

COMPANY REGISTRATION NUMBER SC207493

PBC FOUNDATION (UK) LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2011



foundation

Charity Number SC025619

PBC FOUNDATION (UK) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

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PBC FOUNDATION (UK) LIMITED

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISORS

Registered charity name PBC Foundation (UK) Limited

Charity number SC025619

Company registration number SC207493

Head office and registered office 2 York Place
Edinburgh
EH1 3EP

Trustees Collette A Thain MBE
Christine Burchill
Professor James Neuberger
Eileen Brownlie WS
Bryan J Rankin MA CA
Wendy J Lovell
Dr. George Mells MRCP
Adrian C Innes
Catherine Gildea
David Campbell WS NP

Secretary Bryan J Rankin MA CA

Independent examiner James C Thomson CA
Stewart, Sheddan & Co CA
6a Randolph Crescent
Edinburgh
EH3 7TH

Bankers Clydesdale Bank PLC
PO Box 23015
Edinburgh
EH2 2ZH

Solicitors Balfour & Manson
54-66 Frederick Street
Edinburgh
EH2 1LS

Anderson Strathern
1 Rutland Court
Edinburgh
EH3 8EY

PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

Introduction

The Trustees, who are also Directors for the purposes of company law, present their report and financial statements of The PBC Foundation for the year ended 31st of December 2011.

Reference & Administrative Information

The PBC Foundation was initially a Charitable Trust, and was established by deed of trust granted by the Trustees on the 21st, 22nd, 24th of November, and the 4th of December 1996. On the 26th of May 2000, the charity was incorporated as a Private Limited Company, which is limited by guarantee, and is governed by our Memorandum and Articles of Association. Under this governing document, the Trustees are not permitted to engage in permanent trading activities in the name of the Foundation. Reference and administrative details are shown in the schedule of members of the Board and Professional Advisors in the Financial Statements.

The Trustees who served the charity during the period of the 1st of January 2011 until the 31st of December 2011 were as follows:

Current:

Eileen Brownlie WS
Collette A Thain MBE
Bryan J Rankin MA CA
Christine Burchill
Professor James Neuberger
Dr. George Mells MRCP
Catherine Gildea
Adrian C Innes
Wendy J Lovell

Newly Appointed:

David Campbell WS NP (appointed on 2nd of June 2011)

Retired:

No Trustees retired in this period

Management and Governance

Governance

Our Board of Directors governs the organisation, meeting quarterly to discuss issues arising. Once a year, they hold an 'away day' to develop and consider future strategy, and where a Programme of Activities for the ensuing year is presented by the Chief Executive. Management accounts are prepared and circulated to the Board on a monthly basis, to monitor finances of the charity. The Board of Directors thus determine the strategies, policies and direction of the Foundation, with expert input from the following specialist committees:

- Finance Committee – group of financial experts (inc. one Chartered Accountant) who advise the Board of Directors on financial matters.
 - Medical Advisory Board – group of medical experts (inc. nine clinicians, many of whom are world leading hepatologists) who advise the Board of Directors on issues relating to medical information, medical advice, and research. They peer review our medical publications, and applications for research grants.
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PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

The Trustees of The PBC Foundation are appointed initially by the Board of Directors, who aim to balance this governing committee with experienced professionals from a wide range of sectors, including business, law, voluntary organisations, and medicine. To ensure that we continue to be a needs-led organisation, the Board also consists of several PBC sufferers. An induction into the requirements, responsibilities, and operation of The PBC Foundation is given on appointment. Moreover, we encourage all of our Trustees to not only keep in regular contact with one another, but with our members. Each year, our Annual Volunteers' Conference is attended by the majority of members of the Board, which gives them a direct insight into the specific needs – both medical and emotional – of our client group.

Management

Routine administration matters are dealt with by our Chief Executive, Collette A Thain MBE, who reports to the Trustees. In terms of risk management, the Trustees evaluate risks to the Foundation at least once a year. The main risk is that income from donations and fundraising is not sufficient to cover our expenses. The Trustees are ready to take appropriate action in the event that the financial position of the Foundation becomes seriously threatened.

