

Charity Registration Number: 1144342 (England and Wales); SC043576 (Scotland)
Company Registration Number: 07790071 (England and Wales)

NARCOLEPSY UK

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT and STATEMENT OF FINANCIAL ACTIVITY

FOR THE YEAR ENDED 31ST DECEMBER 2015

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Trustees Report

The Trustees present their report and accounts for the year ended 31st December 2015, which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and Activities

Narcolepsy UK's objectives continue to be to provide relief and aid to those persons suffering from narcolepsy.

Our principal activities to achieve these objectives are:

- The promotion and organisation of conferences and exhibitions relating to narcolepsy and its effects.
- The promotion and/or assistance in promoting and carrying out research, surveys and investigation into narcolepsy and its effects.
- Creating the funding strategies that make this work possible.
- Arranging and providing exhibitions, meetings, lectures, classes and training courses.
- Collecting and distributing information via our publication "Catnap" and the Narcolepsy UK media portfolio comprising website, Facebook, Twitter and social media generally.

The objectives of those activities for the year and Narcolepsy UK's achievements against them are summarised under the heading of Achievement and Performance.

Our vision to help provide a world where narcolepsy is understood and people with narcolepsy have the support they need to ensure that their rights are upheld and that they have the same opportunities as others in society.

We will deliver our objectives by:

- Raising professional, political and public awareness and understanding of the needs of people with narcolepsy, their families and carers,
- Campaigning to influence the policies of legislators and funding bodies,
- Delivering relevant sustainable services that satisfy the needs of people with narcolepsy, their families and carers,
- Providing information and practical support to people with narcolepsy, their families and carers, either directly, in partnership with others or through facilitating and supporting the work of other organisations,
- Supporting research into the effects and management of narcolepsy.

We seek to work in partnership with those who share our vision and mission.

Our strategic aim is to achieve all this through a combination of fundraising, continuing dialogue with politicians, medical professionals, other patient groups across the European Union in particular and a variety of projects.

Since 2010 over 900 people have attended Narcolepsy UK conferences nationwide. In 2014:

- our website had a record 154,000 visits (108% year-on-year rise);
- the helpline supported 193 individuals and assisted in winning disability benefits worth £363,000 over the lifetime of the awards;
- 164 people joined 16 local networking support meetings nationwide;
- we were helped by 63 volunteers involved in everything from fundraising to leaflet design.

"Narcolepsy UK has loads of knowledge and gives brilliant advice. I don't know where we would be without them"

Public Benefit

In reviewing the objectives of the charity, the Trustees are aware of the guidance issued by the Charity Commission on public benefit and consider that they are complying with that guidance.

To aid supporters and those who take an interest in the charity to understand what is planned for 2015 a section detailing activity for the coming year is laid out at the end of this report.

"We won the appeal, am so relieved! Your support means so much, thank you"

Achievements and Performance

The aims of the charity as set out in the last report are stated below, with information on whether these core activities were met.

Hold a national Conference in 2015

In 2014 Birmingham had proven so popular as a location that the National Conference took place here again, transposed to a larger venue in a central location to accommodate higher numbers of delegates. A good mix of presentations by professionals and peers led to an interesting and varied programme, combining clinical perspective with practical advice and assurance.

Families and friends were able to share experiences, which reinforced our view that a combination of both a diverse and structured conference programme with adequate provision for informal chats and peer support is vital for our community.

"Narcolepsy UK is a little charity with a big heart and even bigger plans. This year's conference was a triumph"

Update the information packs and leaflets available to our supporters

The Trustees have acknowledged the reduction in funding for hard copies of literature and in 2015 established an internal review to identify and create new PDF downloads to be made available to all via a more modern website relaunching in 2016. The aim of reducing overheads such as print, postage and associated resources is one of the most efficient ways for Narcolepsy UK to reduce its costs without reducing the quality of its output. By streamlining the text on our proposed website, we also hope to create almost all information/awareness leaflets as PDF downloads enabling a much simpler administration and lower costs for the charity and immediate access on both hard and soft copies at the point of interaction with our website users.

