



**Charity Registration Number 1102391  
Company Number 4974832**

**FINANCIAL STATEMENTS  
and  
TRUSTEES' ANNUAL REPORT**

**Period to 31<sup>st</sup> March 2008**

**Ataxia UK, 9 Ground Floor, Lincoln House,  
Kennington Park, Brixton Road, London SW9 6DE**

## **Contents**

	<b>Page</b>
<b>Chairman's Statement</b>	<b>4</b>
<b>Reference and Administration Details of the Charity, its Trustees and Advisers</b>	<b>5</b>
<b>Structure, Governance and Management</b>	<b>6</b>
<b>Objectives and Activities</b>	<b>8</b>
<b>Achievements and Performance</b>	<b>9</b>
<b>Financial Review</b>	<b>16</b>
<b>Plans for Future Periods</b>	<b>19</b>
<b>Statement of Trustees' Responsibilities</b>	<b>20</b>
<b>Audit Report</b>	<b>22</b>
<b>Financial Statements</b>	<b>24</b>

## ***Chairman's Statement***

For Ataxia UK the year 2007/8 was most successful. Staff changes including a new Chief Executive, fund raising manager and advocacy officer amongst others were consolidated. These are vital to ensure a firm basis on which to build for our next phase of development. Furthermore, the financial security for the charity has never been stronger and we are most grateful to all those who contribute so generously to our funds. As a result, more scientific research has been financed than ever previously.

There is progress in the identification of genes causing progressive ataxias, such as SCA 11; this is useful for research and vital for sufferers, helping them with diagnosis, understanding, prognosis and family planning. Exciting work has been done on the 'switching on' of the Friedreich's ataxia gene, allowing for a possible treatment in the future. Many different therapeutic approaches for the cerebellar ataxias are being explored; the time factor with this essential research is the major frustration for all.

The annual conference in Leeds was reported as a great success by all who attended. The need for advocacy was highlighted there and this service has been further developed. The number of branches and support groups is mushrooming. Advice and information for both professionals and non-professionals is readily available and updated.

We owe a great debt of thanks to all the volunteers who help in so many ways, including the trustees, and also to our great team of staff. All of these people take the theme of "responding to need" to their hearts.

Elizabeth (Liz) Harrison  
Chairman

## **Reference and Administrative Details of the Charity, its Trustees and Advisers**

The charity's sole address is Ground Floor, Lincoln House, Kennington Park, 1-3 Brixton Road London SW9 6DE. The trustees (who are also directors for the purposes of this report) who served during the year 2007/8 are:

### Hon Officers:

Dr Elizabeth (Liz) Harrison	Chairman (elected 29 <sup>th</sup> March 2008)
Elizabeth (Pit) Rink	Chairman (resigned as Chairman 29 <sup>th</sup> March 2008)
Peter Taylor	Vice Chairman
Chris Bunton	Hon Treasurer

### Trustees:

Graham Fickling	Resigned 17 <sup>th</sup> November 2007
Professor Barry Hunt	Chair of Research and Scientific Advisory Committee
Jim Keane	Changed from co-opted to elected member 17 <sup>th</sup> November 2007
Jan Owen	
Roger Hingley	resigned 17 <sup>th</sup> November 2007
Marta Hancock	
Valerie Charbit	
Alison Gregg	
Dr Elizabeth Harrison	Changed from co-opted to elected member 17 <sup>th</sup> November 2007

The Company Secretary is Susan Millman.  
Margaret Malcolm served as Interim CEO from November 2006 – May 2007.  
Susan Millman was appointed as CEO from May 2007.  
Ataxia UK uses the following professional and other advisers:

### **Bankers:**

Barclays Bank PLC  
Leatherhead Branch  
PO Box 96  
82-84 High Street  
Epsom KT19 8BH

### **Investment managers:**

Barclays Private Bank  
1 Churchill Place  
London E14 5HP

### **HR Services:**

HR Services Partnership  
Bentley House  
North Heath Lane  
Horsham  
West Sussex RH12 5QE

### **Auditors:**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London EC1M 7AD

### **Solicitors:**

Bates Wells & Braithwaite London LLP  
2-6 Cannon Street  
London EC4M 6YH

### **Accountancy:**

The Kings Mill Partnership  
75 Park Lane  
Croydon  
Surrey CR9 1XS

## **Structure, Governance and Management**

Ataxia UK is a company limited by guarantee, incorporated in England and Wales on 25 November 2003 and a registered charity registered in England and Wales (number 1102391). It is governed by its Memorandum and Articles of Association, adopted on 25 November 2003.

Ataxia UK is controlled by a Board of Trustees, which sets strategies and policies. An Executive Committee, comprising the Honorary Officers and the Chairman of the Scientific Advisory Committee conduct business as required between meetings of the full Board of Trustees. The trustees include people with ataxia, those who care for someone with ataxia and others with relevant experience and expertise.

Under the articles of association of the charity, trustees are nominated for election by the Friends of the charity, comprising beneficiaries affected by ataxia, and others interested in the welfare of those affected by ataxia. Each year one third of the trustees retire but are eligible to stand again if they so wish. In addition, the trustees may co-opt up to two additional trustees.

The annual general meeting of the charity took place on 17th November 2007.

In compliance with the Charities Act 2006, Ataxia UK has adopted a *Statement of Public Benefit* as follows:

*“Ataxia UK is an inclusive organisation which promotes the wellbeing of all people affected by ataxia. We provide information to people affected by ataxia at the early stages of diagnosis and specialist services for this medical condition, many of which are not available from the NHS or other statutory or voluntary sources. We work to end isolation and promote engagement in social, educational and leisure activities for people affected by ataxia and their families. We educate the broad community and key subsections within it, such as the medical and social services professions, about the effects of ataxia. We also fund vital research projects into potential treatments, aiming to find a cure for the ataxias. There is currently no specific government funding for ataxia research.”*

The Trustees confirm that they comply with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

The Trustees commenced work on a new Strategic Plan for the organisation which will take forward our work until 2012. This plan will ensure that the development of Ataxia UK continues on a firm basis, facilitating both the research the search for a cure requires, and the immediate services needed by Friends to assist them in living with the condition.

We continue to work in alliance with other organisations with shared interests, principally the Genetic Interest Group, The Neurological Alliance, Long Term Conditions Alliance, the Association of Medical Research Charities and *euro-Ataxia*. In partnership with three other neurological charities, the Multiple Sclerosis Society, Motor Neurone Disease Association and The Parkinson’s Disease Society; and the Department of Health, we are developing an audit tool for the National Service Framework on Long Term Medical Conditions.

This Department of Health funded project will help to ensure improvements in the quality of health care for Friends. Our Chief Executive is the Secretary of *euro-Ataxia* a federation of patient organisations from 14 different countries and we have been assisting in the organising of the forthcoming annual *euro-Ataxia* conference in Dublin in September 2008.