Reserves Policy

The purpose of the reserves is to ensure that The PBC Foundation is able to meet its obligations against decline or interruptions in income – which is of particular concern during a recession – and to provide for new research projects. The risk to The PBC Foundation's income stream is that the donations made drop in value, and that the support provided by way of sponsorship is discontinued. The Foundation has neither stocks nor shares to generate income.

Grant Making Policy

Research grants are made after advertisement of their availability in the appropriate medical press. Applications are then reviewed by the Foundation's Medical Advisory Committee using a recognised peer review process, in accordance with the Association of Medical Research Charities requirements. The Foundation is a member of the AMRC.

Risk Policy

An evaluation of the risks to which the PBC Foundation is annually undertaken and the resulting Risk Map is approved by the Board

Charity Objectives

The objects for which the charity was established are:

- i) The relief of persons suffering from the condition known as Primary Biliary Cirrhosis by the setting up and organisation of support groups for the benefit of such persons and their families and by the provision of information about the condition and its treatment.
 - ii) To promote research into the condition of Primary Biliary Cirrhosis and into any other related areas as the charity may decide and to publish the results thereof, through either the provision, or the assistance with provision, of the necessary finance.
 - iii) To advance the education of the public generally about the problems associated with Primary Biliary Cirrhosis.
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PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

Business Review

Purpose

The PBC Foundation is the only organisation in the UK exclusively dedicated to providing support and information to those affected by Primary Biliary Cirrhosis (PBC). We are a national organisation with a local outlook: our network of sixty volunteers makes a positive difference to over 40,000 people within their local communities throughout the UK, and beyond.

Unlike better known liver conditions, PBC, which causes the progressive destruction of the bile ducts in the liver, is completely unrelated to alcohol or substance use. When a person suffers from PBC, the body's immune system attacks the cells lining the bile ducts within the liver as if they are foreign to the body. This results in poor drainage of bile acids, which causes widespread damage to the liver, and leads to advanced scarring known as 'cirrhosis'. Cirrhosis impairs the liver's ability to function to the point that quality of life deteriorates dramatically, and a transplant is urgently required. However, PBC recurs in a transplanted liver – thus, transplantation is considered a 'swap' rather than a 'cure', hence why our services are set up to support our members for life.

Activities

In 2011, 484 new members joined the Foundation – a thirteen percent increase in membership rates from last year. Upon joining, each was provided with a copy of 'Living with PBC', and a list of local area contacts. We fielded just over 14,000 helpline calls, and our website was visited approximately 30,000 times by people throughout 125 countries. Over two thirds of visitors were new users, and were based in the UK. Our most popular pages in this period have been for symptoms – and in particular, itching – treatments, and the support offered by our charity. Our online presence has continued to grow, and we currently have nearly 700 'fans' on Facebook, and over 250 Twitter followers (@PBCFoundation). Acting as the centre of their local PBC community, our volunteers hosted a total of fifty five meetings for PBC sufferers in their areas. These were held throughout the country, including locations as diverse as Cornwall, Cheshire, Dublin, Glamorgan, Jersey and Midlothian. We trained fifty one volunteers at our Annual Volunteers' Conference in Edinburgh, and we held five self management workshops in the major cities of Scotland, as part of the final stage of our LTCAS funded Self Management Project. Additionally, we held eight workshops around the UK, and piloted several workshops in conjunction with other patient-led organisations. Thanks to a number of significant donations and grants, we were able to distribute 'Living with PBC' to all of our members in England, as well as 1,500 medical practitioners at 'Management in Practice' events in Manchester, London and Birmingham. This followed on from last year's successful project, where, with the help of lottery funding, we provided our people in Scotland, Wales, and Northern Ireland with a copy of this vital publication. We distributed leaflets written by our Medical Advisory Board to approximately 4,100 nurses at 'Nursing in Practice' events throughout the UK, including in Newcastle, Cardiff, Birmingham, Bournemouth, London, Glasgow and Belfast. Finally, this has been a hugely successful year for medical research. The PBC Genetics Study – the purpose of which was to create a PBC DNA Bank, in order to carry out a genome scan – has been completed. The main breakthrough of the study was the identification of fifteen new genetic regions associated with PBC, which brings us closer to finding a cause – and a cure – for the condition. The findings were so significant that they were published in the worldwide scientific journal, '*Nature Genetics*'.

PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

Evaluation

Feedback is predominately collected using evaluation forms and questionnaires, which are made available in a wide range of media, including by email, post, and in person. Our members have the opportunity to partake in online surveys on the 'members only' area of our website, and polls on 'Health Unlocked'. We also consult our volunteers for feedback. By regularly communicating with our members at local level, volunteers help us to gauge how well PBC sufferers think our services are working.

Over the last year, feedback has shown that our most important services are our helpline, our website, our publications 'The Bear Facts' and 'Living with PBC', and our volunteer network, as well as our recently introduced self management workshops. Our members have also told us that our medical research into preventative measures, treatments, and a cure for PBC gives them hope for the future, and that had they had access to 'Living with PBC' upon diagnosis, they would have managed their condition – and their life – in a much more positive way. Feedback from workshops run in conjunction with other organisations has shown that these sessions really help people with other long-term conditions. Medical practitioners throughout the country have also informed us that by distributing detailed information about PBC at medical events, we are actively improving the quality of health-care experience for patients, by increasing the likelihood that they receive accurate, up-to-date information on their condition at the time of diagnosis.

In their own words, here is what some of our service users have recently fed back to us:

On finding The PBC Foundation:

Despite being a nurse, I had never heard of PBC before my diagnosis. Needless to say my curiosity led me to search for information on the internet, and I was horrified with what I read. Fortunately, I stumbled across The PBC Foundation website, and immediately joined. It has been so helpful in helping me come to terms with my diagnosis, and I no longer fear the future'. – Co Antrim

On our local meetings:

'I was delighted to be able to discuss my symptoms, which have so far been dismissed by several doctors, only to discover that other people experience the same. I can't tell you how encouraged I feel after meeting these people'. – Warwickshire

On our self management workshops:

'Having had this condition for thirteen years, I was amazed to learn basic information about the condition which has never been advised by my consultant' – London

On our publications:

'I would be lost without The Bear Facts magazine – when it comes through the door, I go straight to the letters, to see if anyone is like me'. – Manchester

PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

Grants

In the last financial year, our Grants Officer has raised a total of £134,755 from grant giving bodies. The PBC Foundation would therefore like to thank the following grant-makers for their support:

