

Company Registration No. 3880213
Charity No. 1079049 (England and Wales)
OSCR No. SC040196 (Scotland)

CYSTIC FIBROSIS TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

CYSTIC FIBROSIS TRUST
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Patron

HRH Princess Alexandra KG GCVO
(to 8 May 2014)

HRH The Prince of Wales KG KT GCB OM
(from 8 May 2014)

Honorary President

Dr James Littlewood OBE MD FRCP FRCPE
DCH

TRUSTEES

Chairman

George Jenkins OBE #

Vice Chairman

Allan Gormly CMG CBE #

Honorary Treasurer

Rupert Pearce Gould FCA #

Katrina Dujardin #

Professor Stuart Elborn CBE MD FRCP

Brian Henderson #

Jenny Agutter # (retired 10 December 2013)

Sir Peter Cresswell #

(retired 9 July 2013)

Professor John Price MD FRCP FRCPCH

Martyn Rose #

Peter Sharp #

Caroline Cartellieri Karlsen #

(Appointed October 2013)

Peter Norris #

(Appointed January 2014)

David Turner QC #

(Appointed October 2013)

indicates either person with cystic fibrosis, carer
or close relative of someone with cystic fibrosis

Finance Committee

Rupert Pearce Gould (Chair)

Allan Gormly

Guy Harington

Peter Norris

Alistair Peel

Peter Sharp

Nomination & Development Committee

Allan Gormly (Chair)

Katrina Dujardin

Brian Henderson

George Jenkins OBE

Professor John Price MD FRCP FRCPCH

Details of all Cystic Fibrosis Trust
committees can be found at

[About us - Cystic Fibrosis Trust](#)

Charity Management

Ed Owen - Chief Executive #

Stephen Williams - Director of Finance &
Business Services (to May 2014)

Joanna Knowles – Interim Director of
Operations (from May 2014)

Tamsyn Clark – Director of Marketing
(maternity leave from May 2013 – March 2014)

Iain McAndrew – Director of Engagement &
Income Generation (from March 2014)

Dr Janet Allen MD FRSE - Director of
Research & Care

Dr Matthew Sowemimo – Director of Policy &
Communications (from April 2013 to May 2014)

Lucy Semmens – Director of Strategy &
Performance (from March 2014)

Principal and Registered Office

11 London Road

Bromley Kent

BR1 1BY

T 020 8464 7211

F 020 8313 0472

E enquiries@cysticfibrosis.org.uk

W cysticfibrosis.org.uk

Company Limited by Guarantee

Company registration number: 3880213

Charity registration number:

England & Wales – 1079049

Scotland – SC040196

Auditors

haysmacintyre

26 Red Lion Square

London

WC1R 4AG

Bankers

The Royal Bank of Scotland plc

15 Bishopsgate

London EC2N 3NW

Investment Managers

Schroder & Co. Ltd

100 Wood Street

London EC2V 7ER

CYSTIC FIBROSIS TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

In August 2013 Parliament approved 'The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013'. These Regulations introduce into the Companies Act 2006 a requirement for all large and medium-sized companies to prepare a separate Strategic Report. The Trustees have incorporated the requirements of the Strategic Report within their Trustees' Report.

The Trustees present their annual report and financial statements of the charity (company number 3880213) for the year ended 31 March 2014. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities published in 2005.

Structure, governance and management

Legal structure

Cystic Fibrosis Trust ('the Trust') is a registered charity in England and Wales (charity number 1079049) and in Scotland (charity number SC040196) and is also a company incorporated in 1964 and limited by guarantee (no 3880213). The overall objects and powers of the Trust are set out in the Memorandum and Articles of Association.

The Board of Trustees ('the Board') has full legal responsibility for corporate governance and all operations of the Trust including determining the strategic direction for the Trust. During the year two Trustees retired and three new Trustees were appointed.

For the purposes of the Companies Act 2006, members of the Board are directors of the company and the Board is comprised of 13 Trustees with a range of skills. Several committees such as the Finance Committee, Strategic Performance Oversight Committee, Nomination and Development Committee, Strategic Advisory Board, Strategic Implementation Board and Registry Steering Group support the Senior Leadership Team (SLT) and the Board in reviewing progress during the year and making recommendations to the Board for consideration.

Recruitment, induction and training of Trustees

Trustees consider the relevant skill-set required to enable effective oversight and proper governance of the organisation. New Trustees are appointed after a rigorous recruitment process including both recommendations and through advertising.

Upon appointment to the Board, in order to help facilitate their understanding of the current issues concerning the organisation, each new Trustee is provided with specific tailored information: copies of board minutes; the most recent annual audited accounts, along with Finance Committee reports; the Trust's objectives and strategic plan; and a copy of Charity Commission's briefing document, 'The Essential Trustee'. Opportunities are also provided for the new Trustee to meet with the Chair and Chief Executive, as well as meeting staff working within their own area of specialism.

Senior Leadership Team

Members of the SLT during 2013/14 have been the Chief Executive and the Directors of Finance & Business Services, Marketing, Research, Communications & Policy and Clinical Care & Commissioning, along with the Head of HR.

The Chief Executive and the SLT reports to the Board both formally at the Board meetings and informally (as appropriate) throughout the year, thereby ensuring a regular flow of information to aid decision making.

Public benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

In reviewing our aims, objectives and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees ensure that activities undertaken are always in line with the charitable objectives and aims of the Cystic Fibrosis Trust.

CYSTIC FIBROSIS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

About cystic fibrosis

Cystic fibrosis is a life-shortening genetic condition affecting more than 10,000 people in the UK today. It slowly destroys the lungs and digestive system, and imposes a heavy treatment burden of drugs, physiotherapy and hospital care on those with the condition. According to the 2012 report of the UK Cystic Fibrosis Registry, the average survival rate for cystic fibrosis in the UK is now 43 years.

About us

The Cystic Fibrosis Trust is the only UK-wide charity working to improve and transform the lives of people with cystic fibrosis. We do this by:

- investing in cutting-edge research and its application to patients;
- driving up standards of clinical care in the NHS;
- providing information, advice and support for people with cystic fibrosis and their families;
- campaigning and influencing policy affecting people with cystic fibrosis; and
- raising awareness of cystic fibrosis in the media and among the general public.

Delivering for people with cystic fibrosis – Achievements and performance

The Cystic Fibrosis Trust is committed to improving and transforming the lives of people with cystic fibrosis, and 2014, its 50th anniversary, is a platform to grow support, improve services and enhance impact.

