

Witness Name: Katherine Victoria Burt

Statement No: WITN6392001

Exhibits: WITN6392002 - WITN6392267

**INFECTED BLOOD INQUIRY**

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**WITN6392041**

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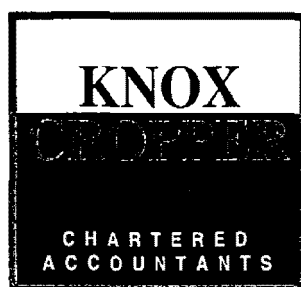
# **THE HAEMOPHILIA SOCIETY**

**(A COMPANY LIMITED BY GUARANTEE)**

**CHARITY NUMBER : 288260**

**COMPANY NUMBER : 1763614**

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**



16 New Bridge Street London EC4V 6AX



**THE HAEMOPHILIA SOCIETY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

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**THE HAEMOPHILIA SOCIETY****GENERAL INFORMATION****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

<b>PATRON</b>	HRH Duchess of Kent
<b>PRESIDENT</b>	The Rt. Hon. The Lord Morris of Manchester PC AO QSO
<b>VICE PRESIDENTS</b>	Rt. Hon Frank Field MP Dr Peter Jones Baroness Masham of Ilton DL The Reverend Alan Tanner OBE Professor the Lord Winston
<b>CHIEF EXECUTIVE</b>	Karin Pappenheim (to 16 April 2004) Graham Whitehead (from 26 July 2004)
<b>TRUSTEES</b>	Roddy Morrison (Chairman)  Philip Dolan (appointed 26 June 2004) Nigel Hamilton (retired 26 June 2004) Ian Hayes Ann Hithersay Rona Macdonald Bill Payne (appointed Vice Chairman 26 June 2004) Ken Peacock (retired 26 June 2004) Liz Rizzutto (appointed 26 June 2004) <div>GRO-A</div> Alex Susman-Shaw Steve Wratten (appointed treasurer 26 June 2004)
<b>SUB COMMITTEES</b>	
<i>Resources Sub Committee</i>	Steve Wratten (Chair) Ann Hithersay Roddy Morrison
<i>Health Sub Committee</i>	Bill Payne (Chair) Dr Brian Colvin (co-opted) Dr Has Dasani/Dr Peter Collins (co-opted) Dr Paul Giangrande (co-opted) Dr Ian Hann (co-opted) Chris Harrington (co-opted) Bill Payne <div>GRO-A</div> Steve Wratten
<i>Information/Communications</i>	Rona Macdonald (Chair) The sub committee meets on an ad hoc basis

**THE HAEMOPHILIA SOCIETY**

**GENERAL INFORMATION (Continued)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

**MEDICAL ADVISORY PANEL**

**Haemophilia:**

- Dr Peter Collins, MRCP MD MRCPPath, Consultant Haematologist, Cardiff
- Dr Brian Colvin, MRCP FRCPPath, Senior Lecturer in Haematology, The London Hospital
- Dr Paul Giangrande, BSc MD FRCP FRCPPath FRCPCH, Consultant Haematologist, Oxford
- Prof. Christine Lee, MA MD FRCP DRc (Med) FRCPPath, Consultant Haematologist/Haemophilia Centre Director, Royal Free Hospital NHS Trust
- Dr Mike Makris, MA MBBS MD MRCP MRCPPath, Consultant Haematologist, Sheffield
- Dr Isabel Walker, MD FRCP FRCPPath, Consultant Haematologist & co-director of Haemophilia Department, Glasgow Royal Infirmary
- Dr Mark Winter, FRCP FRCPPath, Haemophilia Centre Director, Kent and Canterbury Hospital

**Nursing:**

- Kate Khair, MSc, SRN RSCN, Clinical Nurse Specialist for Haemophilia, Great Ormond Street

**Orthopaedics:**

- Christopher Dodd, FRCS, Consultant Orthopaedic Surgeon, Nuffield Orthopaedic Centre
- Professor Learmonth, MBChB, FRCS (ED) FRCS (ENG) FRCS (SA) Orth, Head of Department of Orthopaedics, Bristol

**Hepatology:**

- Dr G Alexander, Consultant Hepatologist (Addenbrooke's Hospital, Cambridge)
- Prof G Foster, PhD FRCP (Royal London Hospital)

