Witness Name: Katherine Victoria Burt

Statement No: WITN6392001

Exhibits: WITN6392002 - WITN6392267

INFECTED BLOOD INQUIRY

WITN6392037

CHARITY NUMBER : 288260
COMPANY NUMBER : 1763614

THE HAEMOPHILIA SOCIETY

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2000

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THE HAEMOPHILIA SOCIETY
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FOR THE YEAR ENDED 31 DECEMBER 2000

THE HAEMOPHILIA SOCIETY
GENERAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2000

PATRON	HRH Duchess of Kent
PRESIDENT	Lord Morris of Manchester PC
VICE PRESIDENTS	Rt. Hon Frank Field MP Rt. Hon Sir Geoffrey Johnson Smith DL MP Professor G I C Ingram MD FRCP The Reverend Alan Tanner OBE Dr Peter Jones Professor the Lord Winston Baroness Masham of Ilton DL
CHIEF EXECUTIVE	Karin Pappenheim
TRUSTEES	Chris Hodgson (Chairman, elected 20th May 2000) David Evans (Vice Chairman, retired 20th May 2000) Philip Dolan (Vice Chairman, appointed 20th May 2000) Keith Colthorpe (Vice Chairman, appointed 20th May 2000) Simon Taylor (Treasurer) GRO-A (elected 20th May 2000) Nigel Hamilton GRO-A (resigned 30th November 2000) George Levvy (co-opted 12th September 2000) Rona Macdonald (co-opted12th September 2000) Pat McAughey Carolyn McGimpsey (elected 20th May 2000) Alex Susman-Shaw (elected 20th May 2000)
SUB COMMITTEES	
Resources Sub Committee	Simon Taylor (Chair) Chris Hodgson Keith Colthorpe George Levvy Clifford Grinsted (co-opted)
Health Sub Committee	Philip Dolan (Chair) GRO-A Pat McAughey Alex Susman-Shaw Chris Harrington (co-opted) Dr Ian Hann (co-opted) Dr Paula Bolton-Maggs (co-opted)
Information and Communications Sub Committee	Keith Colthorpe (Chair) GRO-A Nigel Hamilton Carolyn McGimpsey Rona Macdonald

THE HAEMOPHILIA SOCIETY
GENERAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2000

SECRETARY	Karin Pappenheim
REGISTERED OFFICE	Chesterfield House 385 Euston Road London NW1 3AU
COMPANY REGISTRATION NUMBER	1763614
CHARITY REGISTRATION NUMBER	288260
BANKERS	The Co-operative Bank Plc Olympic House 6 Olympic Court Montford Street Salford M5 2QP
SOLICITORS	Paisners and Co Bouverie House 154 Fleet Street London EC4 2JD
AUDITORS	Horwath Clark Whitehill 25 New Street Square London EC4A 3LN

THE HAEMOPHILIA SOCIETY
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2000

The Trustees present their report and the audited financial statements for the year ended 31 December 2000.

OBJECTIVES

The Haemophilia Society is a company limited by guarantee, and is governed by its Memorandum and Articles of Association. The mission of the Society is to ensure people with haemophilia and other bleeding disorders and their families receive the best quality treatment, care and support. This is achieved through provision of a range of information, advice and support services by the Society through its National Office and Local Groups; and by seeking to promote best practice in health and social care for people with bleeding disorders.

PRINICPAL ACTIVITIES AND BUSINESS REVIEW

The year 2000 was a particularly significant one for the Society, being the 50th anniversary of the founding of the organisation. This anniversary was marked in a number of ways: publication of a history of the organisation, a reception held by the Society's President Lord Alf Morris, in July at the House of Lords, with a special residential conference being combined with the AGM in Oxford in May. The Society was also fortunate to be chosen to receive the Quentin Blake Award of the Roald Dahl Foundation, which funded a number of parties for children with haemophilia around the country.

New projects and service developments

Throughout the year the Society continued to provide information and advice services via the telephone helpline. This service is provided by the specialist staff team comprising two general information and advice workers, a children and families worker, HIV/HCV worker and hepatitis worker. Over 4,800 inquiries were handled by the team during the year, increasing numbers of these by email which now accounts for more inquiries than post.

