

CROHN'S & COLITIS UK

Annual Report
and Financial

Statements
for the year ended
31 December 2020

Crohn's and Colitis UK – trading as Crohn's & Colitis UK
Registered Charity No. 1117148 (England and Wales) SC038632 (Scotland)
A Company limited by guarantee in England and Wales No. 05973370

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A Welcome from our Chair & Chief Executive

Delivering greatest impact

COVID-19 – recover, reboot, rebuild

2020 is a year none of us will ever forget. For many in our community, COVID-19 brought fear, anxiety and isolation. Some of the treatments for Crohn's and Colitis can put people at greater risk of infection and serious illness, as well as experiencing a flare. In the early days of the pandemic there was uncertainty over how to measure an individual's risk and the scope for misunderstanding was huge. In such dark times the charity did what it does best. We provided compassion and reassurance, helping the community come together to support each other and to share knowledge quickly and accessibly. We demonstrated the unique and essential role of charity.

As life went online, we rapidly reorganised and innovated. We delivered new ways of doing things to reach more people more quickly through Facebook live events and Local Network online socials. And we made sure that the voice of the community was heard in government and the NHS to ensure your needs were not put to the back of the queue.

We had to take some hard decisions in the light of the significant fall in income. We restructured and sadly had to say goodbye to some of our staff. Throughout, everyone at the charity showed enormous professionalism to ensure the needs of our community were front and centre in every decision.

And amidst it all we were sustained by our incredible supporters. The WALK IT participants who took their efforts online when we could not meet together outside. The gastroenterologists who worked to create tools to help patients assess their risk when others did not understand the complexities of Crohn's and Colitis. The celebrities such as Rylan Clark-Neal, Dynamo and Chris Tarrant who brought a touch of fun and empathy to their support of the charity. The companies who flexed and embellished their support when they knew things were tough. All the healthcare professionals tackling the effects of the pandemic but still contributing to improving Crohn's and Colitis services.

To the thousands upon thousands of you who supported the charity throughout 2020, we can only say thank you. We are determined to continue the fight for recognition of the needs of those with Crohn's and Colitis sustained by that support.

As we look into 2021, despite the ongoing uncertainties, we know that together we will make an amazing difference for everyone with Crohn's and Colitis.



Sue Cherrie
Chair



Sarah Sleet
Chief Executive

Signed on 8 May 2021

Who we are

We are the UK's leading charity for Crohn's and Colitis. Right now, over 500,000 people are living with these lifelong conditions that too many people have never heard of. We are working to improve diagnosis and treatment, and to fund research into a cure, to raise awareness and to give people hope, comfort and confidence to live freer, fuller lives.

OUR VISION:

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

OUR MISSION:

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

OUR VALUES:

We are ambitious
We are compassionate
We are stronger together

How are we working towards this vision?

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

We **work with the UK health sector** to improve diagnosis, treatment and management of IBD¹. We want everyone with the conditions to have access to the best specialist services.

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

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

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

¹ IBD – Inflammatory Bowel Disease

Strategic Report

We are working towards five strategic goals, set out in 2018, which will make a positive impact on the lives of people with Crohn's and Colitis. In 2020, of course, we had to face the exceptional challenges of a global pandemic. We rapidly adjusted our plans for 2020 to focus on supporting our community through the crisis, ensuring they were not forgotten in society's response to the pandemic. And despite the challenges, we continued to make progress against all five aims.

Our Goal – We want everyone to understand Crohn's and Colitis

Amid a worldwide pandemic, 2020 was the year we needed to stand up for people with Crohn's and Colitis more than ever.

- At the start of 2020 our *Not Every Disability is Visible* campaign was making progress with many restaurants and pubs changing their toilet signage and training staff to recognise and support people with Crohn's and Colitis. The impact of COVID-19 meant a rapid switch to campaigning to keep public toilets open and keeping our community's needs in the public spotlight. When shops and facilities reopened in summer 2020, public toilets remained closed and with campaigners support we achieved national coverage in broadcast and print media of our campaign to reopen toilets. Our safety guidance was distributed by the Local Government Association to all local authorities in England & Wales, with many committing to reopen accessible toilets during the national lockdown and continuing to engage with us to implement *Not Every Disability is Visible* signage across public facilities.
- Many in the Crohn's and Colitis community are particularly vulnerable and we needed to make sure their voices were heard. 8,000 people took part in our *Life in Lockdown* survey that highlighted where more needed to be done to support our community in their workplace, in accessing healthcare and shielding support. It provided the evidence we needed for many of the activities we report on below. We worked with other charities to ensure our concerns were heard in government and the health service.

Our Goal – We want to drive world class research into the disease

2020 has been a year of finding alternative ways to support research.

- Our role in putting the patient at the centre of research is flourishing.
- We promote recruitment to research studies and in 2020 our efforts contributed 67% of the researchers' recruitment targets.
- We livestreamed through Zoom, for the first time, our patient research participation day. It attracted 299 attendees – our biggest audience yet. The event was viewed over 1,000 times on YouTube and the online feedback will go on to shape the research presented.
- We continue to invest in existing research projects but the impact of the pandemic on our income meant we were unable to fund new projects in 2020.
- Nevertheless, eight of the charity's projects were able to complete in 2020 with our funding:
 - A new strategy to limit fibrosis in Crohn's disease
 - Being Me with IBD: Growing up and getting on with my life
 - Comparison of combination antibiotic and hydroxychloroquine therapy in active Crohn's
 - From genetic variants to a better understanding of IBD susceptibility
 - MicroRNA profiling in Inflammatory Bowel Diseases
 - Regulatory T cells in IBD – optimising their therapeutic potential

- Self-management intervention for pain in IBD
- The lived experience of family planning with IBD
- We continued to support our Pain Collaborative Network working on applications for further funding and awarded two grants of our own tackling the issue of pain:
 - Feasibility testing of an acceptance and commitment group therapy intervention
 - Identifying risk factors for the development of chronic abdominal pain in patients with IBD
- We continued to lead the patient input and communications work of Gut Reaction – the Health Data Research Hub for Inflammatory Bowel Disease. This unique collaboration is building the largest IBD dataset in the world. Patient input to the programme has led to a redesign of the approach to data access requests for the Hub and the NIHR BioResource, a critical part of the UK's research infrastructure.

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

2020 highlighted the charity's pivotal position as a trusted source of accurate and expert information in the frightening and rapidly evolving environment of the pandemic for thousands of people with Crohn's and Colitis.

- We were there for more people than ever before, answering 16,000 queries via phone calls, emails and LiveChat providing information and support.
- In March we had a 644% increase in emails and a 121% increase in phone calls to our Helpline because of the pandemic (compared with March 2019).
- There were 1.8 million page views of our COVID-19 pages which included critical information on assessing COVID-19 risk levels to inform social distancing and shielding decisions. Over 95% found our information helpful and our *Life in Lockdown* survey suggested the charity was the top source of information for COVID-19 for people living with the conditions.
- We gave our community fast access to expert advice through new Facebook Live events covering subjects such as vaccinations and well-being. They attracted 279,000 attendees.
- More people turned to our digital channels such as Instagram, Facebook, Companion website and Facebook Forum for support.
- Our Facebook page grew by over 3% to 202,500 likes while our Forum membership was up by 20% (to 48,700). Our Instagram followers grew by 26% (55,300) and our Twitter followers rose by 31% (48,200).
- We successfully piloted virtual social events to replace the face to face meetings held by our volunteer networks – a new approach which reached out to those previously unable to attend face to face meetings. This innovation will become a permanent offering.

Our Goal – We want high quality, sustainable, clinical care across the UK

The pandemic threw up more challenges than ever in access to diagnosis and high quality care. We worked hard with clinical leaders to ensure patients with Crohn's and Colitis were not forgotten.

- Throughout the pandemic we worked with healthcare professionals and their organisations to ensure easy access to critical information for patients. With the pressures on hospital staff dealing with COVID-19, many patients were not able to ask direct questions of their IBD teams as they normally would. The charity was able to step into the information vacuum reassuring patients and removing some of the pressures on NHS staff.