The Scientific Advisory Committee meets three times per year. Its terms of reference are to provide independent scientific advice to the Board of Trustees on:

- The relevance of the Charity's research priorities
- The use of funds for supporting research related activities
- The significance of research developments in related fields for ataxia and the development of novel research approaches
- The direction and scope of activity of Ataxia UK's research staff
- The quality of research activity sponsored by the Charity
- The nature and significance of scientific advice from independent reviewers
- The best practice to review grant proposals
- How to attract high quality research proposals
- Promoting research in the field of ataxia

Professor Barry Hunt is chairman of the Scientific Advisory Committee (SAC) comprising, as professional members, Dr Michael Barnes, Professor Patrick Chinnery, Dr Irina Udalova, Dr Gavin Kilpatrick, Professor Bob Lightowers and Professor Graham McClelland. Three new lay members were appointed to the SAC, being Nigel Kilvington, Paul Stone and Katie Howie. All members of the SAC are unpaid volunteers.

Ataxia UK employed 12 members of staff (10.9 full-time equivalents) and comprised the Chief Executive, Research Projects Manager, Research Officer, Marketing and Communications Manager, Press Officer, Resources and Facilities Manager, Services Co-ordinator, Office Administrator, Fundraising Manager, Fundraising Officer, Branch Development Officer and Advocacy Officer. Accounting and HR functions are outsourced.

*Volunteers:* In addition to the trustees, many volunteers play an important part in helping the organisation provide a range of services for people affected by ataxia. Our branches and support groups are run by volunteers many of whom have ataxia themselves. Our Ataxia Centre at the National Hospital for Neurology and Neurosurgery in London is attended by volunteers whose role is to provide emotional and practical support to people with ataxia and their families attending the Centre. Ataxia UK has continued to benefit from an enthusiastic volunteer who works voluntarily as Webmaster, maintaining and updating the content of our website. We are also grateful to the four Friends for moderating our on-line forum; and to the volunteers who assist our Research Department, have helped with the technical content of information leaflets; and helped at our annual conference. Loyal and committed volunteer fundraisers run events both large and small to provide Ataxia UK with essential funds. The contribution of all of our volunteers to the work of Ataxia UK is much valued and appreciated.

*Branch Network:* In addition to the central functions and services, Ataxia UK operates throughout the UK with its branch and support group network. Our Big Lottery funded Branch Development Project began in April 2006 when we had seven branches and four support groups. On 31st March 2008 the number of branches had risen to 11; and the number of support groups to 17. Branches are formally affiliated to Ataxia UK, adopting the rules and fundraising under the banner of Ataxia UK. Support groups are less formal, and often take the guise of fledgling branches.

### ***Risk management***

As in previous years, we continued the rolling programme of risk management, focusing on the most serious risks. We have maintained a register of our controls and activities throughout the year.

## ***Objectives and Activities***

Ataxia UK's charitable objects are to 'relieve those persons affected by ataxia'. Many different kinds of ataxia have been identified, with varying causes and characteristics. They are, typically, slowly progressive disorders in which initial clumsiness and poor balance and co-ordination can lead to total physical disability. Other symptoms may include problems with speech, sight and hearing. There is currently no treatment for most ataxias, although good progress towards treatments is being made for some.

The trustees are clear that ataxia does not just affect the person with the disorder, but also his or her carer and other members of the family. Ataxia UK regards all three groups as affected by ataxia and aims to help them all. Whilst Ataxia UK's vision is to find a cure for ataxia, trustees recognise that in the more immediate term those affected by ataxia need support in a variety of forms, and this informs our activities.

There are three major strands to Ataxia UK's activities:

- ***Funding of Research towards finding treatments and a cure***

Our primary objective is to find the causes of the various ataxias, suitable treatments and cures.

**Research Grants** are made on the basis of proposals from qualified researchers which have been assessed by peer reviewers and evaluated by Ataxia UK's Scientific Advisory Committee. All projects, where appropriate, have approval from the Ethical Approval Committee local to the lead researcher.

- ***The Development of Ataxia Centres with a view to improving treatments and care***

People with ataxia want a quick diagnosis delivered in a supportive and sympathetic manner, with the choices of care pathways explained to them,

and assistance in accessing them if required. They want information about their condition, and medical care to prevent deterioration and enable the management of symptoms.

Ataxia UK seeks to improve treatments and care by researching the experiences and requirements of people with ataxia and by developing replicable model solutions to the problems they experience. Our most significant work in this area is the development of Ataxia Centres.

**Ataxia Centres** are specialist clinics within NHS Trust Hospitals which bring together in a one-stop shop all the services needed by someone with ataxia from diagnosis to ongoing management of their condition. Applicant medical centres are assessed against criteria laid down by Ataxia UK and there is an expectation that the NHS Trust will continue the funding of the service once Ataxia UK's funding has ended.

- **Care and Support Services for People Affected by the Ataxias**

Care and support services comprise all other services for beneficiaries which include grants to improve the welfare of people with ataxia provided that they meet the criteria for funding; information and website services including our quarterly magazine 'The Ataxian'; advocacy and helpline services; conferences and workshops on topics of interest and our network of branches and support groups.

## **Achievements and Performance**

The year has been one in which we have implemented our plans for growth and consolidated our position, as foreshadowed in last year's report. We entered the year with significant free funds and part way into a programme of strategic growth – a programme that has taken major steps forward during the year.

### **Finding treatments and a cure**

#### **Research:**

In 2007/8 Trustees planned to increase Ataxia UK's investment in research in order to achieve our vision of finding a cure for the ataxias, and substantially more funding has been concentrated on this area of our work during the period.

#### **A. Aims for the year and how they have been addressed**

Our aims for the year were to:

- Continue to fund high quality research into the ataxias
- Continue to collaborate with other ataxia support groups, researchers and industry worldwide to facilitate research

- Develop a research fellowship scheme to enable a promising UK researcher to establish a career in ataxia research

We are pleased that most of these aims have been achieved and in some cases have been exceeded.

### ***Funding high quality research into the ataxias***

We have invested significantly more funds in research grants than previous years and have ensured that quality is maintained. During the course of the year we supported a total of 30 research projects (see section C for full details of projects funded this year). Due to the expansion of research-related activities, and to ensure a continuation of the good practice in selection of research grants, their monitoring and dissemination, Trustees decided to create a Research Officer position based at the Ataxia UK office to support the Research Projects Manager.

### ***Collaborations with other ataxia support groups, researchers and industry worldwide***

Ataxia UK's collaborative work has continued to develop. There have been two jointly funded research projects (with the US charity Friedreich's Ataxia Research Alliance and the Italian Friedreich's ataxia organisation GoFAR) and has also funded a travel award for attendance at an overseas conference and supported an international ataxia conference in Cuba.

