ASSETS TRANSFERRED IN FROM UNINCORPORATED CHARITY

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Funds transferred in from unincorporated predecessor charity at 1 October 2018 – IA (Ileostomy and Internal Pouch Support Group)	5,590,163	273,207	5,863,370

All the property, assets, rights and charitable undertakings of IA (Ileostomy and Internal Pouch Support Group) (registered charity 234472) were transferred to Ileostomy and Internal Pouch Association with effect from 1 October 2018. The fair value of the net assets transferred has been recognised as income in the Statement of Financial Activities.

8 EXPENDITURE ON RAISING FUNDS

	2020 £	2019 £
Investment management costs	17,352	17,547
Online fundraising costs	578	578
Total	**17,930**	**18,125**

Expenditure on raising funds was £17,930 (2019: £18,125) of which £16,748 was unrestricted (2019: £16,848) and £1,182 was restricted (2019: £1,277).

9 EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	2020 £	2019 £
IA Journal (including distribution costs)		53,738	61,658
Grants and donations	10	105,523	65,717
Annual (National Council) meeting (apportioned)		476	13,068
Internal Pouch Group activities		2,782	2,642
Visitor training		807	1,620
Publicity & promotion		89,942	95,345
Information sheets & booklets		1,187	3,178
National office (apportioned)		159,609	131,684
Charitable activities		3,028	6,057
Branch member organisation activities		32,956	53,683
Support costs	11	12,684	18,149
Governance costs	12	145,678	156,361
Total		**608,410**	**609,162**

In 2020, expenditure on charitable activities was £608,410 (2019: £609,162), of which £474,720 was expenditure from unrestricted funds (2019: £482,566) and £133,690 was expenditure from restricted funds (2019: £126,596). Expenditure of £32,956 shown above as Branch member organisation activities includes £27,909 in relation to annual subscription charges levied on Branch member organisations by the charity. Corresponding income of £27,909 is included under charitable income to reflect the income due to the unrestricted funds of the charity. As such, the overall net effect of these items on the charity is zero.

10 GRANTS AND DONATIONS

	2020 £	2019 £
Grants to individuals	11,880	1,460
Grants to institutions and organisations (see below)	91,709	62,943
Grants to IA member organisations	804	1,303
Other donations	1,130	11
Total	**105,523**	**65,717**

Recipients of grants to institutions and organisations were:

	£
University of Aberdeen/Royal Alexandra Hospital Paisley: The Plato Project - the influence of surgeon personality on the anastomotic decision	5,789
The Association of Coloproctology of Great Britain and Ireland: Grant for maintenance of the new National Pouch Registry	10,000
University of Glasgow/Royal Alexandra Hospital Paisley: DiSCO - Defining Standards in Colorectal Optimisation	10,920
Professor Neil Mortensen Research Fellowship (in association with the Royal College of Surgeons): Resolving the immunopathology of perianal Crohn's fistulae	65,000

11 SUPPORT COSTS

	2020 £	2019 £
IA Journal	2,972	1,817
Annual (National Council) meeting (apportioned)	380	8,202
Publicity & promotion	4,793	4,135
Internal Pouch	30	-
Charitable activities	4,509	3,995
Total	**12,684**	**18,149**

12 GOVERNANCE COSTS

	2020 £	2019 £
National office (apportioned)	118,590	106,528
Annual (National Council) meeting (apportioned)	96	5,117
Other administrative meetings	2,541	5,102
Audit fee	3,600	5,175
Insurance	2,690	2,680
Bank charges & currency costs	1,056	1,073
Legal costs	7,078	14,831
Other expenses	10,027	15,855
Total	**145,678**	**156,361**

IA has Trustee Indemnity Insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part and to cover the trustees of IA's member organisations. The cost of this insurance is £2,690 (2019: £2,680) and is shown above.