These documents have been created with help from teachers who have narcolepsy themselves thus gaining a better perspective of children's needs.

"Your website and Facebook feeds have been so helpful and given me and my family good, concise information. It has made it much easier to deal with."

Increase the awareness and profile of Narcolepsy UK

With encouragement from our Volunteer Co-ordinator and increased awareness of the charity and the valuable work it does, we have developed an increased level of small, community fundraising events contributing unrestricted funding and raising awareness. Without a physical office space, we have struggled historically to satisfy demand for products such as T-shirts as it was uneconomical to purchase in bulk, store and distribute in sufficient quantity. We are planning to satisfy this demand in the future with product lines advertised and purchased from our website and supplied directly via 3rd party suppliers who will reciprocate with a small % donation to the charity for each purchase.

In 2015 the level of supporter donations and sponsored fundraising continued significant growth.

Narcolepsy UK has made increasing use of social media to outline its activities and those of supporters - in all instances the remit is to increase awareness amongst the general population, particularly in the fields of education and work and benefits.

The charity continues to work with a number of Facebook groups and with large numbers of followers to draw attention to Narcolepsy UK and its services, advocacy, website and advice helpline. 2016 will see the launch of a new website, fully integrated with our other social media platforms.

Achievements and Performance continued

Update the charity website

Narcolepsy UK remains on page one of all the leading search engines without the use of optimisation and is usually in the top three for all the main narcolepsy "header" searches. The site is updated with news and information as regularly as possible within current funding and resource levels, the current operators of the website being people with narcolepsy.

Whilst it had been hoped to launch a new website in 2015, the practicalities of undertaking such a major project whilst maintaining our business as usual services resulted in a revised delivery date of 2016. Additionally, the new site is being designed and implemented by people with narcolepsy in an effort to ensure it more user friendly than previously.

Re-invigorate the Narcolepsy UK branch network

2015 has seen more local network meetings created using local volunteers to bring people together without the need for costly travel. Supported by Grants from Awards for All in England, Scotland and Wales which has allowed Co-ordinators in each area to drive this along.

"It was lovely for our daughter to be able to talk about her illness at the network support meeting with people who really understood. She seemed to blossom."

Fundraising

The aims of the charity as set out in the last report are stated below, with information on whether these core activities were met.

Aim to make giving easier

The creation of the incorporated charitable company and the change in bankers to the Charities Aid Foundation meant that during 2014 it was possible to attract funding from more varied sources, utilising CAF's Not-For-Profit sector experience and on-line functionality.

We have listened to the voice of supporters and their requirements for fundraising events, and have supported events run by others.

Narcolepsy UK has also become far more proactive in supporting and encouraging people to raise funds on behalf of the charity utilising ideas which interest and enthuse them.

We continue to rely heavily on generous donations and legacies we receive from our supporters, but have been proactive in focusing on increasing income.

As for other charities, we continue to look for opportunities to maintain and grow our income stream within our existing risk appetite. Personal sponsorships are hugely important to Narcolepsy UK as we see funding from Trusts and other organisations become increasingly challenging to secure, despite our best endeavours.

Electronic Giving and Payment Functionality

Give As You Earn (GAYE) schemes have been promoted, as well as Everyclick, PayPal and eBay - options to download "Give As You Live" internet links that generate a % income from supporters' transactions with many on-line retailers.

TEXT giving was added in 2015. A donate now button will be introduced with the forthcoming new website in 2016.

Financial Review

Financial Review and Results for the year:

The Statement of Financial Activity reflects all incoming resources receivable in the period irrespective of when the income is spent. The Trustees are satisfied with the results for the period.

Reserves policy and going concern

Free reserves available for use by Narcolepsy UK are deemed to be those that are readily realisable, less funds whose uses are restricted or designated for particular purposes.

Narcolepsy UK introduced a policy relating to reserves. Unrestricted assets should be apportioned between an "operating reserve" held to cover six months' cash flow, and then a "capital reserve" to be held against future liability to expenditure.