- We worked with key professional bodies to help develop a patient friendly COVID-19 risk assessment approach which proved vital for patients – our research highlighted that 1 in 5 were assigned the wrong risk level by the NHS in the early days of the pandemic which led to some patients unnecessarily shielding while others were not taking the right social distancing measures. Accurate risk assessment would also prove critical to prioritisation for vaccination.
- We also pressed the case for appropriate prioritisation of patients with Crohn's and Colitis in hospital services which were highly restricted due to the impact of COVID-19, particularly advocating for better access to endoscopy and surgery. As a result, surgery guidelines are clear that patients in need of treatment should get the access they need.
- Our work to improve the standards of Crohn's and Colitis care overall continued throughout 2020. As chair of IBD UK, an alliance of 17 patient charities and healthcare professional organisations, we released reports on local Inflammatory Bowel Disease (IBD) services' performance against the new IBD Standards.
- Further work on a national report was prepared for launch early in 2021 and is expected to make a major contribution to IBD service improvement, raising standards of care through quality improvement.
- Through our ongoing collaboration with the Scottish Government and three Health Boards, we won "Self-Management Resource of the Year" in the Self-Management Awards, run by the Health and Social Care Alliance Scotland for the development of a flare card, co-designed by patients with Crohn's and Colitis.
- In Wales, we were delighted that IBD was recognised as an NHS priority through the establishment of the role of IBD Clinical Lead for Wales. This follows years of focused charity activity to raise the profile of IBD, including through the establishment of the IBD Wales group and political events in the Senedd.
- Services fully centred around the needs and wishes of patients remains elusive. In October we won a Health Foundation grant worth £475k over 3 years to support patients to drive changes in services. We will be working in partnership on AWARE IBD with three Sheffield based organisations on the project:
 - Sheffield Teaching Hospitals NHS Foundation Trust
 - University of Sheffield
 - VoiceAbility

Our Goal – We want early and accurate diagnosis for all

2020 saw the successful completion of our focus on supporting general practitioners in the care of patients with Crohn's and Colitis

- Our successful three year Spotlight Project in partnership with The Royal College of General Practitioners (RCGP) finished in March 2020. Since the development of the IBD Toolkit for GPs, it has been viewed over 16,000 times across the UK. It has also been viewed by users as far away as Malaysia, Saudi Arabia, Colombia, the Faroe Islands and Brunei. Now the project has finished, the IBD Toolkit will continue to be hosted by RCGP and discussions are ongoing to ensure it remains up-to-date and widely promoted.
- The RCGP IBD Clinical Champions programme ended in March 2020, but we continue to work closely with GPs, and allied health professionals across the UK.

Enabling the charity to achieve our goals

2020 triggered the rapid reorganising of our services and resources to provide the critical support needed by our community in challenging times.

The pandemic radically impacted on the environment the charity was working in and its income. We had to take swift action to ensure the sustainability of the charity for the future. As a result, we redirected our work to critical activities supporting people with Crohn's and Colitis through the pandemic and shifted delivery online.

We needed to reduce our cost base by a quarter in recognition of the reduction in income, including using the furlough scheme where the pandemic had led to reduced activity and asking our working staff to reduce their hours and pay to 80% of their usual levels for seven months. To create longer term stability, we also looked hard at creating an agenda that was more tightly focused and we consolidated activities wherever we could. Subsequently, we completed a restructure of the charity by October 2020 which sadly led to a loss of 12 roles. We are grateful to all staff throughout this difficult time and continuing to put the needs of our community first.

We are also grateful to all our supporters in 2020, without whom we would not be here to deliver for our community.

Despite the challenges of the year, we embedded our new Microsoft Dynamics Customer Relationship Management (CRM) database as planned increasing productivity along with better insight and analysis of the effectiveness of our work and improved stakeholder relationships. This large investment of the charity will be fundamental to its ability to deliver going forward.

Plans for the future

As we enter 2021, we are working in very changed circumstances. Our current strategy was due to complete in 2022 but we decided to bring forward the strategy review to the first six months of 2021 to adapt to the new world. We are conducting the review with external input where needed to ensure that we are clear about new opportunities and challenges for the charity. We learnt in 2020 how fast the charity can adapt and innovate, and we want to make the most of these positive qualities going forward.

During the year we will also deliver:

- The national report on how UK gastroenterology services are performing against the IBD Standards. This will be the launchpad for engaging with government, the NHS and clinicians on the improvements needed for better care.
- We will deliver a new *Not Every Disability is Visible* campaign focused on the workplace and develop and launch a new campaign to increase symptom awareness in the public and amongst key community clinicians.
- We will build more information resources for our community and make them more accessible.
- We will do more to understand the diverse communities we work for and how they can be better served.
- We will redevelop our digital platforms to better serve all our audiences.

Funding our work

We greatly value and rely upon the trust of our supporters. Our fundraising is conducted in compliance with the law. We support the Fundraising Regulator's Promise and we are a member of the Fundraising Regulator's scheme, which hold members to set standards for charitable fundraising. Crohn's & Colitis UK adheres fully to all guidelines and standards produced by The Fundraising Regulator and we proudly display its logo on all our public fundraising materials. To maintain our supporters' trust we are open, honest, fair, and legal in our fundraising practice. There were no compliance issues with the Fundraising Standards we have adopted.

In 2020 we received six complaints (six in 2019) about our fundraising representing a tiny proportion of our interactions.

How we have raised the money

2020 was uniquely challenging for all charities raising funds and we are no exception. The impact of lockdown on our supporter events was significant and overall fundraising income fell by 29% compared with 2019. However, our community of supporters was very generous, and kindly helped us throughout the year in various ways. In 2020 donations from individuals saw a slight increase despite it being a difficult year for many people. We are very grateful for their continued support. We sent an emergency appeal mailing to 15,000 of our supporters and received donations totalling over £58,000. As a result of this appeal, we saw a significant increase in the number of Regular Gifts. In an average year we recruit 180 new Regular Givers but in 2020 we saw this number increase by 522.

Our corporate supporters were invaluable, with income growing to over £695,000 in 2020 (£622,696 in 2019), the highest total in the charity's history. New funding was secured to support our Specialist Nurse Programme in 2021 and we are grateful to our pharmaceutical partners who responded to our emergency appeal. As our corporate partners closed offices and staff worked from home, employee fundraising activities were severely impacted. However, our partners generously supported in new ways where they could, taking part in our virtual World IBD Day coffee morning, Run The Night and more. Partners such as Insight Direct, kindly offered to postpone their fundraising for us or extend the partnership instead, and others offered generous one-off pandemic related funding, following staff nominations. In partnership with TruckAdz we also launched our first Crohn's & Colitis UK branded lorry – 'It Takes Trucks'!

The response from Trusts and Foundations to our emergency funding applications saw us receive new grants including an award from the Coronavirus Community Support Fund, distributed by The National Lottery, towards our Helpline Services. This generous response to the Helpline was echoed by many trusts and foundations, several of which were new to the charity. We also secured a three-year partnership award from The Health Foundation, in support of our work with local partners in Sheffield to re-design Inflammatory Bowel Disease services, shaped by the patients who use them.

We developed innovative fundraising activities in response to the pandemic, introducing virtual events such as our online World IBD Day coffee morning and a quiz night with TV presenter Chris Tarrant. We also received income from new platforms including Tiltify, where funds were generated by live video gameplay on Twitch. 1,825 of our Facebook followers fundraised for us, raising almost £226,000.

Events income was heavily impacted but still raised £700,000 despite the postponement of events such as London Marathon and Great North Run. Our own flagship events WALK IT and Run The Night were sadly cancelled, but we created virtual versions which generated over £136,000. Actor, Sacha Dhawan, who has Crohn's disease, ran with his partner Anjli, covering the 10 kilometres near their home and raising more than £3,000.

We connected with our supporters in new ways including video messages which proved hugely successful. We will continue to introduce new ways to communicate and thank our supporters in 2021.