Charitable Trusts

The John Ellerman Foundation, The Garfield Weston Foundation, Barcapel Foundation, The Derek Stewart Charitable Trust, The Souter Charitable Trust, The Merchants House of Glasgow, Stella Symons Charitable Trust, Sovereign Health Care, Dickon Trust, Duchy Health Charity, Ardwick Trust, The Helianthus Charitable Trust, The William & Mabel Morris Charitable Trust, The Trades House of Glasgow, The Margaret Murdoch Charitable Trust, Bellahouston Bequest Fund, The Ward Family Trust, The JTH Charitable Trust, The Albert Hunt Trust, The Lillie C Johnson Charitable Trust, Charlotte Marshall Charitable Trust, The Sir Jules Thorn Charitable Trust, The Joicey Trust, The Maud Elkington Charitable Trust, The Rueben Foundation, The Woodroffe Benton Foundation, Jimmie Cairncross Charitable Trust, The Rainford Trust, The Rest-Harrow Trust, The Florence Turner Trust, Armourers & Brasiers' Gauntlet Trust, Duchy of Lancaster Benevolent Fund, The Jennie S Gordon Memorial Foundation, Douglas Turner Trust, Bernard Piggott Trust, Leach the Fourteenth Trust, The Ibbett Trust, Harold Merton Adams Charitable Trust, The Eveson Charitable Trust, Lord Austin Trust, The Shell Employee Action Fund, Suburban Taverns Charitable Trust, The Riada Trust, The N & P Hartley Memorial Trust, Deakin Charitable Trust, The Norman Family Charitable Trust, The Hugh Fraser Foundation, The ROSCA Trust, The Hospital Saturday Fund, The Dorothy Howard Charitable Trust, The John M Archer Charitable Trust, The Rothley Trust, The Sylvia and Colin Shepherd Charitable Trust, The Enkalon Foundation, The George Ward Charitable Trust, The Goldmark Trust, The Neighbourly Charitable Trust, The Astor of Hever Trust, EA Technology Charity Committee, The Brighton District Nursing Association Trust, The Strasser Foundation, Northcott Devon Foundation, Miss E C Hendry's Charitable Trust, Zurich Community Trust (UK) Limited, The Hull and East Riding Charitable Trust, Sir Iain Stewart Foundation, The SMB Charitable Trust, The Nottingham General Dispensary, Lloyds TSB Foundation, The Elizabeth Rathbone Charitable Trust, The Sylvia Adams Charitable Trust, The Charles S French Charitable Trust, Greenham Common Community Trust Ltd, The House of Industry Estate, Yorkshire Building Society, Aberbrothock Skea Trust, Cumberland Building Society Charitable Foundation and Lichfield Conduit Lands

Pharmaceutical Companies

Dr. Falk Pharma and AstraZeneca

The Big Lottery Fund

Awards for All England and Awards for All Wales

PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

Future Plans

In 2012, we hope to be able to expand our model of partnership working, by sharing our workshops with other patient-led groups. Thanks to a grant from Awards for All Wales, we also plan to hold a series of five self management workshops in Newport, Cardiff, Swansea, Bangor, and Wrexham. We will continue to provide vital literature such as 'The Bear Facts' and 'Living with PBC' to both our members and medical practitioners, and to support those affected by this condition on a local, regional, and national level. Finally, we plan to expand our current volunteer network by recruiting twelve new Regional Volunteer Coordinators, and to support each one individually, by providing them with a development plan.

Financial Information

This year, our total income was £276,692. We finished the year with a deficit of £26,787 (a deficit of £19,220 on restricted funds, and a deficit of £7,567 on unrestricted funds).

In Gratitude

We would like to thank all of our unpaid but highly valued volunteers in whatever capacity they have helped us, in particular:

- Our Trustees, Finance Committee, and Medical Advisory Board
- Our patrons
- Our volunteers who have given their time, and contributed a range of skills to the day-to-day running of the Foundation, including our office and fundraising assistants, and our Regional Volunteer Co-ordinators
- Service users who have written personal testimonies, so as to provide our literature with a patient perspective
- All those who have raised awareness of PBC and the Foundation through media and fundraising

Responsibilities of the Trustees

The Trustees (who are also the Directors of The PBC Foundation for the purposes of company law) are responsible for preparing the Trustees Annual Report, and the financial statements in accordance with applicable law and UK Accounting Standards.

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company. In preparing these statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
 - Observe the methods and principles in the Charities SORP
 - Make judgements and estimates which 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 operation
 - Safeguard the assets of the charitable company, and hence for taking reasonable steps for the prevention of fraud and other irregularities
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PBC FOUNDATION (UK) LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

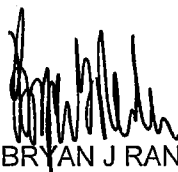
Disclosure of Information to Independent Examiners

In accordance with company law, the Trustees certify that:

- There is no relevant information of which the charitable company's independent examiner is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information, and to establish that the independent examiner is aware of that information.

The re-appointment of the independent examiner for the ensuing year will be considered, and if agreed, will be proposed at the Annual General Meeting. This report has been prepared in accordance with the provisions for small companies under Part 15 of the Companies Act 2006.