The Society's aim is to provide users of this service with up to date, accurate and relevant information on all aspects of living with haemophilia or von Willebrand's disorder. As in previous years, social security benefits, issues for children and families and for people affected by hepatitis were the most asked about topics.

With assistance from Novo Nordisk, the Society began a total redesign of the website in 2000, which will be completed in early 2001. This reflects the fact that the internet is becoming an ever more important means of communicating information to the haemophilia community.

Meeting the needs of people with haemophilia who are affected by hepatitis and HIV continued to be a key focus of the Society's information and advice services. In 2000 particularly the Society undertook special projects to address the needs of younger people affected by these viruses with support from the Department of Health, the Pilgrim Trust, the Elton John Foundation and various other trusts and pharmaceutical companies.

Following the development in 1999 of the Society's new series of information booklets for young people with haemophilia and hepatitis C, a weekend meeting on living with hepatitis was arranged in Sheffield in June 2000 for over 50 parents and young people. Another weekend meeting for young people living with HIV was organised in Blackpool in September. Evaluations of both events were extremely good.

Thanks to a grant from the Department of Health, in the year 2000 the Society launched a project to improve the care and treatment of people with haemophilia who are coinfected with HIV and hepatitis. This will culminate in a day seminar for health professionals to discuss best practice and latest thinking on this complex treatment area. In December 2000 a special planning day involving affected people, as well as health and social care experts, was held to devise the agenda for this seminar.

New projects and service developments (continued)

Another continuing priority for the Society's service provision in 2000 was support for children with haemophilia and their families. With help from BBC Children in Need and sponsorship from various pharmaceutical companies, the Society was able to expand this programme, including two adventure weekends for children in Gloucestershire and a week in Scotland. In 2000 the Society was able to increase the number of children who benefited from such holidays, and make them more accessible for all irrespective of income, family circumstances or physical ability.

Two events in Exeter in October and Belfast in November gave children and families opportunities to meet and update their knowledge of latest approaches in treatment through presentations by leading national experts. These were well attended by between 30 and 40 adults and 20 to 40 children at each event.

During the year, the Society has also continued the pilot patient self management programme "Get the most out of life" begun in 1999 in conjunction with the Long Term Medical Conditions Alliance. Having trained three people with haemophilia as tutors in 1999, those individuals were able to run four successful courses in Oxford, Cardiff, Southampton and Exeter. There were 205 enquiries relating to the "Get the most out of life" course in year 2000.

This project will go on in 2001 with further courses in London and Northampton. We would like to express our thanks to the Northampton Local Group and the Roald Dahl Foundation who generously helped to fund the courses, and to the volunteer tutors, Ian Hayes, Bill Payne and Andrew Jones, who have shown great commitment and skill in leading the courses

Another major service development initiated in 2000 was the appointment of a Scottish development worker. Thanks to successful grant applications to the National Lottery Charities Board in Scotland and the Scottish Executive, it will be possible to recruit this worker in early 2001 and to set up an office base for the Haemophilia Society in Glasgow on a three year project.

Progress continued to be made with the Haemophilia Alliance, the initiative launched in 1999 by the Haemophilia Society, UK haemophilia doctors, nurses, social workers, physiotherapists and scientists. The Alliance aims to advance and promote best practice, innovation and care in treatment of people with haemophilia and von Willebrand's. Its first task has been the development of a national service specification for publication in 2001.

Organisational developments

The year 2000 saw significant organisational developments to improve the effectiveness and efficiency of the Society and the quality of its service provision.

Amongst these were a refit of the London office to upgrade the general environment from a health and safety point of view and to create new desk space for additional staff/volunteers. This will make it possible for more volunteers with haemophilia to be able to work at the Society in future, and to become involved, with appropriate training, in the helpline. The refit also created space for a new information resources centre to be completed in 2001.

Upgrades to the computer systems during the year will mean the Society's staff make more and better use of IT, particularly in information services and fundraising. Work continued to overhaul the membership database and this will be completed in 2001, taking into account the requirements of the Data Protection Act with regard to holding of personal information.