Through 2013/14 the Trust introduced a series of initiatives, including:

- the launch and roll-out of an ambitious new five-year research strategy to maximise investment in key strategic projects;
- the implementation of an updated peer review process, in partnership with clinical professional groups, to improve standards of care in the NHS;
- the development of a new volunteer strategy to increase the number of volunteers and ensure more effective reward and recognition for the work they do;
- the publication of recommendations to improve the current system of transplantation for cystic fibrosis; and
- the launch of the 'No Party' campaign to mobilise supporters during the 50th anniversary year.

Alongside these activities, the Trust has been drawing up a new, inspiring and ambitious strategy to drive activity to 2020.

Investing in cutting-edge research

In April 2013, the Trust launched an ambitious [five-year research strategy](#) at a scientific conference organised jointly with the Wellcome Trust. 2013/14 has seen the roll-out of this strategy. Its main features were:

Strategic Research Centres (SRCs)

Following an open call in May 2013, the Trust provided funding for three £750,000 SRCs, new virtual centres of excellence bringing together scientific experts from across the world to tackle specific issues in cystic fibrosis, and to recruit the brightest and best young researchers into cystic fibrosis research. These were:

- Pseudomonal infection in CF: better detection, better understanding, better treatment.
Lead Principle investigator: Professor Jane Davies (Imperial College London)
- INOVCF: Innovative non-CFTR approaches for Cystic Fibrosis Therapy.
Lead Principle investigator: Dr Michael Gray (Newcastle University)
- Tackling *Mycobacterium abscessus* infection in Cystic Fibrosis.
Lead Principle investigator: Dr Andres Floto (University of Cambridge)

CYSTIC FIBROSIS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

Venture and innovation Awards (VIAs)

The VIAs are designed to help leverage additional funds into research projects from third party organisations thereby increasing the overall total of investment going into cystic fibrosis research.

Through a VIA, the Cystic Fibrosis Trust has, for the first time, partnered with a biotechnology company, Novabiotics to embark on a Phase1/2a clinical trial. This project is co-funded with Health Sciences Scotland and funding from the company itself. Novabiotics is working with Professor Graham Devereux, University of Aberdeen, to explore a possible new treatment for chronic Pseudomonas infection. This project was selected by the BioIndustry Association (BIA) and Association of Medical Research Charities as a leading example of a biomedical charity working with the biotechnology sector.

A further VIA project is the co-funding of a £200,000 research project at the University of Stirling, exploring the feasibility of a multimedia pack to help children and families cope with the daily burden of cystic fibrosis physiotherapy. Led by Dr Emma France, the team is drawing on the expertise of academics and clinicians across the UK to develop a treatment support kit, involving DVD, phone apps and the web, to make the daily physiotherapy sessions fun and engaging for children.

Overall, the Trust has invested £165k in VIA awards and, in doing so, has leveraged an additional £584k into cystic fibrosis research. Note this excludes grants for Gene Therapy and grants awarded where the potential leverage is not yet clear.

Research sandpits

The Trust is investing in research sandpits, or think-tanks, to enable cystic fibrosis experts and those from other disciplines to stimulate new thinking and innovation on a key issue relating to cystic fibrosis. In February 2014 the Trust held its first sandpit, bringing cystic fibrosis clinicians and researchers together with representatives of the pharmaceutical, IT and devices industries to focus on the use of 'smart electronics' as a means to develop a new model of care to empower people with cystic fibrosis and improve health and wellbeing

Research coordinators

A key theme of the research strategy is to increase the participation in clinical trials by people with cystic fibrosis, in particular to find ways to offer equity of access to trials across the UK. The Trust therefore has provided part-funding with the NHS to employ three research coordinators, at Kings College London, Manchester and Newcastle.

Driving up standards of clinical care

The Trust works closely with people with cystic fibrosis and their families, clinicians and health professionals, and commissioners across the four parts of the NHS, to improve the quality and standards of care for those affected by the condition.

2013/14 was an important year in that it saw the introduction of national commissioning of cystic fibrosis services in England with a new tariff to secure payment by results. The Trust has played a major part in the development of these arrangements.

The UK Cystic Fibrosis Registry

The UK CF Registry, funded predominantly by the Trust and now 7 years old, contains the anonymised clinical data of all people with cystic fibrosis who have given their consent for its use. It is a powerful tool that helps monitor and audit cystic fibrosis care in the UK, provides an accurate mechanism to establish commissioning arrangements in the NHS and helps plan for clinical trials of new therapies and provision of future care.

Because the registry contains over 99% coverage of the UK CF population, and over 89% complete data for all people with cystic fibrosis, it is an increasingly valuable research tool. Between April 2013 and April 2014 the Trust received 29 requests for data, of which 24 were approved and five declined.

CYSTIC FIBROSIS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

The [UK CF Registry Data Report for 2012](#) was published at the Trust's clinical conference in September 2013. The new figures show that the number of adults with cystic fibrosis continues to increase, with enhanced life expectancy. The median expected survival rate for people with cystic fibrosis in the UK has risen to 43.5 years. The report also reveals that 70.4% of people with cystic fibrosis are in work or study. For the first time, the Trust also published a [lay summary](#) to accompany the full report to ensure the findings were accessible to all in the cystic fibrosis community.

During 2013/14, the CF Registry was the subject of an external strategic review to ensure the Trust can build on the success of the work undertaken so far. The review, undertaken by Professor Kathy Rowan, was approved by Trustees in March and will guide the future development of the Registry.

Peer review

In 2013/14, the peer review process, sponsored by the Trust together with the British Thoracic Society and the British Paediatric Respiratory Society, carried out 11 reviews of adult and paediatric CF centres in the UK, visiting and reviewing 33 hospitals. In each review, a thorough examination of clinical, psychosocial and business activities relating to the delivery of care for those attending the service is carried out and a report of findings is published for the commissioner, hospital management, the clinical team, and for those who use the service.

All peer reviews are carried out against the Trust's [Standards of Care guidelines](#) published in 2011. All reports are published [on the Trust's website](#) with a summary of the findings provided to enable wider access to this valuable work.

Other clinical projects

In October, the Trust launched a new piloted project, funded by a grant by Vertex Pharmaceuticals, to help identify the precise genetic mutation of people with cystic fibrosis. A study of around 200 subjects was undertaken, and plans are being developed to extend it to all those whose genotype is unknown.