We secured and retained partnerships, or received donations from the following companies to whom we extend our sincere thanks for their support:

Abbvie (UK)	Janssen
Aico	Kensington Mortgages
Amazon Smile	Lendinvest
Amgen	Lloyd's of London
Arena Pharmaceuticals	London North West University
Aurum	Healthcare NHS Trust
Bruckfern Limited	Merck, Sharp & Dohme Limited
Drug Stars	MNB Properties Ltd
Ergonomic Solutions	Norgine
Ferring Pharmaceuticals	Parkman George
Galapagos UK	Pennies from Heaven
Gilead	Pfizer
Havas Faze	Roche Products Limited
Herb Kingdom	Sandoz
Innovative Trials	Smith & Nephew
Invesco Cares	Takeda UK Ltd
Insight Direct	Taylor Wimpey West London

Trusts and Foundations

We would like to express our sincere and heartfelt gratitude to all our Trust and Foundation funders, including:

Alexander Moncur Trust	Peter Sowerby Foundation
Crispa Charitable Trust	Price Parry Charitable Trust
Eveson Charitable Trust	Roger and Douglas Turner Charitable Trust
Fairfield Charitable Trust	Souter Charitable Trust
February Foundation	The Childwick Trust
Garfield Weston Foundation	The D'Oyly Carte Foundation
Hugh Fraser Foundation	The John Coates Charitable Trust
John James Bristol Foundation	The Lawson Trust
Medicash Foundation	The Moondance Foundation
National Lottery Community Fund (England and Scotland)	The Waterloo Foundation
National Lottery Community Fund (Coronavirus Community Support Fund)	W O Street Charitable Foundation
	Wixamtree Trust

There were no compliance issues with the Fundraising Standards we have adopted.

We do not employ professional fundraisers but do partner with third party platforms to enable online fundraising. Our lottery and raffles are licenced and regulated by the Gambling Commission, and we ensure that appropriate information and support is in place to tackle problem gambling. Fundraising activities which include children and/or vulnerable adults must comply with our Safeguarding Policy, and staff are trained in safeguarding principles. Crohn's & Colitis UK staff are guided by our Fundraising Policy and have a responsibility to thoroughly understand and comply with the policy, within which we provide guidance on the legal aspects of fundraising and our ethical commitments.

Governance, structure and management

Legal status and objects

Crohn's and Colitis UK is a Company Limited by Guarantee in England and Wales no. 05973370 and is a charity registered in England and Wales no. 1117148 and in Scotland no. SC038632.

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

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

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

Public benefit

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

Members

In 2020 due to the impact of the pandemic we ended the year with slightly fewer members at 44,000 (a drop of 2.2% from 2019.) We are very grateful to our members for their ongoing commitment and support.

Due to the pandemic the intended 2020 AGM was postponed until Autumn 2021. We look forward to welcoming our members then.

Trustees and organisational structure

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

The Board of Trustees has responsibility for the governance and strategic direction of the charity, ensuring that the charity upholds its ethos and values and delivers its objectives. Authority for the operation of the charity is delegated to the Senior Leadership Team (SLT), led by the Chief Executive, who reports to the Trustees to the levels described in a Scheme of Delegation last reviewed by the Board in November 2020.

The Trustees have the power to co-opt advisers as non-voting members of the Board and appoint committees. There were four committees of the Board in 2020: Finance and Audit; Research Strategy and Funding; Governance; and People and Organisational Development. The Governance Committee was stood down by the Board in November 2020. We also had a Task and Finish Project Group chaired by a Trustee to bring recommendations to the Board regarding IT/CRM systems. Its work completed in 2020.

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

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

The Trustee Board met nine times during 2020 (five in 2019). The Honorary Officers, Trustees, Senior Leadership Team and committee members are as outlined on page 38 and 39.

Subsidiary undertaking

NACC Merchandise Ltd is a wholly owned subsidiary company of the charity. The principal activity of the company is the sale of Christmas cards and merchandise. Taxable profits of £83,038 (2019: £11,208) were transferred to the charity as Gift Aid under a deed of covenant arrangement. More information on the results of NACC Merchandise Ltd is given in note 10 of the Financial Statements.

Employees

The charity started the year with a complement of 74.7 full time equivalents (FTEs) and finished the year with 57.2 FTEs. The changes were driven by our response to the pandemic.

Crohn's & Colitis UK is committed to creating a great place to work. We recognise the direct link between employee satisfaction and delivering our best for people with Crohn's and Colitis.

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

Volunteers

Volunteers continue to play a vital role in the work of the charity, and we value the time, dedication and support we receive from all our volunteers and supporters. We are fortunate to have around 1,000 volunteers registered with the charity. Unfortunately, nearly all our community-based volunteering activity had to be paused during 2020. Nevertheless, some volunteers were able to continue to provide support remotely on our Volunteer helplines, readers panel and supporting our database team. We conducted our annual survey of volunteers to identify how we can better support all our volunteers in future.

Risk review

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

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

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

The Trustees identified the following principal risks facing the charity:

- The continuing impact of COVID-19 on income, planning delivery, staff morale and safety.
- Failure to consider equality, inclusion and diversity consistently throughout our activities.
- Sub-optimal management approach and communication, staff development and inclusion leading to poor staff morale and engagement
- Lack of diversity in financial income streams and over dependence on events.

Financial review

Compliance

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

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

2020 results

During 2020 the charity has made an overall surplus of £618,293 (2019: £676,466 deficit) split between an unrestricted funds surplus of £237,067 (2019: £765,917 deficit) and restricted funds surplus of £381,226 (2019: £89,451 surplus).

Income has fallen significantly to £4,678,656 from £6,247,473 in 2019 with COVID-19 leading to the cancellation of all our planned events due to government restrictions on mass gatherings and social distancing. In March 2020 the cash flow was under pressure, and a big thank you to all of our networks who transferred excess funds to head office to help improve the working capital.

In terms of expenditure, the charity's commitment to research grants was paused due to COVID-19 and only a single grant for £145,700 (2019: £1,131,133) was made in the year, alongside several writebacks in instances where researchers reviewed their status as detailed in Note 11 page 29.

Reserves Policy

The Reserves Policy was revised by the Board on 5 February 2021 and outlines a framework to balance the need to maintain adequate funds to sustain future activity with that of making best use of those funds raised and donated by supporters and partners.

Total reserves increased to £2,688,578 (2019: £2,070,286) after the severe cutback in both income and expenditure in 2020.

The charity holds restricted funds to the value of £352,093 (2019: £135,042), which may only be used in accordance with specific restrictions imposed by the donor.

The charity also holds unrestricted funds to the value of £2,336,485 (2019: £1,935,244) of which £1,046,399 (2019: £938,698) were designated funds as follows:

- Tangible Fixed Assets – A designated fund has been created that represents the net book value of tangible fixed assets insofar as these funds are not available for immediate use.
- Intangible Fixed Assets – A designated fund has been created that represents the net book value of intangible fixed assets insofar as these funds are not available for immediate use.
- Local Networks retained funds – The Trustees also agreed that any accumulated surpluses from the Volunteer Networks should be held for future use by Networks, and a designated fund has been established for this purpose. Networks are required to utilise these funds within two years of the end of the year in which they are reported.

The balance of unrestricted funds not otherwise designated represents the free reserves of the charity. In the light of COVID-19 and all the surrounding uncertainties, the Trustees have agreed that in order to maintain adequate levels of working capital to fund day-to-day operations, and to protect the charity from income fluctuations and seasonal volatility, free reserves should be increased to £1.2M (previously 8 weeks, equating to £0.6M). This is to represent a combination of an unexpected and immediate reduction in unrestricted income, alongside the need to meet core unrestricted expenditure allowing the charity to continue to operate and maintain its core services for six months. The current level is £1.3M

This was considered a more realistic approach than the previously held policy of 8 weeks when used alongside the large working capital maintained to fund long term research grants.

Cash and investments

The funds of the charity are largely represented by cash deposits including £98,922 (£296,904 in 2018) held by our Local Networks, and investments held in a charity restricted ethical investment fund managed by CCLA Investment Management.

Pension costs

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

Staff remuneration

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

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

Salaries of the Senior Leadership Team, including the CEO, are agreed by the Board of Trustees and will take account of the past year's achievements, environmental and market conditions, and of sector comparison. Our work is dependent on voluntary donations and we act in an open and transparent way that respects the money, time and energy given by donors and volunteers. In our commitment to openness, we disclose information about senior staff salaries within our annual report. This is in line with recommendations and guidelines from the National Council for Voluntary Organisations (NCVO).