Ataxia UK research staff have many contacts with ataxia researchers worldwide and have attended international conferences during the year (*euro-ATAXIA* AGM and research conference, France, November 2007; German Network for Hereditary Movement Disorders International conference, Germany May 2007). In addition, Ataxia UK contributed to a workshop of the European Molecular Genetics Quality Network on genetic testing of the spinocerebellar ataxias in Portugal in October 2007. Reports of the conferences were produced and circulated to Ataxia UK's Friends and placed on our website.

During the year we have further strengthened international collaborations in research and a model has been devised for the commissioning of research into Friedreich's ataxia. It involves the creation of a Friedreich's ataxia network of excellence (FA-NET), to include the main researchers worldwide. Funding will be sought during 2008 to take this model forward. The network would complement the euroSCA network of excellence for the cerebellar ataxias which has been receiving funding from the European Commission.

Ataxia UK has always been open to working with pharmaceutical companies and this year there has been an increased level of interest due to the clinical trial testing of the drug idebenone in people with Friedreich's ataxia. A multi-centre trial is being run by the pharmaceutical company Santhera and Takeda, who will be marketing and selling the drug in the UK and Europe if they get approval from the regulatory authorities. Ataxia UK has been providing ongoing support to this clinical trial through the recruitment of

participants. In order to ensure openness and transparency and also ensure Ataxia UK's charitable aims are not in any way compromised, Trustees have approved a policy on relationships with pharmaceutical companies.

## **B. Additional achievements during the year**

### ***Dissemination of research information to people with ataxia***

During 2007/8 year we started updating the information available on the research section of our website. As well as having information on the projects Ataxia UK funds, we now have a much improved section describing the latest research worldwide in Friedreich's ataxia, and information on stem cell research and clinical trials. We plan to expand this and have more detailed information on the latest in research in other ataxias during 2008.

In addition we have increased our written information to branches, and the Research Officer has attended branch meetings to provide research updates.

## **C. Details of Research projects funded by Ataxia UK**

Trustees have approved funding for 9 new research grants during the year. In addition, the trustees approved funding for a further 9 projects that were still in development at the end of the year.

### **1) Epigenic modifiers as potential disease modifying factors in Friedreich's ataxia**

Professor Festenstein, Imperial College London (Extension grant to build on the promising results of the original research)

**Summary of what may be achieved:** Switching frataxin gene on using specific drugs in cells taken from patients.

### **2) Switching *Frataxin* back on in Friedreich's ataxia - identification and characterisation of novel epigenetic therapies**

*Professor Festenstein (Imperial College London)*

**Summary of what may be achieved:** Switching frataxin gene on using specific drugs in cells taken from patients and in mouse models of Friedreich's ataxia.

### **3) Development of high-throughput genetic testing for cerebellar ataxias**

Dr Nemeth and Dr Talbot, Weatherall Institute of Molecular Medicine, John Radcliffe Hospital, Oxford

**Summary of what may be achieved:** Develop a UK genetic testing service for the recessive cerebellar ataxias. This will result in improvements in diagnosis for people with ataxia of unknown cause.

### **4) The genetic and functional characterisation of spinocerebellar ataxia type 11**

Dr Houlden (Institute of Neurology, London)

**Summary of what may be achieved:** Improvements in diagnosis amongst people with cerebellar ataxia of unknown cause. A better understanding of the function of the gene that causes SCA11; essential information when designing future therapies.

## **5) RNAi therapy for spinocerebellar ataxia type 7 (SCA7)**

Dr Wood, University of Oxford. (Continuation grant to build on the promising results of the original research).

**Summary of what may be achieved:** Develop a system for silencing the disease-causing gene in SCA7 in preparation for trials in mouse models of SCA7.

## **6) Investigations into the cellular function of ataxin-2 by the use of ssRNA aptamers**

Dr Krobitch and Dr Konthur (Max Planck Institute for Molecular Genetics, Germany)

This was an extension of one year to a previous 2-year grant covering the final year of a 3 year project.

**Summary of what may be achieved:** Gain an understanding of SCA2 disease mechanism and determine whether ssRNA aptamers may be a useful therapeutic approach.

## **7) Neuron-validated approaches for developing Friedreich's ataxia therapeutics**

Dr Wade-Martins and Dr Lim, University of Oxford

This is a collaborative project jointly undertaken by laboratories at the University of Oxford and the Universidad Autonoma de Madrid in Spain and jointly funded by Ataxia UK and the US charity FARA.

**Summary of what may be achieved:** A better understanding of how the faulty FA gene behaves in cells of people with FA. This project will also explore whether a gene therapy approach may be feasible for the treatment of FA.

## **8) Understanding the role of interruptions in polyQ diseases**

Dr Giunti and Professor Pastore, Institute of Neurology and National Institute for Medical Research, London

**Summary of what may be achieved:** This research should result in an improvement in the knowledge available for predicting disease progression and the likelihood of ataxia being passed on to future generations for a specific group of people with spinocerebellar ataxia.

## **9) Developing non-invasive therapeutic technology to improve motor coordination in cerebellar ataxias**

Professor Lee and Dr Schogler, University of Edinburgh

**Summary of what may be achieved:** The researchers aim to produce and test user-friendly cost-effective non-invasive therapeutic devices to help people with any kind of ataxia overcome their movement difficulties in everyday purposive activities.

## **Conference support and travel award**

Ataxia UK has provided some funding to an international research conference on the ataxias in Cuba. Further support to conferences has been provided by a small travel award to a PhD student to present their research at an international conference.

## ***Ataxia Centres***

### **Aims for 2007/08 and how they have been addressed**

These were the aims we had for the year:

- **Accredit another Ataxia Centre**

Ataxia UK has to date accredited three Ataxia Centres. Two are fully operational and very successful: the London Ataxia Centre at the National Hospital for Neurology and Neurosurgery and the Sheffield Centre at the Royal Hallamshire Hospital. The third Centre, at Belfast City Hospital, has not been in a position to take up the grant offer due to funding continuation uncertainties with the Northern Ireland Health Board. After many attempts to resolve the issue, Ataxia UK Trustees have taken the difficult decision to withdraw the grant. We are still committed to opening an Ataxia Centre in Northern Ireland and if the administrative situation changes, we will reconsider an application for funding.

*Accreditation of new centres*

Although we did not succeed in accrediting a further Ataxia Centre during the year, we have been in discussions with clinicians in Oxford and Newcastle. We are optimistic that both of these will come to fruition.

*Exploring ataxia service provision*

Ataxia UK is aware that the provision of services to people with ataxia is very variable, and that some areas are less well served. We have therefore been collaborating with a team of researchers and clinicians in applying for an NHS National Institute for Health Research grant to evaluate services for people with ataxia in the Greater Manchester area, an area identified by the leading neurologist there as in need of improvement. If funded we hope to be able to get an in depth understanding of the services and suggest recommendations in order to help people with ataxia in the area.