An increased emphasis on staff development in year 2000 meant that more resources were dedicated to training, including courses in project management, communication, time management and database skills.

Organisational developments (continued)
A key objective for the year was to enhance the Society's relationship with its members and local volunteer groups. Two local groups forums were organised at which representatives of groups met each other, as well as trustees and staff of the national Society for information exchange.

With funding from the Baring Foundation, the Society also carried out a major survey of its individual members and groups which was ongoing through most of the year. Carried out by independent consultant Jan Myers, the final report identified a variety of ways in which the Society could improve support for its local volunteer groups and involve more individuals with haemophilia as volunteers. These will be implemented from 2001 onwards.

Trustee Board and governance
The year 2000 saw the first trustee election under the new arrangements put in place when the constitution was revised in 1999. Under these provisions three of the nine elected trustee places were up for election in 2000. The three trustees who were elected were GRO-A Alex Susman Shaw and Carolyn McGimpsey. Dr David Evans retired from the Board at the AGM and GRO-A retired in November 2000. The post of chariman also came up for election in 2000. Chris Hodgson was elected as chairman for a three year term of office.

Developing the work of the trustee board was an ongoing theme in 2000. This included training for the chairman, who attended a number of NCVO courses on governance as well as the ACEVO annual conference and some external consultancy by Sally Griffen, who worked with all the trustees and the chief executive around the Board away day in June.

During the year the trustees also reviewed the use of co-options to enhance the skills of the Board. As a result of the changes to the constitution in 1999 the board can co-opt two suitably qualified/experienced individuals to fill particular skills or other gaps. Trustees agreed in September 2000 that the normal term of office for such co-options should be two years, and co-opted George Levvy and Rona Macdonald for a further term.

Finally, the most significant development during 2000 was the trustees' decision to review the hepatitis campaign which the Society had run for many years. The review was initiated in July 2000 in the light of the failure to achieve one of the main aims of the campaign i.e. financial assistance from Government for people with haemophilia infected with hepatitis C through contaminated blood products. This raised questions about the appropriateness of dedicating further charitable resources to this campaign. It was also recognised that conflict over the aims and focus of the campaign was divisive and damaging for the Society – both within its trustee board and amongst the membership – and that there was a need to achieve a consensus for the way forward.

Trustees were concerned to ensure that any future campaigning activity would be compliant with Charity Commission guidelines. Advice was sought from the Society's solicitors Paisner & Co as well as from external experts on public affairs, the media and the medical field in order to evaluate the campaign to date and the chances of success in the future. A full consultation exercise with the membership of the Society was carried out via a postal questionnaire.

Two extraordinary board meetings were held in September 2000 and January 2001, leading to the decision to change the focus of the campaign to cover all people with haemophilia who had been affected by contaminated blood products, both HIV and hepatitis and to revise the aims. After taking advice from external public affairs experts the trustees agreed to continue the campaign with the following aims:

- a public inquiry into blood borne infections
- a hardship fund which would be a fixed total sum for the benefit of individuals affected by HCV on a case by case basis on evidence of hardship
- recombinant for all

Research
Dr Jennifer Roberts of the London School of Hygiene and Tropical Medicine completed her pilot study of the impact of hepatitis C on people with haemophilia, which recommended a larger scale study of this subject to be undertaken in the future.

The Society also commissioned two new pieces of research from Dr Linda Garvican, one a survey of health authorities' provision for hepatitis C treatment and care, the other a survey of treatment and care provided by haemophilia centres for people affected by HIV and hepatitis C. These will be completed in early 2001.

International work
The Society's international work expanded in 2000 in line with the goal of contributing more support to other countries where haemophilia care is not as well provided as in the UK. This was the first year in which the UK managed the secretariat of the European Haemophilia Consortium, which entailed more overseas work by the chief executive and chairman and more involvement of the staff team in London. The chief executive and chairman represented the UK at the 13th conference of the EHC in Romania in October.