Grant making policies

Research grants

Applications for grants for: Medical, Living with IBD, and Health Service Development research are normally invited on an annual basis, but were deferred in 2020 due to the unexpected impact of COVID-19. Applications were previously considered by members of the Awards Panels, comprising academic and medical specialists as well as lay representatives. External specialist referees are asked to comment confidentially on applications. Grants awarded in previous years are still progressing.

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

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

Local grants

Local Networks may make grants to local hospitals to support or enhance aspects of the provision for IBD patients. Grants must be made according to the policy guidelines approved by the Trustees and generally cannot be made for items that should otherwise be funded by the relevant NHS Trust. In 2020 grants of £3,994 were made (£27,916 in 2019). The reduction was due to Network funds being made available to the charity to mitigate cash flow issues.

Statement of responsibilities of trustees

The Trustees (who are also directors of Crohn's and Colitis UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP FRS102 (2019)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Strategic Report and The Financial Review were approved by the Trustees on 8 May 2021 and signed on their behalf by:



Sue Cherrie – Chair of the Board of Trustees.

Independent auditor's report

Opinion

We have audited the financial statements of Crohn's and Colitis UK (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We gained an understanding of the legal and regulatory framework applicable to the Charitable Group and the sector in which it operates and considered the risk of the Charitable Group not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, tax legislation and distributable profits. In relation to the operations of the Charitable Group this included compliance with the Charities Act and SORP 2019, GDPR, employment law, safeguarding and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management and officers of the Charitable Group and a review of the risk management processes and procedures in place including a review of the risk register maintained by the charitable group. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk and evaluated the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.

We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates, including treatment of legacies and grant income, and the amortisation rates of intangible assets.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

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



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

For and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Financial statements

Crohn's and Colitis UK Consolidated Statement of Financial Activities Including Income and Expenditure Account for the year ended 31 December 2020

	Note	Unrestricted funds (inc. designated funds note 22)	Restricted funds	Total funds 2020	Total funds 2019
		£	£	£	£
Income :					
Donations and legacies	2	1,536,790	376,931	1,913,721	2,163,605
Charitable activities	5	668,781	9,004	677,785	674,212
Other trading activities	3	1,503,577	298,881	1,802,458	3,353,828
Investments	4	34,743	-	34,743	53,538
Other		249,949	-	249,949	2,290
Total income		3,993,840	684,816	4,678,656	6,247,473
Expenditure :					
Raising funds	9	1,569,016	(59,960)	1,509,056	2,119,944
Charitable activities:					
Grantmaking	11	1,002	(67,447)	(66,445)	1,131,133
Supporter Services		397,034	292,304	689,338	893,286
Marketing and Communications		372,492	81,040	453,532	839,276
Policy, Public Affairs and Campaigns		567,482	189,379	756,861	960,652
Networks & Volunteering		244,017	12,433	256,450	422,303
Membership costs		427,264	-	427,264	646,134
Total expenditure	6	3,578,307	447,749	4,026,056	7,012,728
Net income/(expenditure) before investment gains/(losses)		415,533	237,067	652,600	(765,255)
Gains/(losses) on investments	17	(34,308)	-	(34,308)	88,789
Net income/(expenditure)		381,225	237,067	618,292	(676,466)
Transfers between funds	15	20,015	(20,015)	-	-
Net movement in funds		401,240	217,052	618,292	(676,466)
Reconciliation of funds:					
Total funds brought forward		1,935,244	135,042	2,070,286	2,746,752
Total funds carried forward		2,336,484	352,094	2,688,578	2,070,286

Note 22

Note 23

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

The net surplus of the Charitable Company for the year was £618,293 (2019 deficit £676,466).

Crohn's and Colitis UK
Balance sheets at 31 December 2020

	Note	Group*		Charitable Company	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Intangible assets	16	457,889	577,335	457,889	577,335
Tangible assets	16	385,581	505,610	385,581	505,610
Investment	17	1,092,384	1,088,789	1,092,385	1,088,790
Total Fixed Assets		1,935,854	2,171,734	1,935,855	2,171,735
Current assets					
Debtors	18	705,396	884,717	708,381	917,004
Cash at bank and in hand	19	2,041,663	1,990,704	1,928,003	1,919,899
Total Current Assets		2,747,059	2,875,421	2,636,384	2,836,903
Liabilities					
Creditors: amounts falling due within one year	20	(1,485,539)	(2,171,301)	(1,374,865)	(2,132,784)
Net current assets		1,261,520	704,120	1,261,519	704,119
Total assets less current liabilities		3,197,374	2,875,854	3,197,374	2,875,854
Creditors: amounts falling due after one year	20	(458,796)	(755,568)	(458,796)	(755,568)
Provisions for liabilities	21	(50,000)	(50,000)	(50,000)	(50,000)
Total net assets		2,688,578	2,070,286	2,688,578	2,070,286
The funds of the charity					
Unrestricted funds					
Designated funds held nationally	22	843,470	577,336	843,470	577,336
Designated funds held by Networks		202,929	361,362	202,929	361,362
General Reserve Fund held nationally		1,290,085	996,546	1,290,085	996,546
Total unrestricted funds		2,336,484	1,935,244	2,336,484	1,935,244
Restricted funds					
Held nationally	23	352,094	135,042	352,094	135,042
Total restricted funds		352,094	135,042	352,094	135,042
Total charity funds		2,688,578	2,070,286	2,688,578	2,070,286

The accounts, which comprise the consolidated statement of financial activities, the balance sheets and the related notes, were authorised for issue by the Board of Trustees on 8th May 2021 by:


Sue Cherrie, Chair

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

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

Crohn's and Colitis UK
Consolidated Statement of Cash Flows
for the year ended 31 December 2020

	Group*		Charitable Company	
	2020	2019	2020	2019
	£	£	£	£
Cash flows from operating activities				
Net cash provided by (used in) operating activities	<u>(65,327)</u>	<u>(368,582)</u>	<u>(108,182)</u>	<u>(413,267)</u>
Cash flows from investing activities:				
Interest from investments	34,743	53,538	34,743	53,536
Purchase of fixed assets	0	(425,770)	0	(425,770)
Sale/(purchase) of investments	(37,902)	(1,000,000)	(37,902)	(1,000,000)
Net cash provided by (used in) investing activities	<u>(3,159)</u>	<u>(1,372,232)</u>	<u>(3,159)</u>	<u>(1,372,234)</u>
Change in cash and cash equivalents in the year	(68,486)	(1,740,814)	(111,341)	(1,785,501)
Cash and cash equivalents at 1 January 2020	1,990,704	3,731,518	1,919,899	3,705,396
Cash and cash equivalents at 31 December 2020	<u>1,922,218</u>	<u>1,990,704</u>	<u>1,808,558</u>	<u>1,919,895</u>
Reconciliation of net income/(expenditure) to net cash flow from operating activities:				
Net income/(expenditure) for the year (as per the SOFA)	618,292	(676,466)	618,292	(676,468)
Depreciation charges	120,029	226,181	120,029	226,181
(Gains)/losses on investments	34,308	(88,789)	34,308	(88,789)
Dividends and interest from investments	(34,743)	(53,538)	(34,743)	(53,538)
(Increase)/decrease in debtors	179,321	(23,626)	215,438	(25,967)
Increase/(decrease) in creditors	(982,534)	247,656	(1,061,506)	205,314
Net cash provided by (used in) operating activities	<u>(65,327)</u>	<u>(368,582)</u>	<u>(108,182)</u>	<u>(413,267)</u>
Analysis of cash and cash equivalents				
Cash in hand	1,191,302	797,807	1,077,642	727,002
Notice deposits	850,361	1,192,897	850,361	1,192,897
Total cash and cash equivalents (a)	<u>2,041,663</u>	<u>1,990,704</u>	<u>1,928,003</u>	<u>1,919,899</u>
Analysis of changes in net debt				
Cash and Cash equivalents 1.1.20	1,919,899	3,731,518	1,849,094	3,705,396
Cash flows	(68,486)	(1,740,814)	(111,341)	(1,785,501)
Cash and Cash equivalents 31.12.20	<u>1,851,413</u>	<u>1,990,704</u>	<u>1,737,753</u>	<u>1,919,895</u>

Crohn's and Colitis UK Notes to the Accounts for the year ended 31 December 2020

1 Accounting policies

Basis of accounting

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

Going Concern

The Trustees have reviewed the financial plans and cash flows for the coming twelve months and also a longer term plan for the next three years where the charity is looking to maintain its existing reserves and deliver a breakeven position, and as such are satisfied that it is appropriate for the accounts to be prepared on a going concern basis, and as explained in the Trustees Report.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned trading subsidiary NACC Merchandise Limited, on a line by line basis, using the purchase method. A separate statement of financial activities (SOFA) and separate statement of cash flows are not presented because the charity has taken advantage of the provisions of paragraph 408 of the Companies Act 2006.