*Monitoring the success of Ataxia Centres*

Ataxia UK is committed to the development of Ataxia Centres and has been evaluating the success of the London Ataxia Centre through extensive patient feedback. We are pleased to say that this has been exceptionally positive and patients are feeling a real benefit from attending the Centre. This provides reassurance that both the London Ataxia Centre and the model of Ataxia UK accredited Centres is successful.

## ***Care and Support Services for Friends and their Families***

In recent years, Ataxia UK has significantly upgraded and expanded its care and support activities. In 2008 we will focus on implementing our most recent new service areas and on taking forward the conclusions of the feasibility studies we have initiated.

## ***Improvements in Treatment and Care***

Ataxia UK continues to expand its services to the wider public, to families and to individuals through our website, media coverage, publications, branch network, conferences, helpline and welfare grants. Each service is important and aims to provide help for people affected by ataxia and information for professionals that they cannot access from other sources.

## **Aims for 2007/08 and how they have been addressed**

These were the aims we had for the year:

- Disseminate Clinical Guidelines amongst medical professionals
- Implement recommendations of palliative care project
- Evaluate results of diagnosis and referral project

## **Dissemination of Clinical Guidelines for management of the ataxias**

As the ataxias are uncommon conditions many healthcare professionals may not have much expertise of treating people with ataxia. Acknowledging this Ataxia UK's Medical Advisory Panel recommended developing Guidelines for the management of the ataxias. These were produced in the last financial year, as well as producing a summary specifically for GPs, and this year we have continued their dissemination coverage in general medical journals, and promoted them to neurologists, clinical geneticists, paediatricians, and speech and language therapists. We have informed Ataxia UK Friends about the Guidelines via our magazine, website and conferences and have asked them to disseminate to their doctors. In addition any new Friend of Ataxia UK is asked for their GP's details for us to send them the Summary of the Guidelines.

## **Palliative Care Project**

Trustees have considered the findings of the study commissioned in 2006/7 into the needs of people affected by ataxia towards the end of life and are committed to taking forward the majority of the recommendations in the report, resources permitting. An application for funding was submitted to the Department of Health, but unfortunately was not successful. We are still committed to helping people with ataxia in the end of life and will explore ways of making this happen.

## **Diagnosis and Referral Project**

The research for this project was conducted during the year and Trustees have evaluated the findings and agreed many of the recommendations which are in line with Ataxia UK's current aims and will be taken forward over the coming period.

## **Ataxia UK's Registry for healthcare professionals**

This was established over a year ago, has expanded with now over 180 professionals registered. These range from physiotherapists, to neurologists and GPs. E-newsletters are circulated three times a year to registered individuals updating them on relevant information on the ataxias, including research findings, the Clinical Guidelines, ataxia conferences and clinical trials that are recruiting patients.

## **Quality Neurology Project**

Ataxia UK has continued its participation in the Quality Neurology Project – a partnership between 4 charities to develop an audit tool for use in NHS services covered by the National Service framework for people with long term medical conditions.

## ***Services to Friends and Beneficiaries***

***Later Onset Ataxia DVD*** We successfully launched a DVD aimed at helping people whose ataxia has developed later in life, and their families. Feedback from Friends has been extremely positive.

***Welfare Grants*** Our Welfare Grants Committee approved a total of 25 grants totalling £14,274 for holidays & leisure, mobility equipment, IT equipment, education, aids and adaptations. We hope that the assistance we are now able to provide via the Helpline and Advocacy Project will continue to reduce the pressure on these funds.

***Advocacy Project*** From June 2007 to March 2008 the Advocacy Project dealt with 92 referrals, most of which came via the Helpline. A wide range of issues were addressed including: access to care and support services, benefits, housing issues, financial/insurance concerns, aids and adaptations and employment issues. 55 cases have been resolved successfully, 22 referrals were followed up but either the person requiring assistance didn't respond or they no longer required advocacy help. 15 cases remain open and we are continuing to assist.

***Branch Development*** By the end of the year we had 11 branches and 17 support groups, with requests to establish more continuing to arrive. Branches and support groups represent an important opportunity for people affected by ataxia to meet and gain mutual support. We held our first Branch Officers Conference in July 2007 to enable this group of volunteers to meet together and share experiences.

***Conferences and Events*** Our national conference in Leeds in September 2007 was a great success and was attended by 140 Friends and supporters. We held a Family Weekend at Alton Towers in March 2007 which included not only discussion groups for adults and young people and children, but also access to the theme park.

***Helpline Review*** We reviewed our helpline services with a view to increasing the types of interventions and assistance available via this route, and to obtaining membership of the Telephone Helplines Association (THA). Our ultimate aim is to obtain accreditation for the service with the THA.

***Work with partners*** We continue to collaborate with partners in the field of neurological disorders. In particular, in 2007/8 we are working with partners and contributing to an Audit of the National Service Framework (NSF) on long term medical conditions, specifically as it relates to neurological conditions. This audit is part-funded by the Department of Health and our Charity partners

in this are the Multiple Sclerosis Society, Motor Neurone Disease Association and the Parkinson's Disease Society. Of particular interest to Ataxia UK are areas of the NSF which include failures of the system, counselling, diagnosis and referral and palliative care.

**Publications** The Ataxian, our quarterly magazine, continues to be well received by Friends and supporters and carried a variety of material including articles relating to developments in ataxia research, advice on living with ataxia, the achievements of people living with ataxia, and information about forthcoming events.

## **Financial Review**

### **Statement of Financial Activities**

Total revenue for the year was £1,290K, which compares with £1,454K in 2006/7 and £907K in 2005/6. Since 2006/7 included the exceptional gift from the October Club of £479K and also benefited from a major biennial bike ride event, the 42% income rise over two years gives a better indication of the progress of the charity than the single year comparison.

The core revenue sources for the charity are fundraising and donations, which contributed £502K, buoyed by an increased number of major events while the flow of regular income from our body of supporters remained solid. Income in this area showed the benefit of our investment in fundraising staff during the year. The in-house fundraising capability was also the reason for the increase in income from Activities for Generating Funds (primarily events organised by ourselves) which increased to £63K from £9K in 2006/7.

Legacy income was very strong at £369K, versus £140K in 2006/7 and income from Childlife increased to £175K from £146K in the prior year. Investment income was up to £112K from £56K as a result of higher funds held from major fundraisings, and changes in how cash balances are invested.

The major focus in 2007/8 was in putting to good use the substantial October Club gift and the legacies of the prior two years, which we set as an objective in last year's Trustees' Report. That has been achieved, and the results are reflected either in the SOFA, in cases where the plans have been consummated by the year end, or through Designated Funds where the projects were still in progress at that date. Consequently, the SOFA shows a deficit of £97K and Designated Funds, discussed below, increases by £591K.