13 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2020 £	2019 £
Salaries and wages	174,597	144,764
Social security costs	13,238	11,608
Pension costs	17,473	22,511
Other benefits	4,608	2,129
Agency/contract staff	15,297	2,512
Total	**225,213**	**183,524**

The average number of employees during the year was 6 (2019: 4) with all employee time involved in providing either support to the governance of the charity or support to charitable activities.

The number of employees receiving total employee benefits (excluding employer pension costs) in excess of £60,000 were

Total employee benefits (excluding employer pension costs)	2020	2019
£60,001 - £70,000	1	1

The charity considers that its key management personnel comprise the trustees, the Chief Executive Officer and the National Officer Manager. The total employee benefits of the key management personnel were £114,883 (2019: £126,208).

14 PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2019: nil). Trustees were reimbursed expenses incurred in performing their duties as board members, as follows -

Eight trustees (2019: 15) were paid £4,938 (2019: £8,540) for travelling, postage, telephone, stationery and other costs incurred in fulfilling their voluntary activities. No trustees received remuneration for providing services to the charity.

Total donations received without conditions from trustees were zero (2019: £1,600).

15 INTANGIBLE FIXED ASSETS

	Total £
Software	
Cost	
At 1 October 2019	6,211
Additions	-
At 30 September 2020	**6,211**
Amortisation	
At 1 October 2019	3,292
Charge for the year	2,802
At 30 September 2020	**6,094**
Net book value	
At 30 September 2019	2,919
At 30 September 2020	**117**

Software comprises the membership database purchased to administer the membership records of the charity. Development costs which enhance the functionality of the software are capitalised. Costs for the software are amortised over a three year life from the date the expenditure was incurred, with amortisation included within expenditure on charitable activities in the statement of financial activities. The trustees have chosen to amortise such costs over a three year period as in their opinion this most accurately reflects the life of all software, which is inherently limited due to ongoing product development and the retirement and replacement of current software products with new improved versions .

16 FIXED ASSET INVESTMENTS

Movements on investments for the year ended 30 September 2020 were as shown below.

Market value basis	**2020 £**	**2019 £**
Quoted investments		
Brought forward	5,717,234	-
Transferred in from unincorporated predecessor charity at 1 October 2018	-	5,626,873
Additions	1,790,546	355,808
Disposals at carrying value	(1,666,568)	(385,503)
Unrealised gains/losses	(545,673)	120,056
At market value 30th September	**5,295,539**	**5,717,234**
At cost 30 September	4,655,708	4,188,431

Prior to October 2019, all investments were held in a single main portfolio, with investments allocated to funds on the basis of the cost input by each fund. At 1 October 2019, the split was as follows:

Capital Investment Fund	87.54%	Research Fund	6.64%
General Fund	0.00%	Welfare Fund	0.46%
Elizabeth Clay Memorial Fund	5.18%	Bryan N. Brooke (IA) Overseas Travel Fund	0.18%

In October 2019, £375,000 was transferred from the charity's bank account into a new "B" portfolio, this being the investment of a proportion of funds held on behalf of Branches in order to generate an income for these Branches. The main portfolio continued to operate using the split noted above.

The table above showing movement on investments for the year represents the combined investments held on both the main and "B" portfolios.

The cash held within the investment portfolios is £14,535 (2019: £13,633). All the investments are quoted on the UK Stock Exchange. IA does not hold any investments outside the UK. Looking at

the combined investment portfolios, there are three investments which exceed 5% of the total market value as at 30 September 2020 as detailed below. There are no restrictions on the realisation of any investment held by the charity.

Holding:	Treasury 0.125% Index Linked 2029	Market value: £318,083
	BY Mellon Global Income	Market value: £308,631
	Sarasin Global Higher Dividend	Market value: £284,009

17 FINANCIAL INSTRUMENTS

	2020 £	2019 £
Carrying value of financial assets		
Instruments measured at fair value through profit and loss	5,295,539	5,717,234

18 DEBTORS

Amounts falling due within one year:	2020	2019 £
Legacies due	-	4,076
Prepayments	4,539	3,539
Other debtors	24,110	18,660
Due from branch member organisations	42,341	20,841
Rent deposit	3,500	3,500
Total	**74,490**	**50,616**

19 CASH ON DEPOSIT AND IN HAND

The balance shown includes an amount of £100 held on trust for the unincorporated predecessor charity, IA (Charity Commission (England & Wales) registration number 234472).