An expert group on microbiology and cross-infection, brought together by the Trust and chaired by Dr Andy Jones, provided interim advice to cystic fibrosis centres to help protect people with cystic fibrosis from *Mycobacterium abscessus*. The group was set up in the wake of a report in the Lancet in early 2013 that revealed evidence from a group of academic physicians at Papworth Hospital that *Mycobacterium abscessus* could transfer between people with cystic fibrosis in spite of existing cross-infection procedures.

Providing information, advice and support

The Trust is committed to providing information, advice and support to people with cystic fibrosis and their families throughout their lives.

In 2013/14, the Trust:

- received 3,117 calls to the confidential helpline and provided general advice, support and information on every aspect of cystic fibrosis care, from new diagnosis to bereavement;
- sent out 119 New Diagnosis packs, offering support for parents and families when a child has been diagnosed with cystic fibrosis;
- awarded 249 grants at a total value of £96,948 to people with cystic fibrosis and their families to support particular needs, including travel costs for lung transplant assessment, assistance for young people setting up a new home, and funeral costs; and
- provided new online tools, including a video supported by Jeans for Genes to help teenagers coping with cystic fibrosis.

The Trust is undertaking a review of its information, advice and support services to ensure it is effectively targeting the changing needs of the cystic fibrosis community. It is consulting widely on this work. The Trust has also developed a new grants programme to be implemented in 2014/15 to ensure the support grants are targeted to patients and carers who most need them.

CYSTIC FIBROSIS TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

Campaigning and influencing policy

Transplantation

At a parliamentary reception held during CF Week in June, the Trust launched an open consultation to start a debate about why so many are dying on the transplantation waiting list. Hosted by Jason McCartney MP, the event brought together politicians and decision makers with parents and relatives of people with cystic fibrosis, as well as clinicians. Over 140 individuals and organisations from across the spectrum of cystic fibrosis and transplant care took part in the consultation, alongside people with cystic fibrosis.

In March 2014 the Trust published its report, '[Hope for more: Improving access to lung transplantation and care for people with cystic fibrosis](#)'. It set out a series of recommendations and commitments to boost the number of transplants for people with cystic fibrosis. In response, more than 4,500 people from the cystic fibrosis community sent 9,000 emails to political representatives, and the campaign has attracted widespread national media coverage.

MP visits

In 2013/14 the Trust set up a programme of MP visits to local adult and paediatric CF centres. These events give MPs a chance to meet the multidisciplinary team and the Trust's Public Affairs team in person, and discuss the issues surrounding living with cystic fibrosis. There were 10 visits arranged between October 2013 and March 2014, including to centres at Liverpool, Southampton and Leeds

Welfare changes

During 2013/14 the Trust has been campaigning hard on the issues of benefits and disability support. In August the Trust made a submission to the government's consultation on the mobility threshold used to determine the rate of support provided for mobility under Personal Independence Payment. In November 2013 Liberal Democrat MP Stephen Lloyd submitted an Early Day Motion (EDM 701) supporting the Trust's call for fairer Employment and Support Allowance (ESA) assessment.

Raising awareness

No Party

2014 is the 50th anniversary of the Cystic Fibrosis Trust. There have been significant improvements in the lives of people with cystic fibrosis in that time. But it is not an opportunity for celebration, but a platform to improve our impact on people with cystic fibrosis. In January the Trust therefore launched its [No Party campaign](#) to re-engage and remobilise supporters. A series of initiatives on this theme will be unveiled through 2014.

Cystic fibrosis and the media

There has been a significant increase in media coverage of cystic fibrosis during 2013/14 with new investment in communications and the recruitment of 17 specialist media volunteers who have, so far, secured an additional 48 separate news items in regional media to help recruit fundraisers and raise awareness about local events.

In July 2013 the Trust recruited a full-time Social Media Executive to improve the way it communicates with its supporters and disseminates information via both social media and the website. In conjunction with the new brand and website, the Trust has dramatically increased its online reach. In April 2014 the website showed a 133% increase compared with April 2013, and the site received more than 64,000 visitors a month, on average, over that period. The Trust's Facebook page shows an increase of more than 20% for the same period, and a rise of over 35% in Twitter followers.

Financial Review

Income

The Trust's income for the year was £10.8m, an increase of 11% (2012/13: £9.7m) and the highest annual income figure since 2007/08. This represents a significant achievement by the Trust's

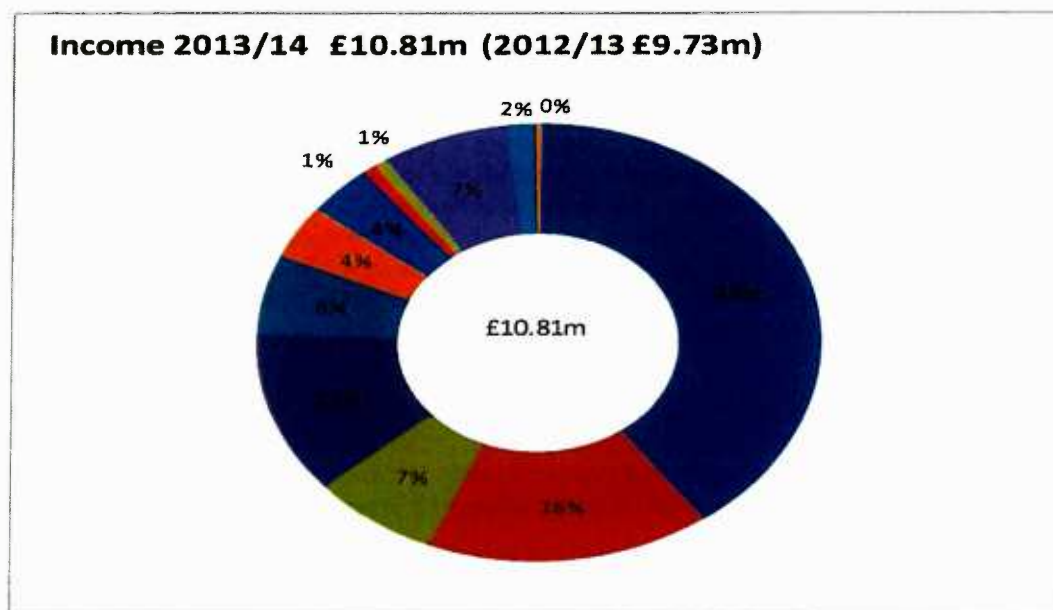
CYSTIC FIBROSIS TRUST **TRUSTEES' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2014**

supporters, and shows encouraging early signs of the impact of the Trusts changing income model and the improving economic climate.

91% of the Trust's total income was from voluntary income with community fundraising and branches representing 44% of this figure, underlining the continuing importance of the volunteer network. However, overall income from branches, groups and community declined by £416k on 2012/13, and regular giving and appeals declined by £432k, a position we will work hard to reverse.