**Physiotherapy:**

- Brenda Buzzard, SRP MSc Post Grad Dip MCSP, Superintendent Physiotherapist, Newcastle Royal Infirmary

**THE HAEMOPHILIA SOCIETY****GENERAL INFORMATION (Continued)****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

<b>SECRETARY</b>	Steve Wratten
<b>REGISTERED OFFICE</b>	Chesterfield House 385 Euston Road London NW1 3AU  From January 2005  Petersham House 57a Hatton Garden London EC1N 8JG
<b>COMPANY REGISTRATION NUMBER</b>	1763614
<b>CHARITY REGISTRATION NUMBER</b>	288260
<b>BANKERS</b>	The Co-operative Bank Plc Olympic House 6 Olympic Court Montford Street Salford M5 2QP
<b>SOLICITORS</b>	Farrer and Co 66 Lincoln's Inn Fields London WC2A 3LH
<b>AUDITORS</b>	Knox Cropper 16 New Bridge Street London EC4V 6AX

**THE HAEMOPHILIA SOCIETY****TRUSTEES REPORT****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

The Trustees present their report and financial statements of the charity for the year ending 31 December 2004. The financial statements have been prepared in accordance with the accounting policies set out on pages 11 and 12 and comply with the charity's trust deed and applicable law.

**CONSTITUTION AND OBJECTIVES**

The Haemophilia Society is constituted as a company limited by guarantee, number 1763614, under Memorandum and Articles of Association dated 21 October 1983, and registered as a charity on 30 November 1983, charity number 288260.

The charity works to support people with haemophilia and related disorders to achieve their potential by providing information and advice and representing the interests of families with haemophilia as well as advancing knowledge and awareness of haemophilia.

The mission as currently defined by the Trustees is to ensure that people with haemophilia and related disorders and their families receive the best possible treatment, care and support. This is achieved through the provision of information, advice, support and advocacy services by the Society and through seeking to promote best practice in health and social care for people with bleeding disorders.

**ORGANISATION AND DECISION MAKING STRUCTURE**

The Society is governed by a board of 12 Trustees, ten of whom are directly elected by the members, and two of whom are co-opted by the board itself to meet particular skills requirements. The board appoints from within its members a treasurer and up to two vice chairmen. The chairman is elected for a three-year term of office; all other elected Trustees retire by rotation with a third either retiring or standing for re-election each year. After six years continuous service Trustees are required to retire. Those Trustees who have served during the year are listed on page 1.

Two trustees retired during 2004, Ken Peacock and Nigel Hamilton. Two new trustees were elected, Liz Rizzutto and Philip Dolan.

Trustees meet up to six times a year as a board, in addition to which there are three sub committees of the board to consider resources and health and information/communications. Sub committees meet between board meetings and report back.

The Society has also formed a Medical Advisory Panel, whose members are listed on page 2, to advise Trustees and staff on important medical issues.

Day to day management of the Society is delegated to the Chief Executive who manages the staff team, reporting regularly to Trustees.

The Society is a membership organisation with currently over 5000 contacts registered on its database. In certain localities members are organised into local branches of the Society. There are currently 16 local groups (branches) of the Society. Groups are kept in regular contact with Trustees and staff of the national charity by means of yearly meetings and frequent information mailings.

**THE HAEMOPHILIA SOCIETY****TRUSTEES REPORT (Continued)****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004****PRINCIPAL ACTIVITIES AND BUSINESS REVIEW****FINANCIAL REVIEW**

The Society was almost able to attain its budgeted income targets in 2004, reflecting an improved position compared with 2003. The savings measures introduced in 2003, together with the improvements in fundraising and closer control of expenditure in 2004 have enabled the Society to produce a small planned deficit.

A three year programme of developments, including some additional staff roles, has been initiated with the involvement of staff and trustees. This followed a strategy consultation with members and supporters. The three year programme will utilise some reserves on a planned basis within reserves policy limits.

By the end of 2004 the Society had moved to lower cost premises, engaged staff and trustees in detailed business planning processes for 2005 and set measurable targets for 2005-2007.

**Reserves**

The trustees have been able to maintain the policy of holding at least six months running costs as free reserves. Over the next three years it is planned to utilise some reserves to support new areas of development.

The level of free reserves available at the end of 2004 was £411,079.

**Risk analysis**

The Trustees continued to review the major risks facing the charity in 2004 and are satisfied that sufficient controls are in place to mitigate those risks. This analysis will be kept under review by the board in the coming year.