20 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals	30,601	19,349
Deferred income	1,012	-
Research projects	146,333	50,667
Taxation and social security	4,585	4,226
Due to branch member organisations	638	1,054
Other creditors	10,030	39,744
Total	**193,199**	**115,040**

21 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Research projects	-	35,666
Total	**-**	**35,666**

22 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

The charge to profit or loss in respect of defined contribution schemes was £17,473 (2019: £22,511). The creditor at the balance sheet date relating to this scheme is £1,766 (2019: £1,751).

23 ANALYSIS OF CHARITABLE FUNDS

For the financial year ended 30 September 2020

	Balance 1/10/19 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2020 £
Unrestricted funds						
General	228,533	258,164	488,819	-	233,228	231,106
Capital Investment	5,081,291	-	-	(660,501)	-	4,420,790
Elizabeth Clay Memorial	227,740	91,897	1,462	(37,486)	(233,228)	47,461
Branch Designated	43,906	66,779	1,187	-	-	109,498
Total unrestricted funds	**5,581,470**	**416,840**	**491,468**	**(697,987)**	**-**	**4,808,855**
Restricted funds						
Research	173,095	13,722	92,787	(48,070)	-	45,960
Welfare	35,466	791	574	(3,308)	-	32,375
Bryan N Brooke (IA) Overseas Travel	20,221	317	284	(1,323)	-	18,931
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,813	-	-	-	-	1,813
IA Annual Award for Innovation	571	-	-	-	-	571
Branch Restricted	445,038	21,896	41,227	-	-	425,707
Total restricted funds	**681,434**	**36,726**	**134,872**	**(52,701)**	**-**	**530,587**
Total funds	**6,262,904**	**453,566**	**626,340**	**(750,688)**	**-**	**5,339,442**

The transfer of £233,228 between the Elizabeth Clay Memorial Fund and the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy.

For the financial year ended 30 September 2019

	Income - Transferred in from unincorporated predecessor charity at 1/10/2018 £	Income £	Expenditure £	Gains/ (losses) on investment assets £	Transfers between funds	Balance 30/9/2019 £
Unrestricted funds						
General	192,644	325,720	478,412	-	188,581	228,533
Capital Investment	5,001,319	-	-	79,972	-	5,081,291
Elizabeth Clay Memorial	396,200	36,501	21,110	4,730	(188,581)	227,740
Branch Designated	-	43,798	(108)	-	-	43,906
Total unrestricted funds	**5,590,163**	**406,019**	**499,414**	**84,702**	**-**	**5,581,470**
Restricted funds						
Research	210,871	14,632	58,473	6,065	-	173,095
Welfare	34,954	905	810	417	-	35,466
Bryan N Brooke (IA) Overseas Travel	19,724	362	32	167	-	20,221
Young IA Bursary	5,230	-	-	-	-	5,230
The Victoria Wills IA Internal Pouch	1,753	60	-	-	-	1,813
IA Annual Award for Innovation	675	-	104	-	-	571
Branch Restricted	-	513,492	68,454	-	-	445,038
Total restricted funds	**273,207**	**529,451**	**127,873**	**6,649**	**-**	**681,434**
Total funds	**5,863,370**	**935,470**	**627,287**	**91,351**	**-**	**6,262,904**

The transfer of £188,581 between the Elizabeth Clay Memorial Fund and the General Fund was made to bring the level of General Fund reserves back into line with the charity's reserves policy.