The UK also sent a larger delegation to the conference than to the previous conference (eight delegates) to the 24th WFH Congress in Montreal in July; whilst the chief executive represented the UK at the first WFH Global Forum on product safety and supply in Canada in April. Twinning with the Russian Haemophilia Society continued with a visit by the chairman to Russia in September.

Publications
Publications are a key means of disseminating information both to people with haemophilia and their families and to interested health professional. In 2000 the Society continued to work to update and improve its range of information publications to meet identified needs. To mark the start of the women affected by bleeding disorders project, a new booklet for women and girls with von Willebrand's disorder was researched and written during the year for publication in February 2001.

The Society's quarterly newsletter, the Bulletin was further improved and enhanced. Plans were developed to re-launch the publication in 2001 with a newly appointed freelance editor, Carolyn Townsend. This will require additional resources. However, as the Bulletin is the Society's main means of communication with the haemophilia community and uptake of this publication is greater than that of any other service provided by the Society, the trustees believe the additional expenditure is justified. It is hoped that the re-launched Bulletin will encourage more people to become subscribers and/or join the Society.

Several publications were produced for people affected by hepatitis C. The information newsletter C Issues was distributed quarterly, and fact sheets on financial Issues, liver biopsy and Employment rights were produced. Work carried out to produce a new booklet aimed at older adults (over 30s) with HCV, will be published in February 2001.

Advocacy
Considerable efforts throughout the year were devoted to advocacy work to further the Society's mission of ensuring all receive the best possible treatment and care. A particular focus was the new combination therapy for hepatitis C, Interferon/ribavirin, which was licensed in 1999. The Society supported a number of individuals who were being prevented from starting this therapy by health authorities which refused to fund it – by raising this problem with the Department of Health, with MPs and through the media a successful outcome was generally achieved.

Through joint work with other voluntary groups interested in hepatitis C, via the C Change network and other collaborations, the Society helped to raise the profile of the virus and the requirement for greater NHS resources to be assigned to treating it. The Society made a strong submission to the National Institute for Clinical Excellence (NICE) appraisal of interferon/ribavirin, and subsequently welcomed NICE's judgement that this therapy should be used in the NHS.

Advocacy (continued)
The Society was also very active in highlighting the inequity in provision of recombinant in the UK and in supporting individuals in their battle to secure this treatment. Representations were made to Government and to MPs calling for provision of recombinant to be extended to all people with haemophilia, adults and children alike.

Fundraising achievements of 2000

- In line with the aim set of seeking to enhance funding from regional sources for locally based work, the Society was successful in an application made for funding to the National Lotteries Board (Scotland) for our Scottish Development Project. A three-year grant has been awarded totalling £114,168. This will be used to develop services for people with bleeding disorders and their families in Scotland. Similar applications will be made with a view to funding work in Northern Ireland and Wales.

- The Society has benefited greatly from the continued support of our trust funders and are delighted that the Pilgrim Trust have agreed to fund the HIV Youth Project for a further year. We are continuing to build relationships with existing and new trusts and corporate donors to fund, develop and continue specific projects.

- In response to the changes in tax legislation we have encouraged members to sign Gift Aid declarations to allow the Society to reclaim the tax from donations and subscription payments. Over 200 people have responded so far, which will allow the Society to reclaim over £2000 in tax paid from 2000 alone.

- New publicity and information material launched for the 50th Anniversary of the Society not only greatly increased awareness of the Society's services, but also attracted over 100 new members to the Society.

- Ongoing work has been put into updating the membership and financial systems. In 2001 this will be reflected by more relevant communication with members and donors, and concise accounting of project income.

- The Friends of the Haemophilia Society was launched at the House of Lords reception, with many new donors and supporters signing up. This will be continued in 2001, with the first event for the Friends due to be held in late Spring. The Friends are individuals or organisations who are able to become regular donors to the Society and attract the support of other organisations or individuals.

- *Some of the Haemophilia Society locals groups not only managed to fundraise for work in their area* but also made significant contributions to our work. The South East Scotland group made a donation of £1,000 towards the HCV Weekend in Sheffield; £3,000 from the North West Group was put towards funding the 50th Anniversary AGM in Oxford; and the Hampshire Group donated £1,030.