The most significant increase in income was legacies which increased by £972k to £1.8m compared to the previous year, reflecting recent work to increase this source of funds and the receipt of a particularly large legacy towards the end of the financial year. Corporate income also increased by £678k to £1.3m and Trusts by £129k to £404k, providing a good platform for these areas of income that are a particular focus for long-term growth as the Trust develops a more ambitious and diversified fundraising model.

Finally, income from trading through CFSL increased by £258k over the previous year as an additional Phase IV pharmacovigilance came online in 2013/14 – we are looking for further opportunities in this area.



Income	£'000's
Community and branches	£4,309
Legacies	£1,777
Individual donations	£788
Corporate	£1,300
Gift Aid	£633
Regular giving and appeals	£428
Trusts	£405
Department of Health	£172
Trading and merchandising	£797
Investment & interest income	£166
Other incoming resources: Fixed	£31

£10,806

CYSTIC FIBROSIS TRUST

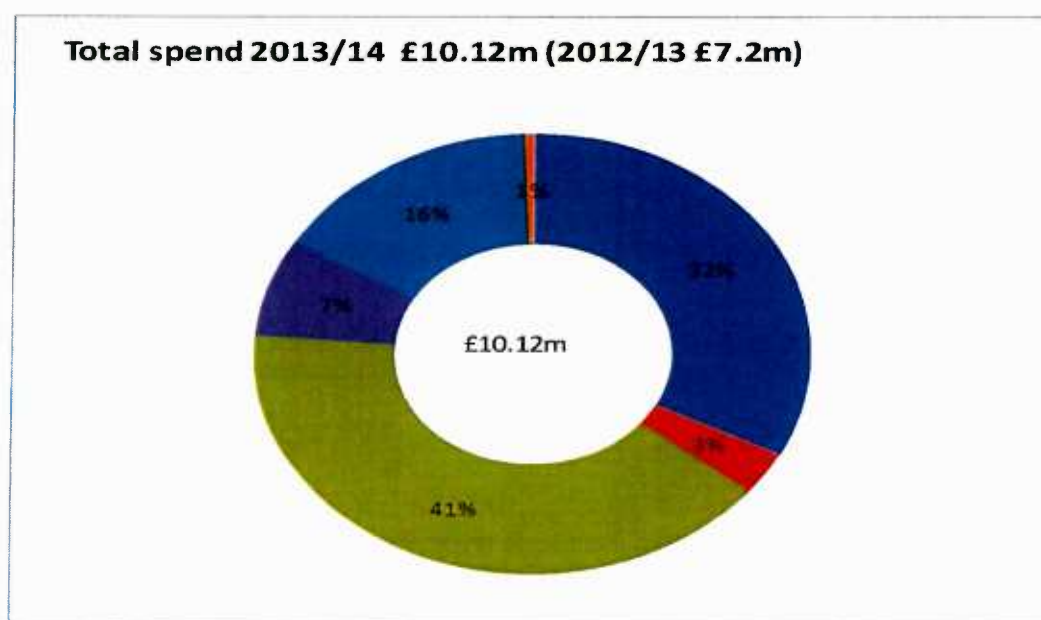
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

Expenditure

Overall total expenditure increased from £7.2m in 2012/13 to £10.1m in 2013/14, reflecting the programme underway to ensure the Trust is committed to delivering greater impact.

During 2013/14 the Trust increased the proportion of funds spent on charitable activities, including a 153% increase in research investment – from £1.6m in 2012/13 to £4.1m 2013/14 – in line with the roll-out of the Trust's new research strategy. We also doubled our expenditure on information, advice and support from £884k to £1.6m. Spending on fundraising was in line with 2012/13 at £3.6m, resulting in a 16% increase in the net contribution from fundraising from £6.2m in 2012/13 to £7.2m in 2013/14.



Expenditure	£'000's
Fundraising	£3,293
Trading-Merchandising	£318
Research	£4,118
Clinical care	£726
Information, advice & support	£1,609
Governance	£59
	<u>£10,123</u>

Investment Policy

The Finance committee sets the investment policy. Our Investment objective is to maintain real capital value over the long-term, looking to balance short-term volatility and protection against inflation with a moderate risk tolerance. General funds are invested in a balanced portfolio that includes some exposure to less liquid assets such as property, and a number of small endowments funds. We also hold cash reserves to maintain working liquidity and against commitments for grants. The performance of the investment managers is monitored on a quarterly basis. The policy is reviewed periodically by the Finance committee.

CYSTIC FIBROSIS TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

Reserves

Overall, the Trust made a £1.1m surplus for the year (2012/13: £2.9m) in line with plan.

The Trustee's Reserves policy is to hold Designated Reserves to cover specific commitments as set out in Note 5 to the Accounts. In addition to the Designated Reserves the Trustees are holding an Operating Reserve sufficient, as a minimum, to cover six months operating costs, major fluctuations in income from budget and contingencies for long-term commitments and any deficit on Restricted Reserves due to over commitment or payment on those projects – the total of these items amounts to £4.7m. This leaves Retained Reserves of £3.3m which are held for future initiatives. The Trustees remain confident that such initiatives will come forward in such a scale.

Plans for the future

Trustees have approved a three-year business plan, beginning in 2014/15, as the first stage of a new, ambitious long-term strategy to increase our impact on the lives of people with cystic fibrosis. This strategy will establish a clear mission to beat cystic fibrosis for good, and sets out an inspiring future for the Trust that raises more funds to do more for the people it exists to support. It will be published in draft in the summer of 2014 as part of a wider engagement and consultation with the Trust's supporters, stakeholders and interested parties to ensure the strongest possible support from the wider cystic fibrosis community.

The Trust's plans for 2014/15 include more stretching income targets and a programme of strategic projects to help deliver on the core priorities of the strategy, drawing on reserves as approved by Trustees.

Principal risks and uncertainties

Systems of internal control embedded within the culture of the Trust and which are designed to provide reasonable assurance against material misstatement or loss include:

- strategic and operational plans and annual budget;
- consideration of financial and non-financial results on a regular basis;
- assessment of major projects against core objectives; and
- identification and management of risks.

Risk management

The Board have overall responsibility for ensuring that risk is managed in a constructive and considered manner and mitigated (where possible).

Principal risks identified during the financial year were:

- the continuing impact of the present economic climate on the Trust's ability to generate income streams to budgeted levels; and
- continued reliance on fundraising from branches and community groups which presently raised over 40% of voluntary income.