**Statement of risk**

The Trustees are aware that the SORP requires that trustees should include a statement of risk assessment in the statutory report and accounts. The organisation has developed a risks assessment framework with advice from NCVO and our auditors.

The Trustees have put in place measures to monitor, review and manage risks identified on a continuous basis.

**Adequacy of funds**

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

**Investment policy**

Under the Memorandum and Articles of Association the Trustees may invest surplus funds in any investment they consider appropriate.

To this end the Trustees have invested funds in COIF Investment Funds as they consider the flexibility and returns of this investment suitable for the charity. Given that those funds were not immediately needed to finance service provision, trustees took the decision four years ago to establish this long term investment fund of £200,000 with COIF. The COIF investments have begun to recover in value despite being in overall deficit, and in 2004 there was an unrealised gain of £7,986 (£10,735 – 2003).



## THE HAEMOPHILIA SOCIETY

### TRUSTEES REPORT (Continued)

#### FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004

#### **NEW PROJECTS AND SERVICE DEVELOPMENTS**

In 2004 the Society set some broad-based objectives, with the following achievements:

- **Information and advice:** to continue to provide a quality information and advice service via our helpline and website
  - We received 3356 calls in 2004 (4850 in 2003), a large proportion of which were related to the hepatitis C ex gratia payment scheme. We also introduced our updated website, including a lively discussion forum for debate on issues of importance to members. New fact sheets in 2004 included inhibitors and vCJD.
- **Women with bleeding disorders:** to increase awareness amongst relevant health professionals of bleeding disorders affecting women
  - First ever conference about women's bleeding disorders for haematologists, haemophilia nurses, gynaecologists, obstetricians, midwives, health visitors and GPs was held in 2004. It was well attended and has encouraged the development of a range of new initiatives, including the foundation of a women's board.

- **Campaigning and advocacy:**

To ensure recombinant is available to all throughout the UK regardless of age or viral status and if necessary campaign to increase funding allocation to this by Government.

- In 2004 we were successful in restoring £4million of funding to the "recombinant for all" budget and we were involved in the continued roll-out of recombinant for all programme as a member of the working party.

To achieve the best possible settlement of proposed ex gratia payment scheme for hepatitis following the key principles agreed by the Society's trustees

- Continued pressure upon the Government resulted in an ex gratia payment scheme being launched in July 2004, although disappointingly widows and dependants were excluded.

In addition the Society was involved in providing detailed information to members about the risks associated with vCJD.

- **Research:** to fund medical and psycho-social research studies which will provide insights into improving treatment and care for children and families at all stages of life.
  - Three major research awards were made in this area in 2004:
    - Professor Julie Barlow: The chronic disease self-management course
    - Dr Mike Makris: Endogenous thrombin potential determination in patients with bleeding disorders
    - Dr Simon Waddington: Elucidating the cellular mechanisms of immune tolerance after prenatal and neonatal gene therapy for factor IX haemophilia
- **Young People:** to reach out to more young people
  - Four issues of HQtoo! were produced and three adventure weekends undertaken. More young people than ever before contributed to the work towards the new look Parent Free Zone of the website.

**THE HAEMOPHILIA SOCIETY****TRUSTEES REPORT (Continued)****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004****ORGANISATIONAL DEVELOPMENTS**

The focus on reducing costs and seeking means to make the organisation as efficient as possible continued in 2004.

One of the reasons for current financial constraints in 2003 and 2004 is the increase in rent costs for the national office. It is expected that these costs will be substantially reduced in 2005 when the charity will be able to move to new premises at the end of the existing lease. Finding suitable office accommodation for this move was a major concern in 2004.

**Fundraising/finance**

The Society continued an active fundraising and marketing programme in 2004 aimed at sustaining, increasing and diversifying the income of the charity. With financial pressures on the charity, and the present difficult fundraising environment, this is a priority.

**Planning and strategy**

The organisation was much involved in strategy planning to develop long-term plans for the next 3 – 5 years. These were launched in 2004.

**IT/WEBSITE**

The website and email have grown in importance as a means of disseminating information, the priority for 2004 was a redesign of the website to make it more inter-active with new features such as discussion forums and online subscription.

**AUDITORS**

A resolution to appoint Knox Cropper as the Society's auditors was adopted at the Society's AGM in July 2004.

**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 statements, 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.