Total spending on charitable activities of £1,179K increased 36% over 2006/7 as a result of that programme. Spending on research at £810K was up 104% on 2006/7. In addition to that expenditure, the trustees approved a further 9 projects totalling £557K that were still in development at the year end.

Ataxia Centre spending at £42K was down from £116K in 2006/7. The trustees wish to establish two further centres in the near future, and have set

aside funds for these centres. 2007/8 was a year of preparation for that next stage.

Care Services spending at £327K was slightly down from the high level of 2006/7. The major additional service introduced during the year has been the advocacy service, which has experienced very high demand.

### ***Investment policy and performance***

Our investments are, in all cases, held in the form of publicly quoted bonds and cash. The portfolio is managed by investment managers whose performance is reviewed regularly against agreed benchmarks for the return on the portfolio. There are no restrictions on the Charity's power to invest and the trustees have not adopted an ethical investment policy.

Cash balances not immediately required are kept in interest bearing accounts with banks that are subject to strict credit criteria.

### ***Designated Funds and Reserves – Policy and Application***

It is Ataxia UK's policy to establish designated funds to cover known and contingent commitments such as approved research programmes, real estate commitments and provisions for responding to adverse events. The charity's reserves are included within those designated funds, specifically in the provision for adverse events. Consequently, the full amount shown as General Funds is available for the trustees to apply to new spending initiatives.

The specific components of Designated Funds are as follows:

1. **Research grants and new projects.** It is the policy of the trustees only to make grants, whether for research or other purposes, from funds that are currently available at the time the grant is considered. Research programmes and ataxia centre programmes typically last one to three years. Where grants are negotiated and confirmed as commitments within the financial year, the full amount is charged to the SOFA and the undisbursed element recorded within creditors. To the extent they are not so confirmed, e.g. because the charity is still developing the project, a provision for the full approved amount is established within designated funds, except to the extent the project is externally funded.

This designated fund includes research grants, grants to Ataxia Centres and other major expenditure projects committed but not completed. These commitments will usually be disbursed over one to five years.

2. **Operational Fund.** This fund is designed to provide against any setbacks that the charity might encounter, either in its affairs or in the investment markets, to the extent that the Charity is exposed to those markets. It is established at a level considered adequate to reflect the cost of reorganising or curtailing activities if that were to become necessary and to cover any possible losses in the investment markets.

3. **Others.** Separate funds have been established that reflect the investment in fixed assets, lease commitments and balances held in branches that are not available for normal activities of the central office.

Ataxia UK does not aim to retain significant free reserves in excess of those prudential reserves held in the Operational Fund. However, it will not commit income to new projects until that income has been received regardless of when the funds for the spending project will flow out. The trustees will retain a relatively small level of reserves to allow the Charity to grasp opportunities at short notice but would normally expect to commit most of each year's free reserves within a short time of those surpluses being determined.

It is our policy to review the levels of these reserves annually.

Total funds for the charity on 31 March 2008 were £1,347K (£1,444K in 2007). Restricted Funds of £13K (detailed in Note 19) represented a newly established travel fund for which grants had not yet been made.

Designated Funds of £1,303K compared with £713K in 2007 and are detailed in Note 18. Of these amounts £981K represents research and other projects approved by the trustees but not fully consummated during the year. Almost all of these reserves represent new projects, since most of those that had been provided for on 31 March 2007 were committed during the year. The increase in this designated fund represents a substantial part of the usage of the last two years' exceptional income that is discussed above.

The Operational Fund has increased to £172K from £124K. Each year the Board conducts a full review of all reserves in light of the risks to which it is exposed and the likely management responses to possible adverse events. This review is conducted against the backdrop of the charity's risk management programme and follows an established methodology. On the basis of this review the trustees decided to increase the Operational Fund to £172K, which reflected the increase in scale of the charity. The Contractual Lease Commitments Fund has been increased to £108K in light of the impending move from very small premises to an office which can accommodate the current level of staff. The Fixed Asset Fund of £14K and the Funds in Branches of £28K are little changed.

Free reserves of the charity as at 31 March 2008 were £31K, down from £729K in 2007. Since the amounts that the trustees consider should be held as reserves are retained in the appropriate Designated Fund, as discussed above, there is no need to retain separate reserves in General Funds. The trustees' policy is under normal circumstances to allocate surpluses to specific spending projects within a relatively short time of those surpluses being determined, holding a small balance to take advantage of unexpected opportunities. This level of reserves reflects that policy.

## **Plans for Future Periods**

We are in the process of finalising our Strategic Plan (2008-12). It continues our focus on the 3 main strands of current Ataxia UK activity and places emphasis on ensuring the ongoing viability of Ataxia UK.

The plans for 2008/9 include

### ***Funding of Research towards finding treatments and a cure***

- Continue to fund high quality research into the ataxias
- Review Ataxia UK's monitoring of funded research and evaluation of the final outcomes
- Continue to collaborate with other ataxia support groups and researchers worldwide to facilitate research
- Seek funding to establish Research network of excellence for Friedreich's ataxia
- Continue to collaborate with pharmaceutical companies and explore sponsorship opportunities
- Commission a research study to establish prevalence of children with ataxia
- Provide more information on current research to people with ataxia
- To host our third Scientific Conference - an international conference jointly organised and funded by Ataxia UK and the Friedreich's Ataxia Society Ireland (FASI).

### ***The Development of Ataxia Centres with a view to improving treatments and care***

- Establish another Accredited Ataxia Centre
- Initiate discussions with two other Centres

### ***Care and Support Services for Friends and their Families***

- Update Clinical Guidelines for management of the ataxias
- Explore ways to help people with ataxia as they move towards the end of life
- Develop the web site to support the needs of people with a recent diagnosis
- Investigate the benefits of an Ataxia UK Social Care registry.
- Investigate ways of lobbying to include ataxia in medical training to increase clinician's understanding of ataxia so that they are able to help patients more.
- Further involvement of Ataxia UK in carers' issues by developing links with carer organisations.
- Continue to develop the Branch Network (target 15 Branches and 20 Support Groups)

- Achieve membership of the Telephone Helplines Association and gain Helpline accreditation
- Hold further Family Weekend

## ***Statement of Trustees' Responsibilities***

Charity law and Company law require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the year end and of its incoming resources and resources expended during that year. In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993 and the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### ***Trustees***

The trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 5.

### ***Auditors***

Disclosure of information to auditors: So far as the trustees are aware, there is no relevant audit information of which the auditors are unaware. The trustees have taken all the steps they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in

March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees on 19<sup>th</sup> July 2008 and signed on their behalf by:

Elizabeth Harrison, Chairman

Chris Bunton, Treasurer

Date: 19<sup>th</sup> July 2008.

