



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
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	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 for 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

A handwritten signature in black ink, appearing to read 'Stuart Hay', is written over a large, faint, circular watermark or background mark.



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.

A handwritten signature in black ink, appearing to read 'CN', written over a horizontal line.

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

Company Registration No. 10375943

Mr. Gordon Briars
Finance Sub-Committee Chair



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.