Signed by Order of the Trustees:



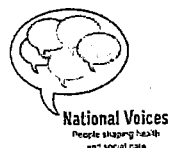
BRYAN J RANKIN MA CA

Charity Secretary

22 April 2012

The PBC Foundation (UK) Ltd
2 York Place, Edinburgh EH1 3EP, UK
The PBC Foundation (UK) Ltd is a Scottish Registered Charity No. SC025619
Registered Company No. 207493
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www.pbcfoundation.org.uk info@pbcfoundation.org.uk

amrc
ASSOCIATION OF MEDICAL RESEARCH CHARITIES



PBC FOUNDATION (UK) LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND MEMBERS OF PBC FOUNDATION (UK) LIMITED

YEAR ENDED 31 DECEMBER 2011

I report on the accounts of the charity for the year ended 31 December 2011 set out on pages 10 to 18.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

The charity's Trustees (who are also the directors of PBC Foundation (UK) Limited for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to state, on the basis of my examination as required under section 44(1) (c) of the Act, whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view'.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the Trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 386 of the Companies Act 2006); and
- accounts are prepared which agree with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


James C Thomson CA
Independent examiner

Stewart, Sheddin & Co CA
6a Randolph Crescent
Edinburgh
EH3 7TH

23 April 2012

PBC FOUNDATION (UK) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	207,774	62,844	270,618	296,693
Activities for generating funds	3	3,830	—	3,830	6,620
Investment income	4	982	1,262	2,244	2,373
TOTAL INCOMING RESOURCES		212,586	64,106	276,692	305,686
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	(46,750)	(178)	(46,928)	(52,978)
Charitable activities	6/7	(154,235)	(98,776)	(253,011)	(266,884)
Governance costs	8	(3,540)	—	(3,540)	(5,564)
TOTAL RESOURCES EXPENDED		(204,525)	(98,954)	(303,479)	(325,426)
NET OUTGOING RESOURCES BEFORE TRANSFERS					
Transfer between funds	10	8,061	(34,848)	(26,787)	(19,740)
	11	(15,628)	15,628	—	—
NET EXPENDITURE FOR THE YEAR		(7,567)	(19,220)	(26,787)	(19,740)
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		150,480	123,492	273,972	293,712
TOTAL FUNDS CARRIED FORWARD		142,913	104,272	247,185	273,972

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 relate to continuing activities.

The notes on pages 12 to 18 form part of these financial statements.

PBC FOUNDATION (UK) LIMITED

BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	£	2010 £
FIXED ASSETS				
Tangible assets	13		943	3,437
CURRENT ASSETS				
Stocks	14	2,962		4,926
Debtors	15	14,999		14,376
Cash at bank and in hand		242,521		258,294
		<u>260,482</u>		<u>277,596</u>
CREDITORS: Amounts falling due within one year	16	<u>(14,240)</u>		<u>(7,061)</u>
NET CURRENT ASSETS			246,242	270,535
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>247,185</u>	<u>273,972</u>
NET ASSETS			<u>247,185</u>	<u>273,972</u>
FUNDS				
Restricted income funds	17		104,272	123,492
Unrestricted income funds	18		142,913	150,480
TOTAL FUNDS			<u>247,185</u>	<u>273,972</u>

The Trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The Trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the members of the committee on the 22 April 2012 and are signed on their behalf by:


EILEEN BROWNLIE WS


BRYAN J RANKIN MA CA

Company Registration Number: SC207493

The notes on pages 12 to 18 form part of these financial statements.

PBC FOUNDATION (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Accordingly the arrangement and headings have been adapted as provided for in the Companies Act 1985, Schedule 4, Part 1.

Cash flow statement

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Fixed assets

All fixed assets over £1,000 are initially recorded at cost.

Depreciation

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:

Office Equipment - 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Incoming resources

Incoming resources are recognised in the statement of financial resources in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

The following specific policies are applied to particular categories of income:

Legacies are brought into account when the charity is advised of an intended payment or transfer and has a reasonable estimate of the sum involved.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

PBC FOUNDATION (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

Resources expended

Resources expended are recognised in the period in which they are incurred and include attributable VAT which cannot be reclaimed.