The operational reserve should hold liquid assets (cash or near cash), the total of which should equate to a least six months' cash flow. In the medium term the Trustees believe that all activities should be self-funding and any additional income should be placed in a free reserve whose policy should be to maximise income.

With income, the major risk is of a decline in Trust-related income particularly due to economic or other factors leading to both declining legacy values and reduced donations.

The present range for operating reserves remains at £50,000. The Trustees believe that most prudent course remains building charitable activities in the first instance before building up a free reserve.

The Trustees have reviewed the circumstances of Narcolepsy UK and consider that adequate resources continue to be available to fund the activities of the charity in the medium term. The trustees are of the view the charity is a going concern.

Plans for the Future

Narcolepsy UK has continued to offer witness support for both individual test cases and the overall class action in support of both children and adults presenting with narcolepsy after the H1N1 Swine Flu 'Pandemrix' vaccination in 2009 - 2010.

During 2015, yet more people have presented with narcolepsy, especially adults who received the H1N1 Pandemrix vaccine, suggesting the same causal link.

Giving evidence at a Lower Tribunal, our Chair assisted a 12 year old boy in being granted an award of £120,000 by a court that ruled he had been left severely disabled by narcolepsy caused by Pandemrix. The win ended a three year battle with the government that argued his illness was not serious enough to warrant compensation.

Despite an appeal to a Higher Tribunal by the Department of Work and Pensions, who administer the Vaccine Damage Payment Act 1979, this award stands and has paved the way for more cases to now come forward.

We will also provide a witness for another First Tier Tribunal Vaccine Damage Payment Act 1979 case, scheduled for 2016. The final judgement will be reported in our 2016 Report and Accounts.

In light of the above success, we have continued to support people with narcolepsy by assisting legal firms pursuing individual civil liability claims against GlaxoSmithKline (GSK), under the Consumer Protection Act 1987, for injury claims and loss caused by the Pandemrix vaccine.

As a member of The European Narcolepsy Network, we have continued our co-operation with expert clinicians and patient organisations across the EU. Narcolepsy UK continues to support both parents and carers of young people and families of persons affected along with schools and employers.

We have remained closely in touch with other EU patient organisations and continue to share knowledge and best practice across all aspects of narcolepsy clinical treatment, individual management and access to rights and benefits.

The charity was represented on BBC radio, ITV's 'Good Morning Britain' show in both March and June 2015 as well as National and local media, including television news. We have supported people with narcolepsy, from behind the cameras, when interviewed on television, 'ITV This Morning' and undertaken reasonable vetting of prospective news

Plans for the Future continued

agencies before requesting volunteers to advocate on behalf of people with narcolepsy.

Technical advice was requested and delivered to the popular BBC 'Doctors' series who had requested our advice for a show outlining the symptoms, triggers and diagnosis of narcolepsy.

Our Operations Manager, assisted by our Chair, also conducted our first state school visit, where we successfully explained narcolepsy to a primary school audience of pupils and teachers. This session was followed by a Q&A session for teachers of schools in the town, up to secondary level, on behalf of the affected pupil and their parents.

Reference and Administrative Details

Company Number: 07790071

Charity Number: 1144342

Scottish Charity Number: SCO43576

Principal Address: PO Box 26865
Kirkaldy
KY2 9BX

Registered Office: c/o Prentis & Co LLP
115c Milton Road
Cambridge
CB4 1XE

Independent Examiner: Nigel A Prentis FCA
Prentis & Co LLP
115c Milton Road
Cambridge
CB4 1XE

Bankers: Royal Bank of Scotland
747 Attercliffe Road
Sheffield
S9 3RF

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Directors and trustees: The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Trustees: William Harris (resigned 12th December 2015)
Edmund Coates
Graeme Moir (resigned 3rd May 2015)
Jennifer Taylor
Tim Kavanagh
Hugh Davies-Webb
Matthew O'Neill
Stephen Jones
Clare Baldwin (appointed 1st July 2015, resigned 22nd January 2016)

Chair: Matthew O'Neill

Company Secretary: Nicola Rule

Structure, Governance and Management

Narcolepsy UK was incorporated as a Company Limited by Guarantee (07790071) on 28th September 2011 and registered as a charity in England and Wales (1144342) on 19th October 2011. The charitable company commenced charitable activities on 9th January 2012 when it took over the assets of the unincorporated association Narcolepsy UK (326361).