Local Networks

The charity had fifty local networks that were active to some degree during the year. All active groups are required to make returns of income and expenditure for the year which are consolidated in the financial statements.

Income

- i) All income is included in the accounts without netting off expenditure.
- ii) Members' subscriptions are taken to income in full in the year of receipt.
- iii) Investment income is taken to income on the accruals basis.
- iv) Donations received are treated as unrestricted funds unless they are specifically designated by the donor.
- v) Legacy entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either:
 - the estate has been finalised and estate accounts have been received by the charity; or
 - notification has been made by the executor(s) to the charity that a distribution will be made; or
 - when a distribution is received from the estate.

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

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

Expenditure

- i) Expenditure is charged on an accruals basis.
- ii) The full cost of booklets, leaflets etc. is charged in the year the expenditure is incurred.
- iii) Research grants are charged to expenditure at the time the funding commitment is agreed with the third party.

The majority of grants, which can be for more than one year, are paid quarterly in arrears. For administrative reasons it can take some time for the grantee to appoint suitable staff and consequently some grants may remain partly unpaid at the year end.

Full provision is made for amounts allocated but not yet paid and this provision is shown as a creditor falling due within one year and after one year.
- iv) The majority of costs are directly attributable to specific activities. Costs incurred in respect of the charitable activities include elements of staff costs and attributable support costs.
- v) Support costs are those costs which are common to all areas of the organisation, including premises and office operating costs. Included in support costs are Governance costs, which comprise those costs associated with meeting the constitutional and statutory requirements of the charity. Support costs are allocated across all areas of activity on the
- vi) Governance costs include both the direct costs of the charity meeting its statutory obligations and a portion of officer and overhead time spent on the strategic direction of the organisation and compliance with constitutional and statutory requirements.
- vi) Irrecoverable VAT has been analysed and apportioned across the costs to which it relates.

Debtors

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

Cash and cash equivalents

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

Crohn's and Colitis UK Notes to the Accounts for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

Creditors

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

Grants

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

Capitalisation and depreciation of tangible and intangible fixed assets

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

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

Capital commitments are disclosed as at the year end.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

Pension Contributions

The charity makes contributions for employees to a group personal pension scheme. This is a defined contribution scheme to which the Association makes employer's contributions of either 5% or 8% of gross pay.

Funds Accounting

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at *the discretion of the Trustees*.

Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific *future purposes in accordance with the development plans of the organisation and to enable the completion of existing projects*.

Restricted funds – *these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.*

These funds are further divided between those held Nationally and those held by Local Networks. Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis as they arise.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, which is at cost, with the exception of:

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

The investments note 17 details the historic cost of the investments and the unrealised gains to arrive at their fair value.

Judgements and key sources of uncertainty

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

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

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

Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)

2	Donations and legacies			2020	2019
				£	£
	Donations from members			190,248	167,732
	Donations to Local Networks			31,106	81,627
	Other donations (in memoriam, payroll, gift aid)			1,357,105	1,197,999
				<u>1,578,459</u>	<u>1,447,358</u>
	Legacies				
	Research			5,000	52,682
	Unrestricted			330,262	663,565
				<u>1,913,721</u>	<u>2,163,605</u>
3	Income from other trading activities			2020	2019
				£	£
	National fundraising			1,603,117	3,149,228
	Local networks' fundraising			-	77,621
	External turnover of trading subsidiary			199,341	126,979
				<u>1,802,458</u>	<u>3,353,828</u>
4	Investment income and interest			2020	2019
				£	£
	Other Interest:				
	Charity			34,743	53,536
	Trading subsidiary			-	2
				<u>34,743</u>	<u>53,538</u>
5	Income from charitable activities			2020	2019
				£	£
	Subscriptions			677,785	674,212
				<u>677,785</u>	<u>674,212</u>
6	Expenditure on charitable activities				
				Total	Total
				2020	2019
				£	£
	Cost of generating funds (note 9)			677,185	467,334
				364,537	1,509,056
	Charitable activities				
	Grantmaking (note 11)	144,659	(211,354)	250	(66,445)
	Supporter Services	545,103	42,858	101,377	689,338
	Marketing and Communications	353,084	3,830	96,618	453,532
	Policy, Public Affairs & Campaigns	441,721	170,259	144,881	756,861
	Networks & volunteering	170,832	23,334	62,284	256,450
	Membership costs	129,751	193,465	104,048	427,264
		<u>2,462,335</u>	<u>689,726</u>	<u>873,995</u>	<u>4,026,056</u>
		(note 7)		(note 8)	
				<u>7,012,728</u>	

**Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)**

6 Expenditure on charitable activities (continued)

	Direct staff costs £	Direct other costs £	Support costs £	Total 2019 £
The comparative from last year is detailed below				
Cost of generating funds	628,153	1,156,057	335,734	2,119,944
Charitable activities				
Grantmaking	152,751	978,382	-	1,131,133
Supporter Services	572,613	187,916	132,757	893,286
Marketing and Communications	520,575	174,260	144,441	839,276
Policy, Public Affairs & Campaigns	430,124	385,197	145,331	960,652
Networks & volunteering	246,617	101,891	73,795	422,303
Membership costs	187,951	344,122	114,061	646,134
	<u>2,738,784</u>	<u>3,327,825</u>	<u>946,119</u>	<u>7,012,728</u>

7 Staff costs

	2020 £	2019 £
Wages and salaries	2,130,762	2,362,678
Social security costs	207,509	235,025
Pension costs	124,063	141,081
	<u>2,462,334</u>	<u>2,738,784</u>

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

	2020 No.	2019 No.
Charitable activities		
Direct	41	49
Support	13	12
Cost of generating funds	16	17
	<u>70</u>	<u>78</u>

At the start of the year the Charity had 1000 volunteers across the UK, however their ability to do their role or activities was severely impacted by Covid-19 with most activities having to be paused. Those who were still active continued to provide awareness, fundraising and information sharing. Volunteers also supported the Charity on a variety of internal panels, as well as in the media, as Trustees, and providing three separate Helpline services. We also piloted virtual social and education events that were hosted by our volunteers.

Key management compensation

Operational management of the Charity is overseen by the Chief Executive, supported by a Senior Leadership Team that numbered 7 at the start of the year but was reduced to 5 at the end of the year (2019: 6). Total remuneration, including pension costs in 2020 was Two members of staff were paid more than £70,000 and less than £80,000 in the year (2019: two).

Three members of staff were paid more than £60,000 and less than £70,000 in the year (2019: three).

Pension contributions in respect of these staff members totalled £26,636 (2019: £25,897).

During the year the sum of £26,839 termination payments were paid out to 11 members of staff whose contracts were terminated by the Charity, and paid in full in the year when the staff left.