Appointment and Selection of Trustees
Members of the Trustee Board (other than Co-opted Trustees) shall be elected by postal election of Company members, in the care of: -

(1) the Honorary Chairman, for fixed term of office of three years, and

(2) in the case of the Ordinary Trustees on the basis of one-third of their number (or if their number is not divisible by three, the nearest number to one-third) shall retire at each Annual General Meeting.

FINANCIAL REVIEW

Our 50th anniversary year was satisfactory from a financial point of view, with increases in both core income and expenditure on services. Further details of our fundraising efforts are given below, however it should be pointed out that all charities, particularly small charities such as ourselves, have to operate in an increasingly competitive environment, and we need to respond accordingly. In the light of this, the trustees have decided to invest further in our fundraising capability over the coming year. Overall, the finances of the Society are now stable, and careful management is in place to seek to ensure that they remain sustainable for the medium and longer term.

Income

A significant proportion of our income has traditionally come from government grants and statutory bodies. This is becoming an increasingly unreliable source of funds, and means that we need to diversify our funding base as much as possible. In 2000, we saw a drop in income from grants and trusts, although we anticipate recovering some ground in the area of Trusts in the future. In 1999 we received a number of substantial legacies, which is an unpredictable but very important source of income. Again this is an area we shall be investigating to see if we can increase opportunities. Significant progress was made in building good relationships with pharmaceutical companies in the area of bleeding disorders, financial support from them has risen and we hope this can be maintained. Finally, our own community fundraising efforts have made good progress and we shall be looking to build on this in future years.

Expenditure

The Trustees decided that in our Jubilee year, we would make a significant additional investment in services, capitalising on the solid financial base that we have established in recent years. Consequently we were able to expand our work in all areas of the society's activities, as is described elsewhere in the annual report. We are particularly pleased that we have been able to increase the amount spent on our services, whilst at the same time keeping our management costs as low as possible.

Reserves

Given the relatively significant proportion of our income that derives from a limited number of sources, and the potential risk exposure that this presents to the society, it has been the trustees policy to maintain unrestricted reserves at a level of a minimum of six months operating expenses. In the light of this, it has been possible to invest a further £46,000 from reserves in services during the year. It is the intention of the trustees to make a further significant investment from reserves into services in the year ahead.

Fundraising

Our fundraising strategy continues to be to maintain and increase existing funding, whilst diversifying funding sources as much as possible. It should be noted that haemophilia because of its rarity does not have the mass appeal for fundraising of other more common conditions. Lack of public knowledge about haemophilia is another obstacle. This fact – combined with future insecurity of Government and project funding – makes it prudent to maintain at least six month's running costs in reserves. Our forecasts for the coming years suggest the Society will have to continue to draw on reserves to support the level of activity we hope to undertake.

Adequacy of funds

The Trustees believe there will be adequate funds available to complete all ongoing projects.

Investment Power

The charity has the power to invest monies of the charity not immediately required for its purposes in or upon such investments securities or property of whatsoever nature and wheresoever situate and whether involving liabilities or producing income or not as may be thought fit subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law and subject to provisions in the Memorandum and Articles of Association of the Society.

AUDITORS

A resolution re-appointing Horwath Clark Whitehill as auditors to the charity will be put to the Annual General Meeting.

TRUSTEE RESPONSIBILITIES

Company law requires the Trustees, who are directors for Companies Act 1985 purposes, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statement, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

By Order of the Board of Trustees

GRO-C

23-4-2001.

Chris Hodgson
Chairman

AUDITORS' REPORT
TO THE MEMBERS OF
THE HAEMOPHILIA SOCIETY

We have audited the financial statements on pages 11 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 13 and 14.

Respective Responsibilities of Directors and Auditors
As described on page 9 the directors (who also act as Trustees for the charitable activities of The Haemophilia Society) are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

Basis of Opinion
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

Unqualified Opinion
In our opinion, the financial statements give a true and fair view of the charitable company's state of affairs at 31 December 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year ended and have been properly prepared in accordance with the Companies Act 1985.