On 17th October 2012 the unincorporated charity (326361) was amalgamated with the charitable company (1144342), thus creating one legal entity.

On 20th November 2012 Narcolepsy UK received Scottish Charitable Status (SCO43576).

Brief History

Narcolepsy UK originated in 1983 as UKAN, an unincorporated association governed by a constitution. On 13th December 2009 the name of the charity was changed to Narcolepsy UK. The Board continues to acknowledge Dorothy Hand as Founder of the charity.

Appointment of trustees

The Board of Trustees is responsible for the overall governance of the charity. Trustees are either elected or co-opted and the total number of Trustees may not exceed 12. The majority of Trustees and the Chair of the charity are required by the constitution to be diagnosed narcoleptics. The Trustee Board tries to maintain a balance between clerical, clinical and other specific skill sets while retaining the requirements of the constitution. This does make recruiting of active Trustees difficult yet has the positive result that a considerable number of Trustees have first-hand knowledge of this chronic neurological condition.

Trustees induction and training

New Trustees receive an induction pack containing detailed information about the charity, its organisation and its work. They are then invited to spend time liaising with current Trustees and employees to familiarise themselves with the activities of the charity in order to prepare themselves for effective and informed decision-making. As part of the induction process all prospective Trustees are invited to attend at least one Trustee meeting as an observer. Under its governing document Narcolepsy UK appoints Trustees for fixed terms not exceeding three years, at the end of which they must retire, but are then eligible for reappointment. Trustees collectively have a portfolio of interests which contribute to the overall operations of Narcolepsy UK.

Organisation

Trustees are required to meet at least four times per year. Regular Skype calls are also made to allow for low-cost administration and decision-making. These meetings include the AGM and three other Board meetings where Trustees review strategy and performance and set operating plans and budgets.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Pay Policy for senior staff

The directors consider the board of directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors expenses and related party transactions are disclosed in note 12 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

Employees and Pensions

Employees

Narcolepsy UK aims to be an organisation where employees enjoy a sense of fulfilment and where they feel supported and developed. Employees are kept fully informed about its strategy and objectives as well as day-to-day news and events. Regular information is available through briefings and meetings. All employees are encouraged to give their suggestions and views on performance and strategy.

Narcolepsy UK supports equal opportunities with a policy of recruitment and promotion on the basis of aptitude and ability. The charity pursues both the employment of disabled people whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed. We are committed to the training, career development and promotion of all employees.

In 2013 an award from Volunteer Action Fund (Scotland) was received for a Volunteer Co-ordinator. The role was advertised through the network of supporters and two persons short-listed. The role was awarded to Liam Sloan, himself a narcoleptic who has now undergone initial training and is sourcing and signing up new volunteers to work on specific roles within the charity. Further funding has allowed this valuable role to continue.

The charity created the role of Operations Manager and Nicola Rule was appointed to oversee, support and develop all services.

The Helpline was very busy during 2014 and Rebecca Malone continues to support many people with complex queries, especially relating to Benefit claims for financial support. Being a parent of a young person with narcolepsy gives Rebecca a vital insight into the trials of this chronic illness.

Pensions

As Narcolepsy UK employs less than 5 staff the charity is not obliged to offer a pension. Should the charity grow to the size where pensions become appropriate the Trustees confirm they would offer a defined contribution pension scheme and will certainly broker the Government Scheme.