GRO-C

By Order of the Board of Trustees  
Roddy Morrison, Chairman

GRO-C

13/7/05

**INDEPENDENT AUDITORS' REPORT TO THE**  
**MEMBERS OF**  
**THE HAEMOPHILIA SOCIETY**

We have audited the financial statements of The Haemophilia Society for the year ended 31<sup>st</sup> December 2004 set out on pages 9 to 18. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and the accounting policies set out on page 11 and 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND AUDITORS**

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the financial statements, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 trustees' in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity'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 information in the financial statements.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31<sup>st</sup> December 2004 and of its incoming resources and outgoing resources, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

16 New Bridge Street  
 London EC4V 6AX

**GRO-C**  
 Knox Cropper  
 Chartered Accountants  
 Registered Auditors

13<sup>th</sup> July 2005

**THE HAEMOPHILIA SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

	Notes	Un-restricted funds £	Restricted funds £	Endowed funds £	Total funds 2004 £	Total funds 2003 £
<b>INCOMING RESOURCES</b>						
<b>Voluntary income</b>						
Subscriptions		29,563	-	-	29,563	22,448
Regular giving & donations		56,773	5,595	-	62,368	47,003
Legacies		14,920	-	-	14,920	49,715
Trust Income		30,745	73,161	-	103,906	97,429
Government Grants	2	100,000	10,000	-	110,000	115,000
Special Appeals	3	-	44,866	-	44,866	52,120
Community fund		-	-	-	-	41,685
Corporate funding		132,046	2,520	-	134,566	147,177
<b>Activities for generating funds</b>						
Annual draw & events		54,007	972	-	54,979	64,114
Local groups	4	47,627	2,420	-	50,047	73,462
<b>Other income</b>	5	13,416	-	-	13,416	30,949
<b>Interest Receivable/Return on Investments</b>		22,855	-	-	22,855	22,130
<b>Gain on sale of assets</b>		-	-	-	-	-
<b>TOTAL INCOMING RESOURCES</b>		501,952	139,534	-	641,486	763,232
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>						
<b>Fundraising</b>						
Annual draw & events		9,715	-	-	9,715	9,816
Fundraising costs		119,600	-	-	119,600	95,764
	6	129,315	-	-	129,315	105,580
<b>Charitable expenditure</b>						
Research Grants		1,639	30,232	-	31,871	34,657
<b>Costs of activities in furtherance of charity's objects :</b>						
Core membership & Information services		204,335	80,160	-	284,495	263,733
Children & Family Activities		27,571	10,358	-	37,929	47,131
HCV Activities		4,472	16,635	-	21,107	51,637
HIV Activities		2,905	17,352	-	20,257	65,339
Advocacy		-	-	-	-	12,762
International activities		11,790	4,678	-	16,468	21,381
Group activities		40,063	-	-	40,063	40,196
Support of Groups		29,810	-	-	29,810	27,333
Support costs	7	42,593	-	-	42,593	37,209
Management & Administration	8	4,648	-	-	4,648	10,302
		369,826	159,415	-	529,241	611,680
<b>TOTAL RESOURCES EXPENDED</b>		499,141	159,415	-	658,556	717,260
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		2,811	(19,881)	-	(17,070)	45,972
Unrealised gains on investments		7,986	-	-	7,986	10,735
<b>Net movement in Funds</b>		10,797	(19,881)	-	(9,084)	56,707
Fund balance brought forward at 1st January 2004		484,353	108,208	19,344	611,905	555,198
Fund balance carried forward at 31st December 2004		£495,150	£88,327	£19,344	£ 602,821	£ 611,905

**THE HAEMOPHILIA SOCIETY****BALANCE SHEET****AS AT 31<sup>ST</sup> DECEMBER 2004**

	Notes	2004		2003	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets at net book value	10		12,630		23,846
Investments	11		<u>170,619</u>		<u>162,633</u>
			183,249		186,479
<b>CURRENT ASSETS</b>					
Debtors	12	32,536		59,456	
Cash at Bank and in hand		<u>523,883</u>		<u>437,416</u>	
		556,419		496,872	
<b>CREDITORS:</b> Amounts falling due within one year					
Creditors	13	<u>(136,847)</u>		<u>(71,446)</u>	
<b>NET CURRENT ASSETS</b>					
			<u>419,572</u>		<u>425,426</u>
			<u>£602,821</u>		<u>£611,905</u>
<b>FUNDS</b>					
Unrestricted funds	14		311,079		289,243
Designated funds	14		100,000		113,722
Local Group funds	14		84,071		81,388
Restricted funds	15		88,327		108,208
Endowed funds	16		<u>19,344</u>		<u>19,344</u>
			<u>£602,821</u>		<u>£611,905</u>

Approved by the Board of Trustees on 13/7/05 and signed on its behalf by :

GRO-C

Roddy Morrison, Chairman

The notes on pages 11-18 form part of these accounts.