These risks were mitigated by:

- regular review of cash-flow forecasts and management accounts, ensuring that expenditure remained within budgeted levels, if possible achieving cost savings; and
- the new corporate strategy, particularly with increased focus on building up revenue through developing corporate and philanthropic relationships and utilising the website more effectively as a fundraising and information tool.

The Trustees will continue to assess risk in a constructive manner to safeguard the efficacy of the Trust.

**CYSTIC FIBROSIS TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Cystic Fibrosis Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group 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 judgments 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 presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provision of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditors

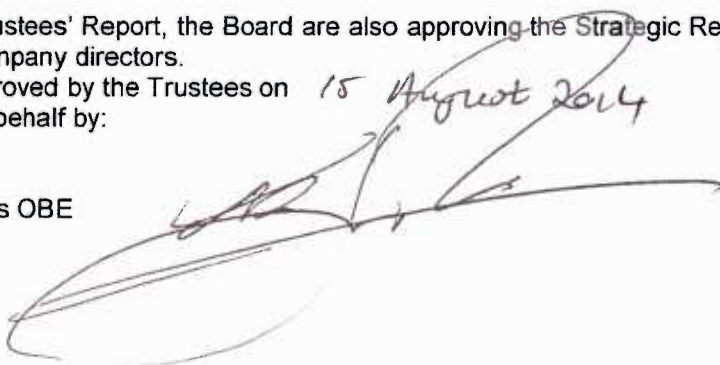
During the year the finance committee reviewed the work of the auditors and assessed the benefits of changing auditors. Haysmacintyre were appointed auditors in the place of Crowe Clark Whitehill and have expressed their willingness to continue as auditors for the next financial year.

Finally we would like to thank all patients, carers and supporters for their continuing support. And also the commitment and dedication of all staff that combine to enable the Cystic Fibrosis Trust to continue to improve the quality of life for those touched by CF.

In approving this Trustees' Report, the Board are also approving the Strategic Report included here in their capacity as company directors.

This report was approved by the Trustees on 15 August 2014
and signed on their behalf by:

Mr George R Jenkins OBE
Chairman



CYSTIC FIBROSIS TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CYSTIC FIBROSIS TRUST

We have audited the financial statements of the Cystic Fibrosis Trust for the year ended 31 March 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' and Strategic Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the charitable company and the group as at 31 March 2014 and of the incoming resources and application of resources, including the income and expenditure, of the group for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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


Kathryn Burton
Senior Statutory Auditor
for and on behalf of haysmacintyre, Statutory Auditors
26 Red Lion Square
London WC1R 4AG

Date 21 August 2014

CYSTIC FIBROSIS TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2014 £'000	Total 2013 £'000
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	8,954	858	-	9,812	9,015
Activities for generating funds						
Trading and merchandising	11	797	-	-	797	539
Investment & interest income		132	34	-	166	169
Other incoming resources:						
Fixed asset disposal gain		31	-	-	31	3
Total incoming resources		9,914	892	-	10,806	9,726
RESOURCES EXPENDED						
Cost of generating funds						
Costs of generating voluntary income	3	3,293	-	-	3,293	3,095
Trading and merchandising	11	318	-	-	318	421
Costs of generating funds		3,611	-	-	3,611	3,516
Charitable activities						
Research		3,926	192	-	4,118	1,628
Clinical Care		720	6	-	726	1,110
Information, advice & support		1,348	261	-	1,609	884
Governance costs		59	-	-	59	63
Total resources expended	3	9,664	459	-	10,123	7,201
NET INCOMING RESOURCES		250	433	-	683	2,525
Transfers between funds	5	255	(275)	20	-	-
Realised investment gain		58	3	-	61	76
Surplus for the year		563	161	20	744	2,601
Unrealised investment gains		267	-	37	304	368
NET MOVEMENT IN FUNDS		830	161	57	1048	2,969
Funds brought forward		10,839	(11)	1,067	11,895	8,926
FUNDS CARRIED FORWARD	5	11,669	150	1,124	12,943	11,895

All of the operations are continuing. There were no recognised gains or losses other than those stated above.


Company registration
No 3880213

CYSTIC FIBROSIS TRUST
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2014

		Consolidated		Charity	
	Notes	Total 2014 £'000	Total 2013 £'000	Total 2014 £'000	Total 2013 £'000
Fixed assets					
Tangible assets	6	832	944	832	944
Investments	7	5,086	4,749	5,086	4,749
		5,918	5,693	5,918	5,693
Current assets					
Debtors	8	1,093	344	2,078	766
Cash held as short term investment		5,673	1,647	5,673	1,647
Cash at bank & in hand		6,060	7,574	4,851	7,108
		12,826	9,565	12,602	9,521
Creditors: amounts due within one year					
Grants payable	9	(3,243)	(1,901)	(3,243)	(1,901)
Creditors and accrued charges	10	(781)	(624)	(557)	(579)
		(4,024)	(2,525)	(3,800)	(2,480)
Net current assets		8,803	7,041	8,803	7,041
Creditors: amounts due after one year					
Grants payable	9	(1,777)	(839)	(1,777)	(839)
Net assets		12,943	11,895	12,943	11,895
Represented by:					
Endowment funds	5	1,124	1,067	1,124	1,067
Restricted reserves	5				
Deficit on Gene Therapy		(244)	(533)	(244)	(533)
Other restricted reserves		394	522	394	522
Designated reserves	5				
Fixed assets reserve		832	944	832	944
Strategic reserve		2,871	2,759	2,871	2,759
General reserves	5				
Operating reserve		4,664	4,507	4,664	4,507
Retained reserves		3,302	2,629	3,302	2,629
Total funds		12,943	11,895	12,943	11,895

Approved and authorised for issue by the Trustees on
and signed on their behalf by:

15 August 2014

 Trustees

Mr George R Jenkins OBE
Mr Rupert Pearce Gould

Chairman
Treasurer

CYSTIC FIBROSIS TRUST
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 MARCH 2014

	2014 £'000	2013 £'000
Net cash Inflow from operating activities (Note A)	2,345	3,107
Returns on investments and servicing of finance		
Investment income	166	169
Capital expenditure and financial investment		
Purchase of fixed assets	(44)	(239)
Purchase of investments	14	(112)
Proceeds of sales of fixed assets	31	3
	1	(348)
Management of liquid resources		
(Increase) in cash held as short term investments	(4,026)	(30)
(Increase)/Decrease in cash (Note B)	(1,514)	2,898

NOTES TO CASHFLOW STATEMENT

A. Reconciliation of incoming resources to net cash inflow/(outflow) from operating activities

	2014 £'000	2013 £'000
Net incoming resources	683	2,525
Fixed Asset Disposal gain	-	(3)
Depreciation	140	140
Investment income	(166)	(169)
(Increase)/decrease in debtors	(749)	192
Increase in creditors	2,437	422
	2,345	3,107

B. Analysis of changes in net cash resources during the year

	2014 £'000	2013 £'000
Net cash resources at 1 April 2013	9,221	5,524
Net increase/(Decrease) in cash at bank & in hand	(1,514)	2,898
Increase in short term investments	4,026	799
Net cash resources at 31 March 2014	11,733	9,221
(being cash at bank & in hand and cash held as short term investments)		

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005 and the Companies Act 2006.