Costs of generating funds comprise those costs associated with generating incoming resources from all sources other than undertaking charitable activities. It includes both costs that can be allocated directly as well as costs of an indirect nature.

Charitable activity expenditure comprises those costs incurred by the charity in the delivery of its objectives and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between costs of generating funds and the charitable activities on the basis of management's estimation of staff time or usage with the exception of project officer overheads and magazine costs. Project officer overheads are allocated on grant award budgeted figures and magazine costs are split between Awareness/Helpline and Support activities on a percentage basis. The allocation of all support costs and proportions used are included in notes 5 and 7.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and the cost of producing the statutory accounts.

Grants payable

Grants payable are recognised when the Trustees approve the grant.

Funds accounting

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

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 the funds are raised for particular purposes.

PBC FOUNDATION (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Gifts and donations				
General donations	28,361	890	29,251	31,955
Gift aid donations	47,373	6,250	53,623	45,809
Collection boxes	754	–	754	860
Legacies	15,528	–	15,528	11,698
Sponsorship and fund raising				
London marathon	3,257	–	3,257	5,975
Annual raffle	2,876	–	2,876	3,728
Magazine	–	5,000	5,000	5,000
General sponsorship and fundraising	13,325	11,250	24,575	26,034
Grants receivable				
Scottish Executive	–	–	–	10,000
Awards For All	–	14,499	14,499	–
Other grants	96,300	24,955	121,255	123,634
LTCAS	–	–	–	32,000
	<u>207,774</u>	<u>62,844</u>	<u>270,618</u>	<u>296,693</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Sale of goods	3,830	3,830	5,631
Conference Income	–	–	930
Other income	–	–	59
	<u>3,830</u>	<u>3,830</u>	<u>6,620</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	982	1,262	2,244	2,373

5. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Fundraising	37,812	178	37,990	43,073
Support costs	8,938	–	8,938	9,905
	<u>46,750</u>	<u>178</u>	<u>46,928</u>	<u>52,978</u>

Support costs are allocated on the basis of staff time or usage.

PBC FOUNDATION (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Awareness	30,224	12,215	42,439	53,156
Patient support and helpline	99,625	63,892	163,517	161,332
Health and professional information	6,710	11,813	18,523	14,311
Research	–	10,788	10,788	17,355
Support costs	17,676	68	17,744	20,730
	<u>154,235</u>	<u>98,776</u>	<u>253,011</u>	<u>266,884</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total Funds 2011 £	Total Funds 2010 £
Awareness	42,439	–	3,394	45,833	57,723
Patient support and helpline	163,517	–	13,175	176,692	176,082
Health and professional information	18,523	–	1,107	19,630	15,659
Research (Note 9)	1,464	9,324	68	10,856	17,420
	<u>225,943</u>	<u>9,324</u>	<u>17,744</u>	<u>253,011</u>	<u>266,884</u>

Support costs are allocated on the basis of staff time or usage.

8. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Accountancy fees	1,500	1,500	1,500
Independent examiner fees	2,040	2,040	2,635
Indemnity insurance	–	–	341
Legal fees	–	–	60
Costs of Trustees' meetings	–	–	1,028
	<u>3,540</u>	<u>3,540</u>	<u>5,564</u>

9. ANALYSIS OF GRANTS

	2011 £	2010 £
Grants to institutions		
University of Cambridge Research Project	9,324	15,676
Total grants	<u>9,324</u>	<u>15,676</u>

PBC FOUNDATION (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

10. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:

	2011	2010
	£	£
Depreciation	2,494	6,811
Independent examiner fees	2,040	2,635
Operating lease costs:		
- Land and buildings	<u>5,564</u>	<u>14,688</u>

11. FUND TRANSFERS

There was a brought forward balance on the Compendium project of £1,702 and in the year to 31 December 2011 an additional £28,374 was received to fund the production and distribution of the Compendium. Total expenditure in the year was £32,962 resulting in a deficit of £2,885 and a transfer was made from unrestricted funds to cover this deficit.