## **Audit Report**

We have audited the financial statements of Ataxia UK for the year ended 31st March 2008 which comprise the Statement of Financial Activities (the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Trustees and Auditors**

The trustees' (who are also the directors of Ataxia UK for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies

are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

### **Opinion**

In our opinion:

-the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31st March 2008 and of its incoming resources and application of resources, including the income and expenditure of the charitable company for the year then ended.

-the financial statements have been properly prepared in accordance with the Companies Act 1985.

-the information provided in the Trustees' Annual Report is consistent with the financial statements.

Devonshire House  
60 Goswell Road  
London EC1M 7AD

**Kingston Smith LLP**  
Chartered Accountants  
and Registered Auditors

Date: .....

ATAXIA UK

**STATEMENT OF FINANCIAL ACTIVITIES**

(incorporating the income and expenditure account)

(incorporating the results of the Charity's branches)

for the year ended 31st March 2008

	Notes	Unrestricted funds £	Restricted funds £	Total £	2007  Total £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary Income	2	810,989	301,090	<b>1,112,079</b>	1,381,594
Activities for generating funds		63,004	-	<b>63,004</b>	9,353
Investment income	3	111,725	-	<b>111,725</b>	56,125
Incoming resources from charitable activities		2,769	-	<b>2,769</b>	6,970
<b>Total incoming resources</b>		<b>988,487</b>	<b>301,090</b>	<b>1,289,577</b>	<b>1,454,042</b>
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income		117,744	35,864	<b>153,608</b>	88,749
Fundraising trading:cost of goods sold and other costs		20,558	6,262	<b>26,820</b>	3,876
Investment management costs		2,162	658	<b>2,820</b>	
<b>Charitable activities</b>					
Research activities		704,275	105,994	<b>810,269</b>	397,143
Ataxia centres		32,407	10,000	<b>42,407</b>	116,014
Care services		197,127	129,612	<b>326,739</b>	352,658
Governance costs		28,291	2,500	<b>30,791</b>	28,305
<b>Total resources expended</b>	4	<b>1,102,564</b>	<b>290,890</b>	<b>1,393,454</b>	<b>986,745</b>
<b>Net income /(expenditure)</b>		<b>(114,077)</b>	<b>10,200</b>	<b>(103,877)</b>	<b>467,297</b>
<b>Other recognised gains/losses</b>					
Gains/(losses) on investments					
Unrealised gains/(losses) on investments		6,694	-	<b>6,694</b>	(2,445)
Realised gains/(losses) on sale of investments		-	-		(11,715)
<b>Net movement in funds</b>		<b>(107,383)</b>	<b>10,200</b>	<b>(97,183)</b>	<b>453,137</b>
<b>Total funds brought forward</b>		<b>1,441,737</b>	<b>2,319</b>	<b>1,444,056</b>	<b>990,919</b>
<b>Total funds carried forward</b>		<b>1,334,354</b>	<b>12,519</b>	<b>1,346,873</b>	<b>1,444,056</b>

The SOFA has been prepared on the basis that all operations are continuing  
All recognized gains and losses are included in the SOFA  
The accompanying pages form part of these financial statements.

**ATAXIA UK**  
**BALANCE SHEET**  
as at 31st March 2008

		2008		2007	
Notes	£	£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	10	14,217		21,282	
Investments	11	561,444		554,750	
			575,661		576,032
<b>Current assets</b>					
Debtors	12	118,667		124,901	
Cash at bank and in hand	13	1,810,352		1,453,729	
		1,929,019		1,578,630	
Creditors: amounts falling due within one year	14	(722,425)		(472,653)	
		1,206,594		1,105,977	
<b>Net current assets</b>					
		1,782,255		1,682,009	
<b>Total net assets less current liabilities</b>					
Creditors : amounts falling due after one year	15	(435,382)		(237,953)	
		1,346,873		1,444,056	
<b>Total assets</b>					
	16	1,346,873		1,444,056	
<b>Accumulated funds</b>					
Unrestricted funds					
General funds	17	30,928		729,154	
Designated funds	18	1,303,426		712,583	
		1,334,354		1,441,737	
Restricted funds	19	12,519		2,319	
		1,346,873		1,444,056	
<b>Total funds</b>					
		1,346,873		1,444,056	

The financial statements were approved by the Trustees on

and signed on their behalf by

.....

Elizabeth Harrison - Chairman

.....

Chris Bunton - Treasurer

The accompanying pages form part of these financial statements.

## ATAXIA UK

### Notes to the Financial Statements at 31st March 2008

#### 1 Principal accounting policies

- a) The financial statements have been prepared under the historical cost convention, subject to the revaluation of investments which are stated at market value at the balance sheet date, and in accordance with the Statement of Recommended Practice "Reporting and Accounting for Charities" revised 2005 (SORP 2005). The Charity is exempt from preparing a cash flow statement.
- b) Tangible fixed assets costing more than £1,000 are capitalised and depreciated over their anticipated useful life. Office equipment is depreciated at the rate of 25% per annum on a straight line basis.
- c) Investments are shown at market value and represent funds not immediately required for charitable expenditure and can be realised at short notice for such expenditure should such funds be required. Gains and losses on investments are shown in the Statement of Financial Activities.
- d) Income is recognised on a cash basis, with the exception of investment income and amounts recoverable from the HM Revenue & Customs. Deferred income represents grants received for future years and is released to incoming resources in the period for which it has been received.
- e) In accordance with SORP 2005, legacies are recognised and included in income and as debtors on receipt from personal representatives of confirmation of the amount receivable.
- f) Income tax recoverable has been added to the relevant income source to which it applied.
- g) Staff costs and related office overheads have been apportioned between direct charitable expenditure, fundraising and publicity and governance according to the time spent by staff on each of these activities.
- h) Unrestricted funds are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.
- i) Designated funds represent amounts put aside by the trustees as outlined in Note 18.
- j) Restricted funds represent funds donated and raised by supporters of the Charity which have been given for particular research or care services projects, together with grants received in respect of specific projects. The movements on the restricted reserves during the year are shown in note 19.
- k) The accounts of the Charity's branches have been consolidated into these accounts.
- l) Rentals applicable to operating leases are charged to the Statement of Financial Activities as they become due.
- m) Formal and unconditional commitments to research expenditure and other grants at the balance sheet date are included within creditors, in accordance with SORP 2005. Commitments to such projects that have been agreed by Trustees but have not yet been confirmed to the recipient, and therefore do not yet represent contractual commitments, are shown as designated funds, except a) to the extent that equivalent reserves are maintained in restricted funds and b) to the extent that they are funded by commitments from other bodies. The movements on general funds and designated funds are shown in notes 17 and 18.
- n) The Charity contributes to certain employees' individual personal pension schemes, the assets of which are held separately from those of the Charity in a separately administered fund. Contributions to the scheme are charged to the Statement of Financial Activities as they fall due.
- o) As a registered charity, the Charity is exempt from taxation under section 505 (l) of the Income & Corporation Taxes Act 1988.
- p) Governance costs include audit, legal and professional fees and the apportionment of staff costs, and office overheads costs according to the amount staff time spent on this activity.