At 31st March the charity had a surplus on funds of £12,943,000. Having reviewed the expected cash flows over the next twelve months the Trustees are satisfied that sufficient reserves will be available for the charity to meet all its commitments as they fall due. Further details of the charity's reserves policy can be found in the Trustees' Report.

b) Consolidation

The financial statements include the results and assets and liabilities of the charity and its wholly owned subsidiary and are consolidated on a line by line basis. Both entities draw up their financial statements to 31 March each year. The parent charity has claimed exemption from presenting its own statement of financial activities under section 408 of Companies Act 2006.

c) Fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and are depreciated by equal annual instalments over their estimated useful lives. The current estimated rates of depreciation are:

Computer equipment	33 ¹ / ₃ %
Furniture and fittings	25%
Cars	20%
Website	33 ¹ / ₃ %
Freehold buildings	2%

Freehold land is not depreciated.

d) Income

Income from voluntary fundraising branches and groups is taken to the Statement of Financial Activities on the basis of the accounting returns received. Donations, legacies and other income are brought into the statement of financial activities on an accruals basis, when the Trust knows with certainty that the income will be received. All income arises from continuing activities.

e) Resources expended

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable.

Expenditure is allocated to relevant activity categories on a basis that is consistent with the use of the resource.

- Costs of generating funds includes all costs relating to activities where the primary aim is to raise funds, along with an apportionment of support costs.
- Charitable activities includes all costs relating to activities where the primary aim is part of the objects of the charity, along with an apportionment of support costs.
- Governance costs includes the cost of Trustee expenses, audit fees, and an apportionment of support costs.

Support costs, which include general management, payroll administration, budgeting and accounting, information technology, and human resources, are apportioned based on the estimated amount of time spent by the support area on each activity category.

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

f) Investments

Investments are included in the balance sheet at market value at the balance sheet date and the surplus or deficit on revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities.

Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

Liquid resources are regarded as cash deposits held overnight or at very short call (normally seven days).

g) Grants

Grants committed and awarded during the year are expensed.

h) Foreign Currency Transactions

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the Statement of Financial Activities.

i) Pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity. Charges to the Statement of Financial Activities in the period are on an accruals basis.

j) Taxation

No charge to taxation arises on the result for the year because the company is able to take advantage of the tax exemptions available to charities.

k) Funds

Unrestricted reserves are those which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Designated reserves are set aside out of unrestricted reserves by the Trustees, for particular purposes.

Restricted reserves are monies, which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities.

Endowed Funds are funds where the Trustees are required to hold capital, as represented by the investments, and are not entitled to spend it. Income arising from these funds is either restricted income or unrestricted income depending upon the details included with the original gift.

l) Leases

The trust recognises expenses under "operating leases" relating to capital equipment which it does not own. The annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

2. VOLUNTARY INCOME

	Unrestricted Funds £'000	Gene Therapy £'000	Other Restricted £'000	Total 2014 £'000	<i>Total 2013 £'000</i>
Branches, Groups & Community	4,286	23	-	4,309	4,724
Legacies	1,768	3	6	1,777	805
Individual donations	748	39	1	788	971
Corporate	777	426	97	1,300	624
Gift Aid	633	-	-	633	629
Regular giving and appeals	411	15	2	428	861
Trusts	159	63	183	405	275
Department of Health	92	-	-	92	126
NHS National Services Scotland	80	-	-	80	-
Total Voluntary Income	8,954	569	289	9,812	9,015

3. RESOURCES EXPENDED

	Grants Restricted £'000	Grants Unrestricted £'000	Direct Costs £'000	Support Costs £'000	Total 2014 £'000	<i>Total 2013 £'000</i>
Costs of generating funds						
Fundraising	-	-	2,544	749	3,293	3,095
Trading & Merchandising	-	-	318	-	318	421
Charitable activities						
Research	100	3,400	496	122	4,118	1,628
Clinical Care	-	281	232	213	726	1,110
Information, advice & support	95	81	751	682	1,609	884
Governance	-	-	12	47	59	63
	195	3,762	4,353	1,813	10,123	7,201

**Analysis of allocated
Support Costs**

	Management £'000	Finance £'000	IT Support £'000	HR & OD £'000	HQ & Facilities £'000	Total 2014 £'000
Fundraising	70	180	190	126	183	749
Research	13	30	28	19	32	122
Clinical care	20	48	45	30	70	213
Information, advice & support	73	164	154	104	187	682
Governance	20	22	-	3	2	47
Total Costs	196	444	417	282	474	1,813

Costs are allocated on the basis of time spent on the activity by full time staff.

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

3. RESOURCES EXPENDED (CONTINUED)

Analysis of Governance Costs

	2014	2013
	£'000	£'000
External audit fee	18	16
Auditors – Tax and report prior to appointment	12	-
Trustees' travel expenses	3	4
Managing strategy & compliance	26	43
	<hr/>	<hr/>
Total Governance costs	59	63

3b. GRANTS

Grants were awarded during the year as follows:

	2014	2013
	£'000	£'000
Grants to institutions	3,501	1,488
Grants – others	456	203
	<hr/>	<hr/>
	3,957	1,691

Grants made to, and for, individuals affected by Cystic Fibrosis are for expenses such as respite care, building adaptations and equipment rental and benefited a large number of individuals throughout the Trust's network of regions and branches.