8 Support Costs

	2020 £	2019 £
Other staff related costs	49,582	89,517
Premises costs	349,513	362,003
Office operating costs	456,042	470,570
Governance costs	18,860	31,778
	<u>873,997</u>	<u>953,868</u>
Included in support costs are the following:		
Amortisation of intangible fixed assets	143,484	105,100
Depreciation of tangible fixed assets	120,029	121,081
Property rental and service charges	277,418	289,889

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

**Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)**

8a Net incoming/(outgoing) resources for the year – Group

	2020	2019
This is stated after charging:-	£	£
Depreciation and amortisation	263,513	226,181
Operating Leases	288,958	288,958
Auditors' remuneration – Crohn's & Colitis UK	10,550	10,100
Auditors' remuneration – NACC Merchandise Ltd	2,525	2,400

9 Direct cost of generating funds

	2020	2019
	£	£
External costs of trading subsidiary	100,040	110,773
National fundraising direct costs	1,406,491	1,980,061
Local Networks' fundraising	1,310	29,110
	<u>1,507,841</u>	<u>2,119,944</u>

10 Trading Subsidiary

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

	2020	2019
Profit and loss account	£	£
Turnover	199,341	126,979
Cost of sales	(105,861)	(106,030)
Gross profit	<u>93,480</u>	<u>20,949</u>
Administrative expenses	(10,442)	(9,743)
Interest receivable	-	2
Net Profit/(loss) on ordinary activities	<u>83,038</u>	<u>11,208</u>
Amount gift aided to Crohn's & Colitis UK	(83,038)	(11,208)
Net Profit for the year	<u>-</u>	<u>-</u>
Retained profit brought forward	-	-
Retained profit carried forward	<u>-</u>	<u>-</u>

11 Grant making expenditure

	2020	2019
	£	£
Support grants	-	15,254
Medical research	145,700	469,125
Living with IBD research	(76,661)	194,603
IBD Health Services	-	232,371
Research partnership grants	(35,000)	70,000
Other – Local Grants made by Networks	3,994	27,916
Grants written back in year	(206,919)	-
	<u>(168,886)</u>	<u>1,009,269</u>
Direct costs of grant making process	140,474	121,864
	<u>(28,412)</u>	<u>1,131,133</u>

Research grants

Grants are awarded by Crohn's & Colitis UK Research Committees to fund research projects that have been approved by peer review. Grants may be for equipment, consumables or salaries. Crohn's & Colitis UK does not contribute to the overhead costs of such institutions. Due to the pandemic this year, the allocation of new research grants was paused. During 2020 there were a number of grants that were underutilised amounting to a writeback of £(206,919) (2019 £(50,579))

Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)

11 Grant making expenditure (continued)

	2020	2019
	£	£
Medical research		
University of Cambridge	145,700	-
Royal Liverpool	-	87,164
St Marks Hospital	-	18,150
University College London	-	179,775
Kings College London	-	184,036
	<u>145,700</u>	<u>469,125</u>
Other grants		
Local Networks raised funds for local projects to which grants totalling £3,994 (2019 £27,916) were made.		
	2,020	2019
	£	£
Social & Psychological Research		
University of Sheffield	-	117,942
University of Traditional medicine	(76,661)	76,661
	<u>(76,661)</u>	<u>194,603</u>
IBD Health Service Grants		
Addenbrooke's Hospital Cambridge	-	117,378
Queen Mary's	-	114,993
	<u>-</u>	<u>232,371</u>
Research Partnership grants		
Royal College of Surgeons	(35,000)	35,000
Celiac UK	-	35,000
	<u>(35,000)</u>	<u>70,000</u>

12 Governance direct costs

	2,020	2019
	£	£
Auditor's remuneration – current year	14,225	12,500
Legal and professional expenses	70	6,500
Meetings and trustee expenses	661	12,778
Other governance costs	3,904	-
	<u>18,860</u>	<u>31,778</u>

13 Transactions with Trustees

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

A total of £100 (2019 – £3,760) was reimbursed to or paid on behalf of 2 (2019: 9) Trustees in respect of travelling expenses and other costs incurred in carrying out their responsibilities as Trustees.

14 Operating Leases

At 31 December 2020 the group had commitments under non-cancellable leases as follows:-

	Equipment	Land and Buildings	Equipment	Land and Buildings
	2020	2020	2019	2019
	£	£	£	£
Amounts payable within 1 year	7,592	288,958	7,592	288,958
Amounts payable between 2 and 5 years	1,872	529,755	6,464	818,713
	<u>9,464</u>	<u>818,713</u>	<u>14,056</u>	<u>1,107,671</u>

Total operating lease expenditure recognised in in the SOFA amounted to £277,418 (2019: £289,889)

**Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)**

15 Transfers

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

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
National				
Transfers between national funds:-	-	-	-	
Tangible fixed assets movement in net book value (1)	191,755	(191,755)	-	-
Intangible fixed assets movement in net book value (2)	(457,889)	457,889	-	-
Network funds in excess of 3 year policy (3)	158,433	(158,433)	-	-
Networks from restricted to designated (4)	-	20,015	(20,015)	-
Total funds	<u>(107,701)</u>	<u>127,716</u>	<u>(20,015)</u>	<u>-</u>
	(note 22)	(note 22)	(note 23)	
2019 transfers between national funds	<u>(480,640)</u>	<u>(327,355)</u>	<u>807,995</u>	<u>-</u>

Notes

1. The net movement of tangible fixed asset additions and disposals during the year
2. The net movement of intangible fixed asset additions and disposals during the year
3. Release of network funds relating to those net funds in excess of the 3 year policy
4. The surplus from the Networks activities in the year, in line with their relevant permissions, is reclassified as designated rather than restricted.

16 Intangible fixed assets

All assets held for use by the Charity

Charity

	Software development £	Total £
Cost		
Brought forward 1 January 2020	699,171	699,171
Additions in year	24,038	24,038
Disposals	-	-
Carried forward at 31 December 2020	<u>723,209</u>	<u>723,209</u>
Amortisation		
Brought forward 1 January 2020	121,836	121,836
Charge for the year	143,484	143,484
Disposals	-	-
Carried forward at 31 December 2020	<u>265,320</u>	<u>265,320</u>
Net book value		
At 31st December 2020	<u>457,889</u>	<u>457,889</u>
At 31st December 2019	<u>577,335</u>	<u>577,335</u>
Group*		
Cost		
Brought forward 1 January 2020	699,171	699,171
Additions in year	24,038	24,038
Disposals	-	-
Carried forward at 31 December 2020	<u>723,209</u>	<u>723,209</u>
Amortisation		
Brought forward 1 January 2020	121,836	121,836
Charge for the year	143,484	143,484
Disposals	-	-
Carried forward at 31 December 2020	<u>265,320</u>	<u>265,320</u>
Net book value		
At 31st December 2020	<u>457,889</u>	<u>457,889</u>
At 31st December 2019	<u>577,335</u>	<u>577,335</u>

At 31 December 2020 there were no capital commitments (2019 : £28,233)

Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)

16 Tangible fixed assets (continued)

All assets held for use by the Charity

Charity	Leasehold Improvements	Fixtures and Fittings	Computer Equipment	Total
Cost	£	£	£	£
Brought forward 1 January 2020	461,291	282,412	147,219	890,922
Additions	-	-	-	-
Disposals	-	(192,195)	-	(192,195)
Carried forward at 31 December 2020	<u>461,291</u>	<u>90,217</u>	<u>147,219</u>	<u>698,727</u>
Depreciation				
Brought forward 1 January 2020	75,973	239,429	69,910	385,312
Charge for the year	48,142	22,814	49,073	120,029
Disposals	-	(192,195)	-	(192,195)
Carried forward at 31 December 2020	<u>124,115</u>	<u>70,048</u>	<u>118,983</u>	<u>313,146</u>
Net book value				
At 31st December 2020	<u>337,177</u>	<u>20,169</u>	<u>28,236</u>	<u>385,581</u>
At 31st December 2019	<u>385,318</u>	<u>42,983</u>	<u>77,309</u>	<u>505,610</u>
Group*	Leasehold Improvements	Fixtures and Fittings	Computer Equipment	Total
Cost	£	£	£	£
Brought forward 1 January 2020	461,291	282,412	147,219	890,922
Additions	-	-	-	-
Disposals	-	192,195	-	192,195
Carried forward at 31 December 2020	<u>461,291</u>	<u>90,217</u>	<u>147,219</u>	<u>698,727</u>
Depreciation				
Brought forward 1 January 2020	75,973	239,429	69,910	385,312
Charge for the year	48,142	22,814	49,073	120,029
Disposals	-	(192,195)	-	192,195
Carried forward at 31 December 2020	<u>124,115</u>	<u>70,048</u>	<u>118,983</u>	<u>313,146</u>
Net book value				
At 31st December 2020	<u>337,177</u>	<u>20,169</u>	<u>28,236</u>	<u>385,581</u>
At 31st December 2019	<u>385,318</u>	<u>42,983</u>	<u>77,309</u>	<u>505,610</u>