ATAXIA UK

Notes to the Financial Statements at 31st March 2008 (continued)

	2008 £	2007 £
<b>2 Voluntary Income</b>		
Donations and covenants	221,668	254,891
Legacies	368,753	139,896
Fundraising	280,273	753,474
Community Fund grants	59,115	60,583
Childlife - (see note 9)	175,000	146,250
Other grants receivable	7,270	26,500
	<u>1,112,079</u>	<u>1,381,594</u>

**3 Investment income**

Income on investment portfolio	24,875	24,764
Interest	86,851	31,361
	<u>111,726</u>	<u>56,125</u>

**4 Total Resources Expended**

	Direct Costs	Grants	Support Costs	2008 Total	2007
Research activities	6,584	724,227	79,457	810,268	397,143
Ataxia centres	170	(13)	42,249	42,406	116,014
Care services	96,680	14,274	215,785	326,739	352,658
Total Charitable activities	<u>103,434</u>	<u>738,488</u>	<u>337,491</u>	<u>1,179,413</u>	<u>865,815</u>
Generating funds	47,855	-	135,394	183,249	92,625
Governance	-	-	30,791	30,791	28,305
Total	<u>151,289</u>	<u>738,488</u>	<u>503,676</u>	<u>1,393,453</u>	<u>986,745</u>

Included under care services are 26 grants (2007-43) given to individuals during the year of £ 14,274 (2007 - £22,760)

Support cost are allocated according to staff time spent on the relevant activity.

**Total Support Costs**

Staff costs	354,986	293,852
Office costs	135,545	139,678
Depreciation	8,490	7,284
Annual Report	4,655	5,224
	<u>503,676</u>	<u>446,038</u>

ATAXIA UK

Notes to the Financial Statements at 31st March 2008 (continued)

	2008	2007
	£	£
<b>5 Research and Medical Grants</b>		
Research grants made in the year comprise:		
<i>Imperial College London</i> : novel epigenetic therapies to switch frataxin gene on	171,107	
<i>Institute of Neurology, London</i> : understanding the gene that causes SCA11	47,000	
<i>Oxford University</i> : development of improved genetic testing for cerebellar ataxias	145,856	
<i>Institute of Neurology, London</i> : understanding disease progression in cerebellar ataxias with polyglutamine expansions	179,194	
<i>Max Plank Institute Berlin</i> : Cellular functions of ataxin-2	50,000	
<i>Oxford University</i> : understanding how the faulty gene behaves in people with Friedreich's ataxia	50,000	
<i>Oxford University</i> : RNAi therapy in SCA7	10,000	
<i>Imperial College London</i> : research into disease mechanism in Friedreich's ataxia	20,240	
<i>Edinburgh University</i> : improvements in motor coordination in cerebellar ataxia	56,516	
<i>University of Newcastle upon Tyne</i> : epidemiology study in Scotland		30,057
<i>Brunel University</i> : contemporary physiotherapy study		20,070
<i>Institute of Neurology, London</i> : study of balance disruption		72,496
<i>Sheffield Hallamshire Hospital</i> : development of an improved marker for gluten ataxia		18,803
<i>Institute of Neurobiology and molecular medicine, Rome</i> : improving diagnosis testing for episodic ataxia 2	789	27,000
<i>Oxford University</i> : study into the causes of SCA13		16,000
<i>East Anglia University</i> : study into the benefits of Lycra pressure garments		26,500
<i>University of Rome Tor Vergata</i> : study into the role of frataxin in cell survival		64,000
<i>Free University Brussels</i> : increasing frataxin levels using HDAC inhibitors		19,700
<i>Bristol University</i> : investigation of the potential for using stem cells for neuroprotection	3,738	39,910
<i>University of Salford</i> : Presentation of physiotherapy research at World Conference		1,400
Medical grants made in the year comprise:		
<i>Sheffield Hallamshire Hospital</i> grant towards ataxia centre	-	86,750
Under spend on grants awarded in prior years	(10,226)	
	<b>724,214</b>	<b>422,686</b>
<b>6 Staff costs</b>		
Staff costs comprised:		
Salaries	290,198	209,547
Temporary and freelance staff	21,881	53,472
Social security contributions	29,649	21,274
Pensions	13,257	9,559
	<b>354,985</b>	<b>293,852</b>
The average number of full time equivalent staff during the year was:	<b>10</b>	<b>7</b>
No members of staff received more than £60,000 during the year.		
<b>7 Outgoing resources</b>		
Outgoing resources include:		
Auditors' remuneration	5,200	5,050
Payroll costs accountancy services	16,259	18,111
Depreciation	8,490	7,284

**ATAXIA UK**

**Notes to the Financial Statements at 31st March 2008 (continued)**

**8 Trustees**

Certain trustees carry out duties that would otherwise be undertaken by paid staff. They receive no remuneration but, along with the other trustees, may claim reimbursement of out of pocket expenses. During the year, these comprised travelling, accommodation, postage and telephone costs and 12 trustees (2007: 12) claimed expenses totalling £2,067 (2007 £2375)

**9 Associated organisations**

The Charity is a member of a consortium, with three other charities, called Childlife, through which the member charities are able to collectively raise funds for their respective causes through the operation of a combined payroll deduction scheme and donor development.

Childlife is a company limited by guarantee and registered in England and Wales - number 3696656 - and a registered charity - number 1080536. Each of the four member charities of Childlife provide a guarantee limited to £1.

For the year to 31 March 2008, the amount recivable from the charity amounted to £175,000 (2006 : £146,250) in the form of distributions from the consortium and the company.

**10 Tangible fixed assets**

	<b>Office equipment £</b>	<b>Total £</b>
<b>COST</b>		
As at 1st April 2007	60,087	60,087
Additions	1,425	1,425
Disposals	(21,406)	(21,406)
As at 31st March 2008	40,106	40,106
<b>DEPRECIATION</b>		
As at 1st April 2007	38,805	38,805
Charge for the year	8,490	8,490
Disposals	(21,406)	(21,406)
As at 31st March 2008	25,889	25,889
<b>NET BOOK VALUE</b>		
As at 31st March 2008	<b>14,217</b>	<b>14,217</b>
As at 1st April 2007	21,282	21,282

**ATAXIA UK**

**Notes to the Financial Statements at 31st March 2008 (continued)**

<b>11 Investments</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Market value at 1 April 2007	<b>554,750</b>	532,134
Acquisitions		696,023
Disposals		(659,247)
Total gains/(losses) arising on revaluation	<b>6,694</b>	(14,160)
Market value at 31st March 2008	<b>561,444</b>	554,750
Cost of investments	<b>557,195</b>	557,195
Unrealised gains / (losses)	<b>4,249</b>	(2,445)
	<b>561,444</b>	554,750

All the above investments are listed on the UK recognised stock exchange. Investments comprising more than 5% of the total value of investments at 31st March 2008 are:

Unrealised gains reported in the Statement of Financial Activities represent changes in market value since the previous balance sheet date. Unrealised gains shown above show the net movement since acquisition.