GRO-C

Chartered Accountants
and Registered Auditors

23 April 2001.

THE HAEMOPHILIA SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2000

INCOME AND EXPENDITURE

	Notes	Unrestricted Funds	Restricted Funds	Endowed Funds	**Total Funds 2000**	*Total Funds 1999*
Incoming Resources		£	£	£	**£**	*£*
Subscriptions		24,173	-	-	**24,173**	*27,197*
Covenants and Donations		32,995	20	-	**33,015**	*47,377*
Government Grants	2	100,000	37,451	-	**137,451**	*162,839*
Trust Income		84,738	62,486	-	**147,224**	*169,275*
Legacy		20,001	627	-	**20,628**	*61,850*
Corporate Funding		37,937	90,362	-	**128,299**	*88,432*
Annual Draw and Events		45,979	3,025	-	**49,004**	*29,836*
Local Groups	3	71,709	44,369	-	**116,078**	*94,377*
Gain on disposal of caravan/freehold property		1,000	-	-	**1,000**	*53,377*
Other Income		16,840	-	-	**16,840**	*13,977*
Interest receivable		33,010	738	-	**33,748**	*25,281*
Total incoming resources		468,382	239,078	-	**707,460**	*773,818*
Resources expended						
Direct charitable expenditure:						
Core membership and Information services		143,941	27,231	-	**171,172**	*134,784*
Children and family activities		-	71,320	-	**71,320**	*45,777*
HCV activities		15,534	59,526	-	**75,060**	*73,546*
HIV activities		-	53,442	-	**53,442**	*46,233*
Advocacy		39,418	-	-	**39,418**	*17,466*
International activities		30,939	2,000	-	**32,939**	*27,291*
Groups activities		72,719	44,369	-	**117,088**	*84,248*
Support of groups		48,524	-	-	**48,524**	*41,335*
		351,075	257,888	-	**608,963**	*470,680*
Other expenditure:						
Fundraising	4	63,561	738	-	**64,299**	*46,132*
Management and administration	5	80,228	-	-	**80,228**	*84,580*
Total resources expended		494,864	258,626	-	**753,490**	*601,392*
Net (outgoing)/incoming resources		(26,482)	(19,548)	-	**(46,030)**	*172,426*
Unrealised Gain		2,885	-	-	**2,885**	*-*
Net movement in funds		(23,597)	(19,548)	-	**(43,145)**	*172,426*
Fund balance brought forward at 1 January 1999		630,255	51,177	13,500	**694,932**	*522,506*
Fund balance carried forward at 31 December 2000		606,658	31,629	13,500	**651,787**	*694,932*

The Statement of Financial Activities includes all gains and losses recognised in the current and preceding year.

The notes on pages 13 to 18 form part of these financial statements.

THE HAEMOPHILIA SOCIETY
BALANCE SHEET
AS AT 31 DECEMBER 2000

	Notes		2000	1999
		£	£	£
FIXED ASSETS				
Tangible fixed assets	7		**24,863**	*26,391*
Investments	8		**202,885**	*200,000*
			227,748	*226,391*
CURRENT ASSETS				
Debtors	9	**57,223**		*25,527*
Cash at bank and in hand		**421,282**		*487,356*
		478,505		*512,883*
CREDITORS; amounts falling due within one year:	10	**54,466**		*44,342*
NET CURRENT ASSETS			**424,039**	*468,541*
			651,787	*694,932*
FUNDS				
Unrestricted funds	11		**419,428**	*434,943*
Designated funds	11		**100,000**	*100,000*
Local Group funds	12		**87,230**	*95,312*
Restricted funds	13		**31,629**	*51,177*
Endowed funds	14		**13,500**	*13,500*
			651,787	*694,932*

Approved by the Board of Trustees on
and signed on its behalf by

GRO-C

Chris Hodgson Date 23-4-2001.
Chairman

The notes on pages 13 to 18 form part of these financial statements.