Corporate Governance

Processes are in place to ensure that expenditure, performance and progress are monitored and that appropriate management information is prepared and reviewed regularly by the Board of Trustees. The systems of internal control are designed to provide reasonable assurances against material misstatement or loss. They include:

- A strategic planned annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variances from budgets and non-financial performance indicators
- Delegation of day-to-day management authority
- Identification and management of risks

A revised Strategic Plan for the next three years has been adopted following increasing numbers of diagnoses and increasing calls for assistance. This new Strategic Plan will build on the work already delivered and reflect a vision which acknowledges the UK's current financial profile and how this may impact upon small charities, thus ensuring Narcolepsy UK recognises its continued need to maximise value for money.

Risk Management

The Trustees recognise that, like other organisations and charities, Narcolepsy UK is exposed to risk. The Trustees are satisfied that they have systems in place or are putting systems in place that mitigate exposure to risk.

Business-as-usual operations and policy implementation are delegated to the employees of the charity, supported by the Board of Trustees.

Trustees' Responsibilities in relation to the financial statements

The Charity's Trustees (who are also directors of Narcolepsy UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

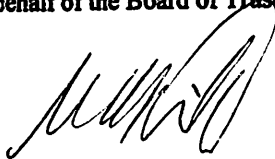
Company law requires the charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board of Trustees



Matthew O'Neill, Chair

22 September 2016

INDEPENDENT EXAMINER'S REPORT

To the Trustees of Narcolepsy UK

I report on the accounts of the Trust for the year ended 31st December 2015, which are set out on pages Statement of Financial Activities 13 to 21.

Respective Responsibilities of Trustees and Examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

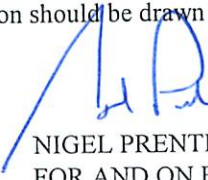
Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principals of the Statement of Recommended Practice: Accounting and Reporting by Charities.have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


NIGEL PRENTIS FCA
FOR AND ON BEHALF OF
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS
& INDEPENDENT EXAMINERS

24th Sept 2016

115c Milton Road
Cambridge
CB4 1XE

Statement of Financial Activities

Incoming and Outgoing Resources

Note:

Narcolepsy UK has no Endowment Funds.

Narcolepsy UK has no recognised gains or losses, e.g.: revaluations of fixed assets or investment assets.

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
INCOME AND ENDOWMENTS FROM:					
Donations and Legacies	3a	35730	39305	75035	70816
Charitable Activities	3b	28286	-	28286	14594
Investments	3c	170	-	170	115
TOTAL INCOME AND ENDOWMENTS		64186	39305	103491	85525
EXPENDITURE ON:					
Raising Funds	4a	11370	-	11370	13622
Charitable Activities	4b	66256	32890	99146	89213
TOTAL EXPENDITURE		77626	32890	110516	102835
Net Income/(Expenditure)		(13440)	6415	(7025)	(17310)
Transfers Between Funds	8	-	-	-	-
Net Movement in Funds		(13440)	6415	(7025)	(17310)
Total Funds Brought Forward		73109	12257	85366	102676
Total Funds Carried Forward		59669	18672	78341	85366

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Balance Sheet

Note:

Narcolepsy UK has no Tangible or Stock or Current Work in Progress Assets.

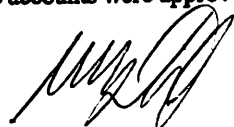
	Note	Total 2015 £	Total 2014 £
CURRENT ASSETS			
Debtors	6	1050	626
Cash at Bank and in Hand		82575	86900
Total Current Assets		<u>83625</u>	<u>87526</u>
 LIABILITIES			
Creditors Due within one Year	7	5284	2160
NET ASSETS		<u>78341</u>	<u>85366</u>
 FUNDS OF THE CHARITY			
Unrestricted Funds			
General Funds		7554	20994
Designated Funds			
Large Legacies and Donations		52115	52115
Restricted Income Funds		18672	12257
TOTAL FUNDS	8	<u>78341</u>	<u>85366</u>

For the year ending 31st December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Board on 22 September 2016