**THE HAEMOPHILIA SOCIETY**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

**1. ACCOUNTING POLICIES**

**a) Basis of Preparation of Accounts**

The accounts are prepared under the historical cost convention with the exception of investments which are disclosed at market value and in accordance with the applicable accounting standards and the Statement of Recommended Practice, Accounting and Reporting 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. When donors specify that grants given to the charity must be used in future accounting periods, the income is deferred until those periods.

**c) Donations, legacies and similar incoming resources**

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

**d) 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 charitable expenditure together with an apportionment of the general overheads of the charity. The apportionment has been established by analysing staff time spent between charitable activities and those relating to the support of the charity.

**e) Cost of Generating Funds**

The cost of generating funds are accounted for on an accruals basis. These costs are split between those direct costs to the annual draw and events and the salary and other costs of the fundraiser.

**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 basis :

Freehold Buildings	2% per annum, straight line
Office Equipment and Furniture	25% per annum, straight line
Leasehold Property	Over life of lease

Office Equipment and Furniture was previously depreciated at 25% per annum on a reducing balance basis.

**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 income and expenditure account in the year in which they arise.

**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.

**THE HAEMOPHILIA SOCIETY**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

**1. ACCOUNTING POLICIES (Continued)**

i) **Group Funds**

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

j) **Management and Administrative Expenditure**

Management and administration comprises the costs of maintaining the organisation's status as a charitable company. These include Trustees expenses, audit fees and costs attributable to compliance with constitutional and statutory requirements.

k) **Support Costs**

Support costs are costs incurred in the general running the charity. These include an apportionment of rent, salaries and office overheads.

l) **Investment gains and losses**

The investment gains and losses represent the difference between the opening market value and closing market value or proceeds of sale, and are recognised in the financial statements in the period to which they relate.

m) **Operating Leases**

Rentals payable under operating leases are taken to the Statement of Financial Activities in the period in which they arise.

**2. GOVERNMENT GRANTS RECEIVED**

£100,000 was received under section 64 Charitable grants from The Department of Health as core grant.

	<b>2004</b>	<b>2003</b>
	£	£
Core Grant	100,000	100,000
HEP Project	-	5,000
Scottish Executive	10,000	10,000
	<u>£110,000</u>	<u>£115,000</u>

**THE HAEMOPHILIA SOCIETY**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

**3. SPECIAL APPEALS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
GMTV	-	5,000
BBC	-	2,761
Jeans for Genes	44,866	44,359
	<u>£44,866</u>	<u>£52,120</u>

**4. LOCAL GROUP FUNDS**

Net Income of the Branches amounted to £9,984, excluding transfers to the Haemophilia Society (£33,266 in 2003). Local group transfers (donations) to the society totalled £7,922 (£22,780 in 2003) and were allocated to the Society for the following purposes:

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Volunteer Telephone Support Network	-	-
HCV Activities	-	-
Children & Family Activities	1,020	3,193
Russian Newsletter	-	-
HIV Activities	-	-
Core Membership and Information Services		
Women & Bleeding Disorders	1,200	750
Research	200	1,250
Unrestricted	5,502	17,287
	<u>£7,922</u>	<u>£22,780</u>

**5. OTHER INCOME**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Gift Aid	12,618	23,306
Other Income	798	7,643
	<u>£13,416</u>	<u>£30,949</u>

Gift Aid in 2003 included reclaims of £7,601, relating to 2002 but received in 2003, hence the relatively higher figure in 2003.