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

At 31 December 2020 there are capital commitments of £0 (2019 : £0)

**Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)**

17 Investments	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Market value of investments at 1 January 2020	1,088,789	-	1,088,789	-
Acquisitions at cost	500,000	1,000,000	500,000	1,000,000
Disposals/proceeds	(462,098)	-	(462,098)	-
Realised gains/(losses) on investments	(37,893)	-	(37,893)	-
Unrealised gains/(losses) on investments	3,585	88,789	3,585	88,789
Market value of investments at 31 December 2020	<u>1,092,384</u>	<u>1,088,789</u>	<u>1,092,384</u>	<u>1,088,789</u>

In April 2019, the charity invested £1,000,000 in an Investment Fund with COIF, the Market Value at 31.12.19 was £1,088,789. During 2020 on 1 April the charity disposed of £499,990 at a loss of £37,892, and then reinvested £250,000 on 13 August and another £250,000 on 12 November.

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

18 Debtors	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
All amounts fall due within one year				
Balance with trading subsidiary	-	-	44,996	-
Prepayments	372,295	321,864	327,299	321,864
Tax recoverable	125,616	143,734	125,616	143,734
Other debtors	5,263	81,956	13,898	114,947
Accrued income	202,222	337,163	196,573	336,459
	<u>705,396</u>	<u>884,717</u>	<u>708,382</u>	<u>917,004</u>

19 Analysis of cash at bank and in hand	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Current accounts and cash balances	1,092,380	500,903	978,720	430,098
Interest-bearing account balances	850,361	1,192,897	850,361	1,192,897
Local Networks	98,922	296,904	98,922	296,904
	<u>2,041,663</u>	<u>1,990,704</u>	<u>1,928,003</u>	<u>1,919,899</u>

20 Creditors: amounts falling due within one year	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Unpaid balances of research grants	972,974	1,361,103	972,974	1,361,103
Trade creditors	155,144	327,883	44,469	289,365
Social security and other taxes	58,896	71,141	58,896	71,141
Accruals and deferred income	298,525	411,174	298,526	411,175
	<u>1,485,539</u>	<u>2,171,301</u>	<u>1,374,865</u>	<u>2,132,784</u>

Deferred income reconciliation				
	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Balance brought forward	-	-	-	-
Amount recognised in the year	-	-	-	-
Amount deferred in the year	129,747	-	129,747	-
Balance carried forward	<u>129,747</u>	<u>-</u>	<u>129,747</u>	<u>-</u>

Creditors: amounts falling due after one year	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Unpaid balances of research funds	<u>458,796</u>	<u>755,568</u>	<u>458,796</u>	<u>755,568</u>

Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)

22 Unrestricted funds

		2020 Brought forward	Income	Expenditure	Transfers	2020 Carried forward
		£	£	£	£	£
Designated funds:						
Tangible fixed assets	(a)	577,336	-	-	(191,755)	385,581
Intangible fixed assets	(b)	-	-	-	457,889	457,889
Networks retained funds	(c)	361,362	-	-	(158,433)	202,929
Designated total		<u>938,698</u>	<u>-</u>	<u>-</u>	<u>107,701</u>	<u>1,046,399</u>
Other unrestricted funds						
General Reserve Fund held Nationally		996,546	3,794,499	3,413,274	(87,686)	1,290,085
Non charitable trading funds		-	199,341	199,341	-	-
		<u>996,546</u>	<u>3,993,840</u>	<u>3,612,615</u>	<u>(87,686)</u>	<u>1,290,085</u>
Total		<u><u>1,935,244</u></u>	<u><u>3,993,840</u></u>	<u><u>3,612,615</u></u>	<u><u>20,015</u></u>	<u><u>2,336,484</u></u>

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

		2019 Brought forward	Income	Expenditure	Transfers	2019 Carried forward
		£	£	£	£	£
Designated funds						
Fixed Assets	(a)	280,966	-	-	296,370	577,336
Property Fund	(b)	331,645	-	-	(331,645)	-
CRM	(c)	286,027	-	-	(286,027)	-
Networks retained funds	(d)	618,541	159,248	78,729	(337,698)	361,362
Designated total		<u>1,517,179</u>	<u>159,248</u>	<u>78,729</u>	<u>(480,640)</u>	<u>938,698</u>
Other unrestricted funds						
General Reserve Fund held Nationally		1,515,627	5,198,058	5,236,499	(480,640)	996,546
Non charitable trading funds		-	126,981	126,981	-	-
		<u>1,515,627</u>	<u>5,325,039</u>	<u>5,363,480</u>	<u>(480,640)</u>	<u>996,546</u>
Total		<u><u>2,701,161</u></u>	<u><u>5,484,287</u></u>	<u><u>5,442,209</u></u>	<u><u>(807,995)</u></u>	<u><u>1,935,244</u></u>

**Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)**

23 Restricted funds		2020 Brought forward	Income	Expenditure	Transfers *	2020 Carried forward
		£	£	£	£	£
National						
Research	(a)	-	90,152	(98,692)	-	188,844
Young people and families	(b)	1,340	-	1,340	-	-
London Walk – Corporate Income	(c)	159	-	159	-	-
Helplines	(d)	20,635	160,518	180,653	-	500
IBD Nurses **	(e)	31,716	(59,293)	(42,355)	-	14,778
Clinical Connect	(f)	121	-	121	-	-
Patient Information	(g)	13,138	46,750	59,888	-	-
IBD Register	(h)	-	9,320	9,319	-	1
In Their Shoes	(i)	-	26,100	1,236	-	24,864
Richard Driscoll IBD fellowship	(j)	149	-	149	-	-
Spotlight	(k)	-	19,087	19,087	-	-
IBD Boost	(l)	20,905	-	6,831	-	14,074
Not Every Disability is Visible	(m)	20,085	111,218	78,057	-	53,246
Property	-	1	-	-	(1)	-
Wales Project	(n)	29	-	29	-	-
PEP Programme	(o)	11,764	(10,000)	1,764	-	-
Health Service Development	(p)	15,000	-	15,000	-	-
Gut Reaction	(q)	-	52,608	52,608	-	-
It Takes Guts	(r)	-	60,000	59,999	(1)	-
Patient & Public Involvement	(s)	-	10,000	6,500	-	3,500
Run the night fundraising event	(t)	-	2,250	2,250	-	-
National Lottery Helpline grant	(u)	-	60,000	49,999	-	10,001
Garfield Weston IBD Nurses grant	(v)	-	75,000	32,714	-	42,286
Networks	(w)	-	31,106	11,093	(20,013)	-
Total restricted funds		135,042	684,816	447,749	(20,015)	352,094

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

- (a) Research – Medical and Living with IBD research grants funded by individual supporters
- (b) Young people and families – funds received for events and support of younger people and families
- (c) London Walk – corporate funding received in support of the London Walk supporter event
- (d) Helplines – funds received to support the running and staffing of the Charity's helplines
- (e) IBD Nurses – funding to support the achievement of the IBD Standard regarding provision and access to IBD Nurses
- (f) Clinical Connect – funds to support the development of a designated area of the website for Health Care Professionals
- (g) Patient Information – funds received to support the re-printing and distribution of patient literature provided to hospitals
- (h) IBD Register – to help fund a new CEO of the newly incorporated IBD registry
- (i) In Their Shoes – to help everyone understand what sufferers of the disease experience
- (j) Richard Driscoll – IBD Fellowship
- (k) Spotlight – to improve understanding of IBD amongst GPs, and to produce a toolkit and educational materials
- (l) IBD Boost – utilise digital platforms to import Patient Reported Outcomes Measurement data into the IBD Registry
- (m) Not Every Disability is Visible – change accessible toilet signage to help raise awareness
- (n) Wales Project – to develop & implement the Wales Blueprint for IBD Care
- (o) Patient Education Programme – to run patient education programme to empower people affected by Crohns or Colitis to manage disease
- (p) Health Service Development – developing better health services for people living with Crohns and or Ulcerative
- (q) Gut Reaction – the Health Data Research UK Digital Innovation Hub for IBD combining data
- (r) It Takes Guts – campaign to help society understand that IBD is an invisible illness and people should speak out and not suffer in silence
- (s) Patient and public involvement – to develop PPI training modules with aims to increase the positive impact PPI has in research projects
- (t) Run the night – fundraising event
- (u) National Lottery – Helpline grant – To run national helpline for people living with Crohns and Colitis
- (v) Garfield Weston – IBD Nurses grant
- (w) Network activity moved from restricted to designated

** Direct marketing costs for the IBD Nurses appeal was treated as restricted expenditure in 2019 but has been reclassified as unrestricted expenditure in 2020 which is why there is negative restricted expenditure in the year.

**Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)**

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

24 Analysis of Charity net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2020 are represented by:			
Fixed assets	843,470	-	843,470
Investments	1,092,384	-	1,092,384
Current assets	963,195	1,783,864	2,747,059
Current liabilities	(512,565)	(972,974)	(1,485,539)
Long term liabilities	-	(458,796)	(458,796)
Provisions for liabilities	(50,000)	-	(50,000)
	2,336,484	352,094	2,688,578
Fund balances at 31 December 2019 are represented by:			
Fixed assets	1,082,945	-	1,082,945
Investments	1,088,789	-	1,088,789
Current assets	623,708	2,251,713	2,875,421
Current liabilities	(810,198)	(1,361,103)	(2,171,301)
Long term liabilities	-	(755,568)	(755,568)
Provisions for liabilities	(50,000)	-	(50,000)
	1,935,244	135,042	2,070,286

25 Related Party

Apart from the Gift Aid transfer of profits from NACC Merchandise Ltd as detailed in Note 10, the recharged staff costs of £11,218 and the £5,000 charge for administration and merchandise (2019: £5,000) there are no other related party transactions in the year (2019 none).

At the year end the subsidiary owed the charity £44,996 (2019: £32,991).

26 Gifts in kind

Crohn's & Colitis UK received gifts in kind during the year relating to the goods and services to a value of £72,543.

This related to Google grants (US\$86,369 converted at \$1.37/£1 @ 31.12.20) £63,043 and also Corporate work at a value of £9,500.

These amounts have not been included in the financial statements as their value is not considered to be material.

Crohn's and Colitis UK Notes to the Accounts
for the year ended 31 December 2020 (continued)

**27 Consolidated Statement of Financial Activities
for the year ended 31 December 2019**

		Unrestricted funds 2019	Restricted funds 2019	Total funds 2019
		£	£	£
Income from:				
Donations and legacies	2	1,676,881	486,724	2,163,605
Charitable activities	5	664,164	10,048	674,212
Other trading activities	3	2,998,625	355,203	3,353,828
Investments	4	53,538	-	53,538
Other		2,290	-	2,290
Total income		5,395,498	851,975	6,247,473
Expenditure on:				
Raising funds	9	2,012,575	107,369	2,119,944
Charitable activities:				
Grantmaking	11	27,916.00	1,103,217	1,131,133
Supporter Services		747,197	146,089	893,286
Marketing and Communications		794,626	44,650	839,276
Policy, Public Affairs and Campaigns		806,685	153,967	960,652
Networks & Volunteering		407,076	15,227	422,303
Membership costs		646,134	-	646,134
Total expenditure	6	5,442,209	1,570,519	7,012,728
Net income/(expenditure) before investment gains/(losses)		(46,711)	(718,544)	(765,255)
Gains/(losses) on investments	17	88,789	-	88,789
Net income/(expenditure)		42,078	(718,544)	(676,466)
Transfers between funds	30	(807,995)	807,995	-
Net movement in funds		(765,917)	89,451	(676,466)
Reconciliation of funds:				
Total funds brought forward	30	2,701,161	45,591	2,746,752
Total funds carried forward		1,935,244	135,042	2,070,286

Administrative details

Board of Trustees, officers and senior management team

Life President

No holder

Vice Presidents

Rod Mitchell

Elaine Steven

Board of Trustees

Sue Cherrie (Chairman)

Tom Reddy (Hon Treasurer and Vice Chair)

Sarah Denselow (Hon Secretary)

Graham Bell

Joanne Fillingham (from Feb 2020)

Dr Gill Holdsworth (until end 2020)

Lindsay Keir (from Feb 2020)

Ashish Patel (from Feb 2020)

Amanda Quincey

Alice Rath (from Feb 2020)

Caroline Silke (until end 2020)

Justine Woolf

Co-opted Advisers

Dr Barney Hawthorne – Chief Medical Adviser

Isobel Mason – IBD Nursing Adviser

Deborah Hodges – Safeguarding and HR (until end 2020)

Senior Leadership Team

Sarah Sleet, Chief Executive

Andrew Adie, Director of Finance and Corporate Services

Rukshana Kapasi, Director of Health Service Development (until Aug 2020)

Dan McLean, Director of Marketing Communications and Membership

Helen Terry, Director of Research (until Oct 2020)

Claire Walsh, Director of Income Generation

Ruth Wakeman, Director of Information and Support Services

Board Committees

Research Strategy and Funding Committee

Dr Gill Holdsworth (Chair until end 2020)

Dr Lindsay Keir (Chair Elect)

Sarah Denselow

Prof. Ailsa Hart

Dr Barney Hawthorne

Mr Omar Faiz (until Nov 2020)

Dr Karen Kemp

Prof. Christine Norton

Dr Miles Parkes

Prof. David Rampton (until Nov 2020)

Prof. Richard Russell

Kati Simpson

Sarah Sleet (Ex officio)

Helen Terry (Ex officio until Oct 2020)

Finance and Audit Committee

Tom Reddy (Chair)

Sue Cherrie

Angus McLean

Caroline Silke (until end 2020)

Justine Woolf

Andrew Adie (Ex officio)

Kate Metcalfe (Ex officio)

Sarah Sleet (Ex officio)

IT/CRM Project Group

This group stood down in January 2020

Graham Bell (Chair)

Andrew Adie

Productle (external adviser)

Ruth Wakeman (Ex officio from Oct 2020)

Sarah Sleet

People and Organisational Development Committee

Deborah Hodges (Chair until April 2020)
Amanda Quincey (Chair from May 2020)
Graham Bell (from April 2020)
Sue Cherrie
Justine Woolf (from April 2020)
Janice Byrne (Ex officio)
Sarah Sleet (Ex officio)

Governance Committee

This committee stood down in November 2020

Sarah Denselow (Chair)
Sue Cherrie
Deborah Hodges
Tim Mutum
Tom Mytton
Jane Roberts (Ex officio)
Sarah Sleet (Ex officio)

Professional services

Auditors

Price Bailey LLP
3 Floor
24 Old Bond Street
Mayfair
LONDON
W1S 4AP

Bankers

Principal bankers:

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

Other relevant bankers:

CCLA

Senator House
85 Queen Victoria Street
LONDON
EC4V 4ET

Close Brothers Treasury

10 Crown Plaza
London EC2A 4FT

Metro Bank

One Southampton Row
LONDON, WC18 5HA

Solicitors

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

Debenhams Ottaway Solicitors

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

Clydesdale Bank

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

Santander Corporate & Commercial

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

Thank you so much

We are incredibly grateful to each and every one of our supporters for enabling us to reach so many people living with Crohn's, Colitis and other forms of IBD in 2020.

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

Crohn's & Colitis UK
Helios Court
1 Bishops Square
HATFIELD
Herts
AL10 9NE

www.crohnsandcolitis.org.uk

info@crohnsandcolitis.org.uk

Office Direct Line: **01727 830038**

[Helpline Service](#) (including [Crohn's and Colitis Support](#), [Disability Benefits](#) and [Parent to Parent service](#))

0300 222 5700

Monday to Friday: 09:00 – 17:00

or email helpline@crohnsandcolitis.org.uk

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