Matthew O'Neill
Chair

Statement of Cash Flows

	Note	Total 2015 £	Total 2014 £
Cash used in operating activities	10	(4495)	(18615)
Cash flows from investing activities			
Interest from investments		<u>170</u>	<u>115</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>(4325)</u>	<u>(18500)</u>
Cash and cash equivalents at the beginning of the year		<u>86900</u>	<u>105400</u>
Total cash and cash equivalents at the end of the year		<u>82575</u>	<u>86900</u>

Notes to the Accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Narcolepsy UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatement was required.

c) **Preparation of the accounts on a going concern basis**

The charity reported a cash outflow of £7025 for the year and with recurring deficits being made, the medium to long term future of the charity is of concern, although the trustees are working at finding more funding whilst cutting costs. The current reserves held are adequate to cover any deficits made over the next 24 months and on this basis the charity is a going concern.

d) **Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

e) **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Notes to the Accounts continued

g) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of their associated support costs.
- Expenditure on charitable activities includes the costs of conferences and fundraising and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Notes to the Accounts (Continued)

3.	Income and Endowments from:	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
3a	Donations and Legacies				
	Donations	16662	-	16662	56272
	Legacies	3034	-	3034	500
	Grants	16034	39305	55339	14044
		<u>35730</u>	<u>39305</u>	<u>75035</u>	<u>70816</u>
		Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
3b	Charitable Activities				
	Conference	5173	-	5173	1694
	Fundraising	23113	-	23113	12900
		<u>28286</u>	<u>-</u>	<u>28286</u>	<u>14594</u>
		Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
3c	Investments				
	Bank Interest	170	-	170	115
		<u>170</u>	<u>-</u>	<u>170</u>	<u>115</u>
		Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
4	Expenditure on:				
4a	Raising funds				
	Staff costs	10974	-	10974	12567
	Other costs	396	-	396	1055
		<u>11370</u>	<u>-</u>	<u>11370</u>	<u>13622</u>
		Charitable Activities £	Support and Governance Costs £	Total 2015 £	Total 2014 £
4a	Charitable Activities				
	Advocacy Services	21703	-	21703	21244
	Bookkeeping	-	1500	1500	-
	Catnap	6089	-	6089	5077
	Conferences and meetings	8454	-	8454	20319
	Independent Examiners fees	-	2160	2160	2160
	Local and regional support	9994	-	9994	9683
	Office and miscellaneous	-	5093	5093	1884
	Printing and stationary	-	536	536	2439
	Staff costs	-	17587	17587	21068
	Telephone and fax	-	1028	1028	890
	Training	-	499	499	-
	Trustee expenses	-	5261	5261	4396
	Website development and maintenance	19242	-	19242	53
		<u>65482</u>	<u>33664</u>	<u>99146</u>	<u>89213</u>

Notes to the Accounts (Continued)

4b	Staff Costs	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
	Salaries and Employers NIC	53878	-	53878	55993
	Pension costs	-	-	-	-
		<u>53878</u>	<u>-</u>	<u>53878</u>	<u>55993</u>

The average number of employees during the year was 4 full time equivalent (2014: 4 full time equivalent) with all employee time involved in providing either support services to charitable activities or support to the governance of the charity.

The charity trustees were not paid or received any other benefits form employment with the charity in the year (2014: £nil).

The trustees had reimbursed expenses for the year of £5261 (2014: £4396).

No employee received more than £60000 in the year (2014: none)

5 Independent Examiners Remuneration

The independent examiners remuneration constituted an independent examiner fee of £2160 (2014: £2160)

6	Debtors	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
	Prepayments	1050	-	1050	626
		<u>1050</u>	<u>-</u>	<u>1050</u>	<u>626</u>

7	Creditors: Amounts falling due within one year	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
	Other creditors and accruals	5284	-	5284	2160
		<u>5284</u>	<u>-</u>	<u>5284</u>	<u>2160</u>

8 Reconciliation of movement of funds by funds

	Opening Balances £	Incoming Resources £	Resources Expended £	Closing Transfers £	Closing Balances £
Unrestricted funds					
General fund	20994	64186	77626	-	7554
	<u>20994</u>	<u>64186</u>	<u>77626</u>	<u>-</u>	<u>7554</u>
Designated Funds					
Large legacies and donations	52115	-	-	-	52115
	<u>52115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52115</u>