**6. FUNDRAISING COSTS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Fundraising Salary Costs (inc Pension & NIC)	55,142	54,898
Merchandise	8,805	9,172
Annual Draw	910	644
Other Fundraising costs	64,458	40,866
	<u>£129,315</u>	<u>£105,580</u>



**THE HAEMOPHILIA SOCIETY****NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004****7. SUPPORT COSTS**

	<b>2004</b>	<b>2003</b>
	£	£
Office Overheads	5,043	4,406
Charity Administration	15,443	13,491
Salary Core Costs	22,107	19,312
	<u>£42,593</u>	<u>£37,209</u>

**8. MANAGEMENT & ADMINISTRATION**

	<b>2004</b>	<b>2003</b>
	£	£
Audit Fee	3,995	3,760
Accountancy	203	4,925
Professional Legal Fees	450	1,617
	<u>£ 4,648</u>	<u>£10,302</u>

**9. STAFF COSTS**

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

	<b>2004</b>	<b>2003</b>
	No.	No.
Direct Charitable Expenditure	6	8
Fundraising	2	2
Management and Administration	1	1
	<u>9</u>	<u>11</u>

The aggregate staff costs were:

	£	£
Wages and Salaries	227,282	271,696
Social Security	23,344	26,288
Employers Pension Contribution	9,224	14,026
	<u>£259,850</u>	<u>£312,010</u>

During the year, 12 trustees (2003 : 13) received £1,985 (2003 : £6,230) reimbursements for travel expenses incurred.

No employees received emoluments greater than £50,000 during 2004.

**THE HAEMOPHILIA SOCIETY**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

**10. TANGIBLE FIXED ASSETS**

	<b>Land &amp; Buildings</b>	<b>Computers Other Office Equipment</b>	<b>Total</b>
	£	£	£
Cost as at 1st January 2004	-	120,807	120,807
Additions	-	6,018	6,018
Disposals	-	(3,402)	(3,402)
<b>At 31st December 2004</b>	<b>£ -</b>	<b>£123,423</b>	<b>£123,423</b>
<b>Accumulated Depreciation</b>			
At 1st January 2004	-	96,961	96,961
Charge for the Year	-	16,640	16,640
Eliminated on disposals	-	(2,808)	(2,808)
<b>At 31st December 2004</b>	<b>£ -</b>	<b>£110,793</b>	<b>£110,793</b>
<b>Net Book Values</b>			
<b>At 31st December 2004</b>	<b>£ -</b>	<b>12,630</b>	<b>12,630</b>
<b>At 31st December 2003</b>	<b>£ -</b>	<b>£23,846</b>	<b>£23,846</b>

The change in accounting policy set out in note 1 (f) has resulted in an increase in depreciation for the year of £9,612

**11. INVESTMENTS**

	<b>2004</b>	<b>2003</b>
	£	£
<b>COIF Investments</b>		
At 31st January 2004	162,633	151,898
Unrealised gain on Investments	7,986	10,735
Carried Forward at 31st December 2004	<u>£170,619</u>	<u>£162,633</u>

**12. DEBTORS**

Debtors	11,243	24,054
Prepayments	11,096	19,762
Accrued Income	10,062	15,341
Pensions	135	299
	<u>£32,536</u>	<u>£59,456</u>

**13. CREDITORS**

Trade Creditors	16,835	6,406
Other Creditors	23,000	-
Deferred Income (including membership fees in advance)	71,112	43,862
Accruals	17,292	13,831
Other Tax & Social Security	8,608	7,347
	<u>£136,847</u>	<u>£71,446</u>

# **THE HAEMOPHILIA SOCIETY**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004**

### **14. UNRESTRICTED FUNDS**

	Balance 01.01.04	Incoming	(Outgoing)	Gains/ Losses	Transfer Between Funds	Balance 31.12.04
	£	£	£	£	£	£
<b>Designated Funds:</b>						
Dilapidation Fund	50,000	-	-	-	-	50,000
Research Fund	50,000	-	-	-	-	50,000
Change Fund	13,722	25,000	(30,607))	-	(8,115)	-
	113,722	25,000	(30,607)	-	(8,115)	100,000
Local Groups	81,388	50,048	(45,484)	-	(1,881)	84,071
General Funds	289,243	434,826	(430,972)	7,986	9,996	311,079
	<u>£484,353</u>	<u>£509,874</u>	<u>£(507,063)</u>	<u>£7,986</u>	<u>£-</u>	<u>£495,150</u>

The **Dilapidation Fund** is intended for dilapidation charges and necessary refurbishment of new office accommodation. The **Designated Research Fund** is to be used to contribute to the advancement of scientific research in the field of Haemophilia.