	2014	2013
	£'000	£'000
Balance at start of year	2,740	2,531
Awarded in the year	3,957	1,691
Paid in year	(1,677)	(1,482)
	<hr/>	<hr/>
Balance at end of year	5,020	2,740
	<hr/>	<hr/>
Falling due within one year	3,243	1,901
	<hr/>	<hr/>
Falling due after more than one year	1,777	839

During the year, grants were awarded to the following institutions:

	2014
	£'000
University of Cambridge	750
Newcastle University	750
Imperial College London	746
Papworth Hospital	165
Queen's University Belfast	139
Northern General Hospital	121
University of Manchester	100
University of Ulster	95
University of London	86
King's College Hospital	75
Manchester Adult Cystic Fibrosis Centre	75
Newcastle Adult CF Unit,	75
Novabiotics Limited / University of Aberdeen	50
University College Cork	50

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

University of Sheffield	49
University of Stirling	40
University of Oxford	35
UCL Institute of Child Health	30
Queens Medical & Nottingham City Hospital	29
University of Edinburgh	21
ECFS - European Cystic Fibrosis Society	20
	3,501

4. STAFF COSTS

Staff costs comprise the following

	2014	2013
	£'000	£'000
Salaries	2,759	2,024
Temporary Staff	126	294
Social Security Costs	295	243
Other Pension Costs	73	71
	3,253	2,632

Analysis of average staff numbers by category:

	2014	2013
	No.	No.
Fundraising	44	37
Research	4	2
Clinical Care	6	5
Information, advice & support	14	14
Management	2	3
Finance	5	4
IT support	2	1
HR & OD	3	1
HQ & Facilities	2	3
Average number of employees during the year	82	70

The number of employees whose pay exceeded £60,000 in the year was:

	2014	2013
	No.	No.
£60,001 - £70,000	1	3
£80,001 - £90,000	2	1
£90,001 - £100,000	1	-

Pension contributions to defined contribution pension schemes for these employees totalled £5,250 (2013 £13,802). No remuneration was paid to the trustees. The charity paid £677 towards the cost of flights and accommodation for the Chair to attend an international conference. Travel expenses of £705 (2013 - £879) were settled on 2 trustees.

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

5A. FUNDS						
	<i>Balance</i>	<i>Fixed Asset</i>				<i>Balance</i>
	<i>1 April</i>	<i>Investment</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>31 March</i>
	<i>2013</i>	<i>gains</i>				<i>2014</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fixed asset reserve	944	-	-	-	(112)	832
Strategic reserve	2,759	-	-	-	112	2,871
Total Designated reserves	3,703	-	-	-	-	3,703
Operating reserve	4,507	-	-	-	157	4,664
Retained reserves	2,629	325	9,914	9,664	98	3,302
Total General reserves	7,136	325	9,914	(9,664)	255	7,966
Total Unrestricted Reserves	10,839	325	9,914	(9,664)	255	11,669
Restricted reserves deficit:						
Gene Therapy Research	(533)	-	289	-	-	(244)
Other Restricted reserves						
Department of Health	7	-	-	-	(7)	-
EW Joseph fund	141	-	10	(99)	-	52
Joseph Levy Memorial fund	30	-	28	(50)	-	8
Ena Bennie Memorial Fund	-	-	14	(6)	(8)	-
Gene Therapy Research	-	-	278	(85)	-	193
Transformational Research	-	-	150	(100)	-	50
Medical Research	-	-	106	(106)	-	-
For Transplant Donor co-ordinator	60	-	-	-	(60)	-
Diabetes & CF Lung research	18	-	-	-	(18)	-
Waterloo Foundation	30	-	-	-	(30)	-
Craig Legacy	25	-	-	-	-	25
CF Nurse Specialist	30	-	-	-	(30)	-
EPAs	1	-	-	-	(1)	-
Leisure Fund	26	2	3	-	-	31
Sailing Fund	25	1	1	-	-	27
Paediatrics	12	-	-	-	(4)	8
Mclsaac – Spyrometers	3	-	-	-	(3)	-
Nebulisers	45	-	-	-	(45)	-
Patient Care Plus	6	-	-	-	(6)	-
Respiratory Fund	10	-	-	-	(10)	-
Sally Wrigley Memorial Fund	20	-	-	-	(20)	-
Sheffield – Dietian	-	-	-	-	-	-
Welfare Grants	33	-	-	-	(33)	-
Clinical Care	-	-	6	(6)	-	-
Peer Review	-	-	6	(6)	-	-
Others	-	-	1	(1)	-	-
Total Other Restricted Reserves	522	3	603	(459)	(275)	394

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

5a. FUNDS (CONTINUED)

	Balance Apr - 13 2013 £'000	Investment Gains £'000	Income	Expenditure	Transfers	Balance Mar 31 2014 £'000
Endowment Funds:						
Ena Bennie Memorial Fund	539	26	-	-	-	565
EW Joseph Fund	192	(1)	-	-	-	191
Joseph Levy Memorial Fund	283	10	-	-	-	293
Sally Wrigley Memorial Fund	-	-	-	-	20	20
Other Endowment Funds	53	2	-	-	-	55
Total Endowment Funds	1,067	37	-	-	20	1,124
TOTAL FUNDS	11,895	365	10,806	(10,123)	-	12,943

The designed fixed assets reserve matches the net book value of the charity's tangible fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not, therefore, be regarded as realisable.

The designated strategic reserve has been set aside for the specific purpose of funding investment in a significant modernisation programme over the next three years in support of the long-term strategy approved by trustees during the year.

The operating reserve is held in order to provide, as a minimum, cover for six months operation costs, major fluctuations in income and contingencies for long term commitments, and any deficits arising on restricted funds. Retained reserves are held for future initiatives.

£289k of restricted donations were raised during the year for the Gene Therapy Research fund. This reduced the deficit at the end of the year to £244k, which is underwritten by unrestricted reserves.

During the year, a review of restricted funds was completed. As a result:

- £275k of restricted funds brought forward have been released to unrestricted reserves to reflect restricted expenditure incurred in prior years but charged to unrestricted;
- £25k has been carried forward from a legacy received in 2011 from Mrs Craig and restricted to work on cystic fibrosis at the Royal Brompton and Wythenshawe hospitals. £8k is carried forward from a donation to fund work at the paediatrics department at the Royal Brompton. Both these amount will be spent in future years; and
- a further £58k of donations restricted to leisure and sailing activities can no longer be spent on the restricted purpose for which they were given due to cross-infection issues so permission will be sought during the year to release these restriction.

The Trust maintains a number of endowment funds, where the capital is invested and the income arising from those investments is available to fund expenditure in the year.