Notes to the Accounts (Continued)

8 Reconciliation of movement of funds by funds continued

	Opening Balances £	Incoming Resources £	Resources Expended £	Transfers £	Closing Balances £
Restricted funds					
Website development	5300	2400	7700	-	-
Local and regional support	6957	31905	20190	-	18672
Actuaries	-	5000	5000	-	-
	<u>12257</u>	<u>39305</u>	<u>32890</u>	<u>-</u>	<u>18672</u>
Total Funds	<u>85366</u>	<u>103491</u>	<u>110516</u>	<u>-</u>	<u>78341</u>

8a Designated Funds

Names and Purposes of Designated Funds

Large Legacies and Donations Fund (LLandD Fund)

The purpose of this Designated Fund is to allow the charity to avoid situations in which the occasional receipt of a large legacy or donation significantly inflates the charity's reserves. Such situations can distort the charity's priorities for meeting its charitable objects and lead to the charity taking on commitments which are not sustainable once those legacy/donations funds have been exhausted.

By holding such monies in a Designated Fund from which they can be released back into the charity's reserves in a controlled manner over a period of time the charity is better able to ensure that it generates the maximum sustainable public benefit from its resources.

8b Narcolepsy UK has no Permanent or Expendable Income Restricted Funds.

8c **Names and Purposes of Restricted Funds**

Website Development

These funds have been donated specifically to allow the charity to develop and maintain up-to-date a credible and respected website which will be universally recognised as a primary source of information for everyone who has an interest in narcolepsy and related conditions.

As well as contributing to the technical costs of hosting the website, ensuring that its contents is relevant, accurate and up-to-date, and ensuring that it remains compatible with evolving trends in internet communications and social media, the fund will from time to time also be used to sponsor original contributions to the website.

Local and Regional Support

These funds have been donated specifically to allow the charity to provide support and information services within a particular region, both through enabling the creation and development of local volunteer/supporter sub-groups which are better able to focus on local needs and through the provision of a local and regional support infrastructure to ensure that such groups operate efficiently and effectively in a co-ordinated manner to the highest standards.

Notes to the Accounts (Continued)

9 Analysis of Net Assets Between Funds

The fund balances at 31st December 2015 are represented by:

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Current Assets				
Cash at bank and in hand	11788	52115	18672	82575
Debtors	1050	-	-	1050
Creditors: Due within one year	(5284)	-	-	(5284)
	<u>7554</u>	<u>52115</u>	<u>18672</u>	<u>78341</u>

**10 Reconciliation of Net Movement in Funds
to Net Cash Flow from Operating Activities**

	Total 2015 £	Total 2014 £
Net movement in funds	(7025)	(17310)
Deduct interest from investment activities	(170)	(115)
Decrease/ (increase) in debtors	(424)	-
Increase/ (decrease) in creditors	3124	(1190)
Net cash used in operating activities	<u>(4495)</u>	<u>(18615)</u>

2015 Supporters, Trusts and Foundation

Awards for all Wales
Awards for all Scotland
Balcombe Will final payment
Christopher Reeves CT
Duchy of Lancaster Benevolent Fund
Elwin Community Fundraising
Estate of Eileen Porter Legacy
Father Mike Anniversary
Foresters
Goldsmiths
H J A Solicitors Community Fundraising
H J A Solicitors Community Fundraising
I Foy Community Fundraising
Inner Wheel Bookham & Horsley Community Fundraising
James Tudor Foundation
James Wood Bequest Fund
John Mason Trust
Lillie C Johnson Trust
Lynn Foundation
Pilkington Fund
R S MacDonald
R&S Clarke CT
Really Useful Theatre
Reuben Foundation
Russell T
Santander Foundation
Searchlight
Sir Joules Thorn
The Worshipful Company of Actuaries
The David Gibbons Foundation
V Allen Community Fundraising