**UK Investments**

UK Treasury 2.5% indexed linked stock: 2011	<b>106,619</b>
Banca Intesa Spa Floating rate notes: 2010	<b>94,455</b>
Alliance & Leicester Floating rate notes: 2008	<b>89,250</b>
Union Bank Norway Floating rate notes: 2008	<b>90,111</b>

**Non UK Investments**

GE Capital 4.69188% stock: 2009	<b>90,646</b>
Unicredito Italian Floating rate notes: 2009	<b>90,365</b>

<b>12 Debtors</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
VAT recoverable	<b>3,931</b>	12,856
Income tax recoverable	<b>29,624</b>	24,730
Other debtors	<b>77,121</b>	73,589
Prepayments	<b>7,991</b>	13,726
	<b>118,667</b>	124,901

**13 Cash at bank and in hand**

The Trustees maintain a policy that all cash balances are held on interest bearing accounts, with the exception of a nominal daily float held on current account and in the petty cash. Interest receivable in the year is disclosed in note 3.

<b>14 Creditors: amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Other creditors	<b>20,710</b>	36,687
Salaries		11,278
Deferred Income	1d	7,270
Taxes and NI	<b>8,952</b>	5,254
Accruals	<b>33,331</b>	35,013
Grants payable	<b>659,432</b>	377,151
	<b>722,425</b>	472,653
<b>15 Creditors: amounts falling due after one year</b>		
Grants payable	<b>435,382</b>	237,953

ATAXIA UK

Notes to the Financial Statements at 31st March 2008 (continued)

16 Assets

	Restricted funds	Designated funds	General funds	Total 2008	Total 2007
	£	£	£	£	£
Fixed assets	-	14,217	-	14,217	21,282
Investments	-	421,083	140,361	561,444	554,750
Debtors	-	6,725	111,942	118,667	124,901
Cash at bank and in hand	12,519	861,401	936,432	1,810,352	1,453,729
Creditors	-	-	(1,157,807)	(1,157,807)	(710,606)
	<u>12,519</u>	<u>1,303,426</u>	<u>30,928</u>	<u>1,346,873</u>	<u>1,444,056</u>

17 Unrestricted funds

	General funds	Designated funds	Total
	£	£	£
Balance at 1 April 2007	729,154	712,583	1,441,737
Net increase in funds during the year	(107,383)	-	(107,383)
Transfers	(590,843)	590,843	-
Balance at 31st March 2008	<u>30,928</u>	<u>1,303,426</u>	<u>1,334,354</u>

18 Designated funds

	Balance 1 April 2007	movement in year	Balance 31 March 2008
	£	£	£
Research grants and new projects	493,107	487,949	981,056
Operational fund	124,000	48,000	172,000
Contractual lease commitments	53,689	54,274	107,963
Fixed assets not readily realisable	21,282	(7,065)	14,217
Funds held in branches	20,505	7,685	28,190
	<u>712,583</u>	<u>590,843</u>	<u>1,303,426</u>

Designated funds represent amounts put aside by the Trustees to meet approved grant expenditure, contractual commitments at the balance sheet date and other amounts that the Trustees consider prudent to put aside in order for the Charity to secure its ability to continue its ongoing activities. Designated funds comprise:

- Research grants and new projects: the aggregate amounts of research and medical grants agreed by the Trustees for which contractual commitments were not yet in place on 31 March 2008, amounts to cover research programmes that the Trustees believe are promising avenues of research and are in the process of developing appropriate research proposals, and the expected costs of other projects agreed by the Trustees but not completed as of 31 March 2008.
- Operational fund: a contingency fund to allow the charity to curtail or wind up its activities if its future on its current scale could no longer be reasonably anticipated.
- Contractual lease commitments: a provision for the losses that might be incurred under the lease of the office premises if those premises were to be vacated.
- Fixed assets not readily realisable: the total value of fixed assets and long term debtors that are not available for normal activities.
- Funds held in branches: funds held by the branches and not available for normal activities of the central office.

## ATAXIA UK

### Notes to the Financial Statements at 31st March 2008 (continued)

#### 19 Restricted funds

	Opening Balance £	incoming resources £	outgoing resources £	Closing Balance £
General research	-	15,033	(15,033)	-
Friedreich's ataxia research	-	24,373	(24,373)	-
Cerebellar ataxia research	-	3,286	(3,286)	-
Community Fund	2,319	59,115	(61,434)	-
Childlife	-	175,050	(175,050)	-
Jamie Farr travel fund	-	14,592	(2,074)	12,519
Others	-	9,641	(9,641)	-
	<u>2,319</u>	<u>301,090</u>	<u>(290,891)</u>	<u>12,519</u>

#### Restricted funds comprise:

- a) General research: funds provided for general research into ataxia or to contribute towards particular such general research projects.
- b) Friedreich's ataxia research: funds provided by donors specifically for research on Friedreich's ataxia.
- c) Cerebellar ataxia research: funds provided by donors specifically for research on cerebellar ataxia.
- d) Community Fund: a grant providing funding for development of the charity's branch network, including a Branch Development Officer
- e) Childlife: funds given by Childlife to promote the relief of children who are in need. The auditors have agreed that the income received from Childlife has been spent in accordance with the terms and conditions of the grant.
- f) Jamie Farr: funds given by friends and family of Jamie Farr to fund travel grants.
- g) Others: various smaller grants and donations for specific projects conducted during the year.

#### 20 Capital commitments

There are no capital commitments at 31 March 2008 (2007 nil).

#### 21 Lease commitment

At 31st March 2008, the charity had annual commitments of £7,177 (2007: £22,048) under non-cancellable leases which expire within one to five years.

	2008	2007
Land and Buildings	4,957	19,828
Equipment	2,220	2,220
	<u>7,177</u>	<u>22,048</u>

The lease commitment in respect of land and buildings relates to the position as at 31<sup>st</sup> March 2008. Since that date the charity has entered into a new lease, with the same landlord, to take larger premises from June 2008, the annual cost of which is £52,504

#### 22 Pension scheme

All members of staff were eligible to receive payments of 5% of their salary paid into a stakeholder personal pension plan. The pension premiums payable during the year were £13,257 (£9,559) of which £7,768 (2007 : £1,872) was still outstanding at the year end.