1. ACCOUNTING POLICIES

a) Basis of preparation of accounts

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP), Accounting by Charities.

b) Grants

Grant income is recognised in accordance with the terms of the grant and when the conditions of receipt have been complied with.

c) Donations

Donations are credited to income when receivable.

d) Other income

Other income is accounted for on a receivable basis.

e) Resources expended

All expenses are accounted for on an accruals basis. Expenditure incurred in connection with the specific objects of the charity is included under the heading direct charitable expenditure. The apportionment of non directly contributable overheads is calculated by analysing staff time spent between direct charitable activities and those relating to the management and administration of the charity. This ratio has then been applied to the overheads to provide an equitable basis for the analysis of expenditure.

f) Tangible fixed assets and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	2% per annum, straight line
Office Equipment & furniture	25% per annum, written down value
Leasehold Property	over life of lease

g) Pension Costs

Pensions in respect of qualifying employees are provided by individual money purchase schemes. The Society's contributions to these schemes are charged to the Statement of Financial Activities in the year in which they arise.

1. ACCOUNTING POLICIES (continued)

h) Value added tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

i) Group funds

The Society is represented throughout the country by Local Groups. Group funds are incorporated within the Society's financial statements.

2. GOVERNMENT GRANTS RECEIVED

£137,451 was received in respect of Section 64 Charitable Grant for the following:

	2000 **£**	*1999* *£*
Core Grant	**100,000**	*100,000*
HCV Youth project	**-**	*69,340*
HIV/HCV Coinfection Seminar	**20,950**	-
Scottish Executive	**10,000**	-
Deferred government grants	**6,501**	*(6,501)*
	137,451	*162,839*

3. LOCAL GROUP FUNDS

The branches incurred a deficit of £1,010 (1999 surplus: £10,129). From this deficit, an amount of £7,072 (1999: £8,724) was paid as a donation to National Office. The balance of £8,082 (1999: £1,405) represents the movement in the branches bank accounts for the year.

4. FUNDRAISING COSTS

	2000 **£**	*1999* *£*
Fundraising worker's salary and NIC costs	**23,172**	*21,454*
Annual draw	**1,447**	*1,726*
Merchandise	**9,739**	*9,573*
Other fundraising costs (including 50th Anniversary expenses)	**29,941**	*13,379*
	64,299	*46,132*

5. *MANAGEMENT AND ADMINISTRATION EXPENDITURE*

	2000 **£**	*1999* *£*
Office overheads	**26,158**	*34,360*
Charity administration	**14,060**	*17,236*
Professional and legal fees	**12,970**	*11,361*
Salary core costs	**27,040**	*21,623*
	80,228	*84,580*

Auditors remuneration during the year was £4,054 (1999 : £3,936). Fees for other services were incurred, totalling £nil (1999: £1,204).

6. STAFF COSTS

The number of full time equivalent staff employed by the Society during the year was:

	2000 **No.**	*1999* *No.*
Direct charitable expenditure	**9**	*8*
Fundraising	**1**	*1*
Management and administration	**1**	*1*
	11	*10*

The aggregate staff costs were:	**2000** **£**	*1999* *£*
Wages and Salaries	**230,105**	*195,315*
Social Security	**21,495**	*19,904*
Employers pension contribution	**10,336**	*6,893*
	261,936	*222,112*

During the year, ten trustees (1999: fourteen) received £13,244 (1999: £11,053) as reimbursement of travel expenses incurred.

No employee received emoluments greater than £40,000 during the current and preceding years.

7. TANGIBLE FIXED ASSETS

	Land And Building £	Computer and Office equipment £	Caravans £	Total £
Cost				
At 1 January 2000	8,790	91,135	37,947	137,872
Additions	-	4,229	-	4,229
Disposals	-	-	(12,469)	(12,469)
At 31 December 2000	8,790	95,364	25,478	129,632
Depreciation				
At 1 January 2000	665	72,869	37,947	111,481
Charge for year	133	5,624	-	5,757
On disposals	-	-	(12,469)	(12,469)
At 31 December 2000	798	78,493	25,478	104,769
Net book value				
31 December 2000	**7,992**	**16,871**	**-**	**24,863**
31 December 1999	8,125	18,266	-	26,391