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the financial year ended 30 September 2020

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2020 £
Unrestricted funds				
General	-	231,106	-	231,106
Capital Investment	4,331,075	89,715	-	4,420,790
Elizabeth Clay Memorial	256,399	(208,938)	-	47,461
Branch Designated	-	109,498	-	109,498
Total unrestricted funds	**4,587,474**	**221,381**		**4,808,855**
Restricted funds				
Research	328,517	(282,557)	-	45,960
Welfare	22,758	9,617	-	32,375
Bryan N Brooke (IA) Overseas Travel	8,906	10,025	-	18,931
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	571	-	571
Branch Restricted	348,001	77,706	-	425,707
Total restricted funds	**708,182**	**(177,595)**	**-**	**530,587**
Total funds	**5,295,656**	**43,786**	**-**	**5,339,442**

For the financial year ended 30 September 2019

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Total 30/9/2019 £
Unrestricted funds				
General	-	228,533	-	228,533
Capital Investment	5,004,867	76,424	-	5,081,291
Elizabeth Clay Memorial	299,072	(71,332)	-	227,740
Branch Designated	-	43,906	-	43,906
Total unrestricted funds	**5,303,939**	**277,531**		**5,581,470**
Restricted funds				
Research	379,624	(170,863)	(35,666)	173,095
Welfare	26,299	9,167	-	35,466
Bryan N Brooke (IA) Overseas Travel	10,291	9,930	-	20,221
Young IA Bursary	-	5,230	-	5,230
The Victoria Wills IA Internal Pouch Bursary	-	1,813	-	1,813
IA Annual Award for Innovation	-	571	-	571
Branch Restricted	-	445,038	-	445,038
Total restricted funds	**416,214**	**300,886**	**(35,666)**	**681,434**
Total funds	**5,720,153**	**578,417**	**(35,666)**	**6,262,904**

Unrealised gains on investment assets included above:

	2020 £	2019 £
Unrestricted funds	610,872	1,417,506
Restricted funds	28,959	111,297
Total	**639,831**	**1,528,803**

25 OPERATING LEASE COMMITMENTS

The charity entered into a lease for the rental of office premises at Danehurst Court, Rochford on 27/1/2016. The lease term was for a period of 5 years with a break clause for the charity only after 3 years. A rental of £14,000 was payable per annum for the first 3 years of the lease with a rent review after that period based on the rise in the Retail Price Index (RPI) during the lease term. This rent review occurred in January 2019 and a new rental of £15,336 per annum payable from

27/1/19 was agreed at that time. An annual service charge of £1,000 is also payable. A security deposit of £3,500 was paid on the inception of the lease which is returnable at the expiry of the lease term. This amount is disclosed in note 18 above.

The amount charged to expenditure on charitable activities in relation to the lease was £16,336.

The charity has the following future minimum payments under this lease for each of the following periods:

Payment due	2020 £	2019 £
No later than one year	4,814	16,336
Later than one year and not later than five years	-	4,814
Total	**4,814**	**21,150**

The charity had no other off-balance sheet arrangements.

26 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(923,462)**	**6,262,904**
Adjustments for:		
Deduct intangible fixed assets transferred in from unincorporated predecessor charity included in income	-	(6,211)
Deduct fixed asset investments transferred in from unincorporated predecessor charity included in income	-	(5,626,873)
Add back depreciation on intangible fixed assets	2,802	3,292
Deduct interest income shown in investing activities	(181,271)	(198,366)
Deduct gains/add back losses on investments	546,575	(106,983)
Loss/(profit) on the sale of investments	204,113	15,632
(Increase)/decrease in debtors	(23,874)	(50,616)
Increase/(decrease) in creditors	42,493	150,706
Net cash used in operating activities	**(332,624)**	**443,485**

27 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no debt during the year.

28 MEMBER ORGANISATIONS' ACCOUNTS

Branch member organisations' activities are included in these financial statements. Affiliate member organisations, being separately registered charities, prepare their own accounts in accordance with the appropriate legislation and are accordingly not included in these financial statements.

As noted in notes 4 and 9 above, annual subscription charges of £27,909 were charged to Branch member organisations by the charity and as a result, both charitable income for unrestricted funds and charitable expenditure for restricted funds have been increased by this amount to reflect those transactions. The overall net effect on the charity is zero.