The **Change Fund** was designated for modernisation of the charity and used to cover finance, IT, new telephone systems and redundancy costs due to restructure. £25k was designated by the Trustees for 2004. It was agreed by the Trustees to transfer any funds remaining in the Change Fund at the year end to the General Fund, reducing its balance to zero.

### **15. RESTRICTED FUNDS**

	Balance 01.01.04	Incoming	(Outgoing)	Transfer Between Funds	Balance 31.12.04
	£	£	£	£	£
HIV	-	17,352	(17,352)	-	-
HCV	-	16,635	(16,635)	-	-
Research	51,648	12,164	(30,232)	-	33,580
Scottish Development Project	38,581	10,302	(30,155)	-	18,728
Twinning Project	5,233	10	-	-	5,243
Women and Bleeding Disorders	1,454	11,750	(8,633)	-	4,571
Children & Families	9,232	26,530	(10,358)	-	25,404
Core Membership and Info Services	-	39,176	(39,176)	-	-
Awards	1,776	420	(2,196)	-	-
Indian Child Appeal	284	5,195	(4,678)	-	801
	<u>£108,208</u>	<u>£139,534</u>	<u>£(159,415)</u>		<u>£88,327</u>

# THE HAEMOPHILIA SOCIETY

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

### FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004

#### 15. RESTRICTED FUNDS (Continued)

##### ***HIV***

This fund is used to finance our HIV worker, co-infection evenings and other HIV events.

##### ***HCV***

This fund is used to support our HCV worker and related HCV events.

##### ***Research***

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

##### ***Scottish Development Project***

This fund is used to finance the Scottish Office which was set up during 2001.

##### ***Twinning Project***

The UK Society has been twinned with the Russian Haemophilia Society for over five years. Through the arrangement the UK supports the development of the Russian Society through exchange of know-how, information and training. The anticipated Russian Society AGM has been postponed to 2005.

##### ***Women and Bleeding Disorders Project***

The Society has been raising funds for an education project which aims to raise awareness of the particular needs of women and girls who may be affected by a bleeding disorder as a carrier of the haemophilia gene, through having von Willebrands disorder, or as a parent, partner or carer of someone with a bleeding disorder.

##### ***Children and Families Fund***

This fund is used for all our children and families activities including childcare at events and adventure holidays.

##### ***Membership and Information Fund***

This fund is used for our membership and information services which include our telephone helpline and publications. It is also used to give hardship grants to individuals needing financial assistance.

##### ***Phillip Morris Art Award Fund***

This award is open to students with Haemophilia or related bleeding disorder studying the arts. Preference will be given to a student studying music, as a reflection of Phillip's love of music developed in later life. The sum available in any one year will be the interest earned on an initial investment of £12,000.

##### ***GRO-A Memorial Award Fund***

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

##### ***Indian Child Appeal***

The Indian Child Appeal was set up in 2003, in collaboration with Hemophilia Federation in India. This fund is used to sponsor children with Haemophilia to enable them access to treatment so that they could live a full and an active life.

# THE HAEMOPHILIA SOCIETY

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

### FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004

#### 16. ENDOWED FUNDS

The endowed funds include Philip Morris Art Award Fund and **GRO-A** memorial Award Fund. The income from these funds is the interest on the initial investment and is released in the financial statements in the period it is received.

#### 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Total £
Endowed Funds	-	19,344	19,344
Restricted Funds	-	88,327	88,327
Unrestricted Funds	183,249	127,830	311,079
Designated Funds	-	100,000	100,000
Local Group Funds	-	84,071	84,071
	<u>£183,249</u>	<u>£419,572</u>	<u>£602,821</u>

#### 18. LIMITED BY GUARANTEE

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

#### 19. FINANCIAL COMMITMENTS

At 31st December 2004 the company had annual commitments under operating leases as set out below. The figures stated are the amounts payable in 2005.

	2004		2003	
	Land and Building £	Other £	Land and Building £	Other £
Operating Leases that expire:				
Within one year	-	-	-	-
In the second to fifth years	-	-	58,664	6,622
Over five years	25,859	6,622	-	-
	<u>£25,859</u>	<u>£6,622</u>	<u>£58,664</u>	<u>£6,622</u>

In January 2005 the society entered into a new lease for premises in Hatton Garden. Under the terms of the lease there is a rent free period for six months following which period the annual rent is £51,718 inclusive of VAT. The figure stated above (£25,859) represents the six months payable in 2005.