An appeal was launched to raise money to fund the production and distribution of the Bear Facts magazine, resulting in grants received of £11,155. In addition £5,000 was received from Dr Falk Pharma UK Ltd producing total income of £16,155. Total expenditure on the magazine was £20,925 resulting in a deficit of £4,770, and a transfer was made from unrestricted funds to cover this deficit.

In the year to 31 December 2010 £6,340 was received towards the funding of the 2011 Volunteers Conference. However, total expenditure for the conference was £14,317 resulting in a deficit of £7,977, and a transfer was made from unrestricted funds to cover this deficit. In the year to 31 December 2011 £7,500 was received for the 2012 Volunteers Conference.

12. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2011	2010
	£	£
Wages and salaries	117,413	113,822
Social security costs	12,254	11,425
	<u>129,667</u>	<u>125,247</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2011	2010
	No	No
Number of administrative staff	3	3
Number of management staff	1	1
	<u>4</u>	<u>4</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil).

The value of the many and valued services provided by volunteers has not been included in these accounts.

PBC FOUNDATION (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

13. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 1 January 2011 and 31 December 2011	<u>52,994</u>
DEPRECIATION	
At 1 January 2011	49,557
Charge for the year	<u>2,494</u>
At 31 December 2011	<u>52,051</u>
NET BOOK VALUE	
At 31 December 2011	<u>943</u>
At 31 December 2010	<u>3,437</u>

14. STOCKS

	2011 £	2010 £
Stock	<u>2,962</u>	<u>4,926</u>

15. DEBTORS

	2011 £	2010 £
Income tax recoverable	10,216	6,611
Prepayments	<u>4,783</u>	<u>7,765</u>
	<u>14,999</u>	<u>14,376</u>

16. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
PAYE and social security	3,560	—
Other creditors	532	—
Accruals	<u>10,148</u>	<u>7,061</u>
	<u>14,240</u>	<u>7,061</u>

17. RESTRICTED INCOME FUNDS

	Balance at 1 Jan 2011	Incoming resources	Outgoing resources	Transfers	Balance at 31 Dec 2011
	£	£	£	£	£
Research Fund	95,551	7,577	(10,856)	–	92,272
Compendium	1,703	28,374	(32,962)	2,885	–
Bear Facts	–	16,155	(20,925)	4,770	–
LTCAS	18,014	–	(18,010)	(4)	–
Volunteers					
Conference	6,340	7,500	(14,317)	7,977	7,500
NIP Events	1,884	–	(1,884)	–	–
Other Restricted Funds	–	4,500	–	–	4,500
	<u>123,492</u>	<u>64,106</u>	<u>(98,954)</u>	<u>15,628</u>	<u>104,272</u>

18. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jan 2011	Incoming resources	Outgoing resources	Transfers	Balance at 31 Dec 2011
	£	£	£	£	£
General Funds	<u>150,480</u>	<u>212,586</u>	<u>(204,525)</u>	<u>(15,628)</u>	<u>142,913</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Net current assets	Total
	£	£	£
Restricted Income Funds:			
Research Fund	–	92,272	92,272
Volunteers conference	–	7,500	7,500
Other restricted Funds	–	4,500	4,500
	–	<u>104,272</u>	<u>104,272</u>
Unrestricted Income Funds	<u>942</u>	<u>141,971</u>	<u>142,913</u>
Total Funds	<u>942</u>	<u>246,243</u>	<u>247,185</u>

20. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

The charity was under the control of the Trustees throughout the current and previous year.

The Chief Executive Officer who is also a Trustee received emoluments of £42,405 (2010 £41,490).

Travel and conference expenses for 3 Trustees totalled £751 (2010 £2,792).

21. COMPANY LIMITED BY GUARANTEE

The charity was incorporated as a private limited company, limited by guarantee, and is therefore governed by the memorandum and articles. The liability of the members is restricted to £1 each.