- The Ena Bennie Memorial Fund was established in 1985. Income arising is restricted to Gene Therapy research;
- The EW Joseph Fund was established in 1990. Income arising is restricted to the promotion of increased care at home and education and funds the Trust's welfare grants programme, with any unspent balance carried forward;
- The Joseph Levy Memorial Fund was established in 1999 following its merger with the Lawrence Levy Foundation. Income arising is restricted to funding education and funds the Trust's education grants during the year, with any unspent balance carried forward; and
- The Sally Wrigley Memorial Fund was established in 2013 from a legacy from the estate of Mrs Mary Wrigley. Whilst the capital is maintained as an endowment fund, income arising is unrestricted.

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

5b. Analysis of funds	Unrestricted	Endowment funds	Gene Therapy Restricted	Other restricted	Total 2014 £'000
	£'000	£'000	£'000	£'000	
Tangible fixed assets	832	-	-	-	832
Investments	3,962	1,124	-	-	5,086
Current assets	12,432	-	-	394	12,826
Internal obligation	244	-	(244)	-	-
Current liabilities	(5,801)	-	-	-	(5,801)
TOTAL	11,669	1,124	(244)	394	12,943

6. FIXED ASSETS

Group and Charity	Freehold property	Furniture & fittings	Computer Equipment	Cars	Website	Total 2014 £'000
	£'000	£'000	£'000	£'000	£'000	
Cost						
At 1 April 2013	948	189	856	235	95	2,323
Additions	-	-	44	-	-	44
Disposals	-	(13)	(4)	(206)	-	(223)
At 31 March 2014	948	176	896	29	95	2,145
Depreciation						
At 1 April 2013	263	189	719	196	12	1,379
Disposals	-	(13)	(4)	(190)	-	(207)
Charge for the year	17	-	73	18	32	140
At 31 March 2014	280	176	788	24	44	1,312
Net book value at 31 March 2014	668	-	108	5	51	832
Net book value at 31 March 2013	685	-	137	39	83	944

7. INVESTMENTS

Group and Charity	Unrestricted funds	Endowment funds	Total 2014 £'000	<i>Total 2013 restated £'000</i>
	£'000	£'000	£'000	£'000
Market value at 1 April 2013	3,430	1,319	4,749	<i>4,193</i>
Additions at cost	2,788	-	2,788	<i>186</i>
Disposals at opening book value	(2,653)	(269)	(2,922)	<i>(186)</i>
Dividend Received	72	34	106	<i>112</i>
Net gains/(losses) on investments	325	40	365	<i>444</i>
Market value as at 31 March 2014	3,962	1,124	5,086	<i>4,749</i>

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

Represented by:

Investments held in Unit Trusts

Equities	2,372	477	2,849	2,186
Fixed interest	1,372	335	1,707	1,618
Cash	218	312	530	945
	3,962	1,124	5,086	4,749

Under the terms of the trust deed there are no restrictions on the trustees' powers of investment.

The following represent greater than 5% of total investments held at 31 March 2014:

Schroder Charity Equity Fund Units	16.60%
Schroder Unit Trusts Limited	10.10%
Trojan Income Fund Shs Class -S-	7.20%
AXA Framlington UK Select	7.20%
Schroder Charity Fixed Interest Fund	6.50%
Scottish Widows Inv Partnership Investment Funds UK	5.20%
Henderson UK Property Unit Trust Units	5.20%
Majedie UK Equity Fund	5.00%

8. DEBTORS

	Group 2014 £'000	Group 2013 £'000	Charity 2014 £'000	Charity 2013 £'000
Trade debtors	153	47	-	-
Amount due from subsidiary undertaking	-	-	1,139	469
Prepayments and accrued income	940	297	939	297
	1,093	344	2,078	766

9. GRANTS PAYABLE

	2014 £'000	2013 as restated £'000
Grant creditor at 1 April 2013	2,740	2,531
Grants paid during the year	(1,677)	(1,482)
Grants approved before 31 March 2014 awarded but withdrawn	-	(204)
Grants approved in prior years and underprovided	-	167
Grants for Welfare approved and payable within the year	-	12
Grants approved before 31 March 2014 and payable within one year	2,180	978
Grants approved before 31 March 2014 and payable after one year	1,777	738
Grant creditor at 31 March 2014	5,020	2,740

Represented by

Grants awaiting claim at 31 March 2014	1,263	720
Grants due within one year at 31 March 2014	1,980	1,181
Grants due > 12 months	1,777	839
	5,020	2,740

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

10. CREDITORS

	Group 2014 £'000	Group 2013 £'000	Charity 2014 £'000	Charity 2013 £'000
Trade creditors	219	282	217	260
Other creditors	97	179	97	177
Accruals and deferred income	465	163	243	142
	781	624	557	579

11. INTEREST IN SUBSIDIARY

Cystic Fibrosis Services Limited is incorporated in England and is a wholly owned subsidiary of the Cystic Fibrosis Trust. The subsidiary's activities include medical services, information and data system support and the merchandising of marketing materials. The profit and loss account of Cystic Fibrosis Services Limited for the year ended 31 March can be summarised as:

	Total 2014 £'000	Total 2013 £'000
Sales and sundry income	797	539
Cost of sales and administration	(318)	(421)
Intergroup Interest	(7)	(2)
Net contribution to parent charity	472	116

The balance sheet of Cystic Fibrosis Services Limited at 31 March 2014 can be summarised as:

	Total 2014 £'000	Total 2013 £'000
CURRENT ASSETS		
Debtors	153	47
Cash at bank	1,209	465
	1,362	512
CREDITORS: amounts falling due within one year	(1,360)	(510)
NET CURRENT ASSETS	2	2
NET ASSETS	2	2
CAPITAL AND RESERVES		
Called up share capital	2	2
Profit and loss account	-	-
SHAREHOLDER'S FUNDS	2	2

The charity owns the whole of the issued ordinary share capital, which comprises 100 ordinary shares of £1 each. 2 shares have been allotted, which are called up and fully paid.

CYSTIC FIBROSIS TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

12. OPERATING LEASES

At 31 March 2014, annual commitments under non-cancellable operating leases relating to equipment which will expire within the following periods were:

	2014 £'000
Within 1 year	23
Between 2-5 years	23

13. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exception which is conferred by Financial Reporting Standard No. 8 'Related Party Disclosures' that allows it not to disclose transactions with group undertakings that are eliminated on consolidation.

The Trust has made one grant in prior years which remain active in the current year and in which Professor Stuart Elborn is either an applicant or co-applicant. This grant is for 24 months and completes in 2014. The original sum of the grants made in which Professor Elborn has an interest was £143,819. Professor Elborn was not involved in the selection process of the successful grants by the Trustees where he was either an applicant or co-applicant.

Any other transactions between the Trust and its Trustees are disclosed in note 4.