The net book value of land and buildings comprises:-	**2000** £	*1999* £
Long Leasehold property (Hemsby Chalet)	**7,992**	*8,125*

8. INVESTMENTS

Cash invested with COIF	**202,885**	*200,000*

9. DEBTORS

Prepayments	**12,431**	*9,521*
Other debtors	**44,792**	*16,006*
	57,223	*25,527*

10. CREDITORS: amounts falling due within one year

Membership fees received in advance	**648**	*330*
Trade creditors	**33,695**	*3,976*
Accruals	**7,778**	*7,504*
Deferred Government grants	-	*6,501*
Deferred trust income	-	*10,000*
Deferred corporate funding	-	*6,000*
Other creditors	**4,547**	*4,503*
Other taxes and social security costs	**7,798**	*5,528*
	54,466	*44,342*

THE HAEMOPHILIA SOCIETY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2000

11. UNRESTRICTED FUNDS

	Balance 1 January 2000 £	Incoming Resources £	Outgoing Resources £	Unrealised Gains £	Transfer Between Funds £	Balance 31 December 2000 £
Designated Funds						
Dilapidation Fund	50,000	-	(21,668)	-	21,668	50,000
Research Fund	50,000	-	-	-	-	50,000
Local Groups	95,312	71,709	(72,719)	-	(7,072)	87,230
	195,312	71,709	(94,387)	-	14,596	187,230
General Funds	434,943	396,673	(400,477)	2,885	(14,596)	419,428
	630,255	468,382	(494,864)	2,885	-	606,658

The dilapidation fund is intended for dilapidation charges and necessary refurbishment of office accommodation.

The research fund is to be used to contribute to the advancement of scientific research in the field of Haemophilia.

12. LOCAL GROUP FUNDS

Local group funds represents monies held by the society's local and special interest groups.

13. RESTRICTED FUNDS

	Balance 1 January 2000 £	Incoming Resources £	Outgoing Resources £	Balance 31 December 2000 £
Core membership and Information Services	2,500	16,625	(19,125)	-
Children and family activities	-	72,901	(69,030)	3,871
HCV activities	14,756	44,770	(59,526)	-
HIV activities	15,000	40,950	(41,570)	14,380
International activities	-	2,000	(2,000)	-
Local groups	-	44,369	(44,369)	-
Scottish Development Project	-	16,050	(8,106)	7,944
Research	-	675	-	675
Other restricted funds	18,921	-	(14,162)	4,759
Philip Morris Award	-	410	(410)	-
Howard Abraham	-	328	(328)	-
	51,177	239,078	(258,626)	31,629

14. ENDOWED FUNDS

Philip Morris Art Award Fund

This award is open to students with Haemophilia or related bleeding disorders studying the arts. Preference will be given to a student studying music as a reflection of Philip's love of music developed in later life. The sum available in any one year will be the interest earned on the initial investment of £7,500.

Howard Abraham's Memorial Award Fund

This is a bursary awarded to an individual with Haemophilia or related blood disorders in pursuit of one of the professions, or studying which is in relation to the professions. This award has been made possible by the Abraham's family in memory of their son. The sum available in any one year will be interest earned on the initial investment of £6,000.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Net Current Assets	Total
Endowed funds	-	13,500	13,500
Restricted funds	-	31,629	31,629
Unrestricted funds	227,748	191,680	419,428
Designated funds	-	100,000	100,000
Local group funds	-	87,230	87,230
	227,748	424,039	651,787

16. LIMITED BY GUARANTEE

The charity has no share capital and is limited by guarantee. The liability of each of the twelve members is a maximum of £1.

17. OPERATING LEASE COMMITMENTS

At 31 December 2000, The Haemophilia Society had annual commitments under non-cancellable operating leases as follows:

	Land and Building £	Other £	Total 2000 £	*Total 1999 £*
In two years	23,030	-	**23,030**	*-*
Two to five years	-	3,786	**3,786**	*26,816*
	23,030	3,786	**26,816**	*26,816*