

CAMPAIGN FOR NUCLEAR DISARMAMENT

(Company limited by guarantee no.: 3533653)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002



CAMPAIGN FOR NUCLEAR DISARMAMENT (Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

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CAMPAIGN FOR NUCLEAR DISARMAMENT

LEGAL AND ADMINISTRATION

The Campaign for Nuclear Disarmament is incorporated as a company limited by guarantee (without share capital) no. 3533653. It is governed by its memorandum and articles of association. Every company member undertakes to contribute to its assets in the event of it being wound up while s/he is a member such amount as may be required not exceeding £1.

The Campaign is governed by an elected Council with policy decided by an Annual Conference of members. As well as the central organisation - which campaigns throughout England - there are a number of other CND organisations working regionally or in specialist areas. These organisations are entirely autonomous in their funding and decision-making and hence are not dealt with in these financial statements.

Details of the Campaign's objects and Council members (who are the directors for company law purposes) are given in the Report of the Council on page 2.

Officers:	Chairperson:	Carol Naughton
	Vice-chairs:	Kate Hudson Helen John Jenny Maxwell
	Treasurer:	Monica Frisch (to September 15, 2002) Linda Hugl (from September 15, 2002)
	Company Secretary:	Linda Hugl

Registered Office:	162 Holloway Road London N7 8DQ	Telephone: 020 7700 2393 Fax: 020 7700 2357 Email: enquiries@cnduk.org Website: http://www.cnduk.org
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Auditors:	Gotham Erskine Chartered Accountants & Registered Auditors Friendly House 52-58 Tabernacle Street London EC2A 4NJ
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Bankers:	The Co-operative Bank PLC 1 Islington High Street London N1 9TR	National Westminster Bank PLC 9 Charterhouse Building Goswell Road London EC1M 7AT
	Girobank PLC Park Street Ashford Kent TN24 8EH	

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2002

The Council (which is the board of directors for company law purposes) presents its report and the audited financial statements for the year ended 31 December 2002.

OBJECTS

The Campaign seeks nuclear disarmament by Britain and worldwide and to promote and advance the welfare of the human community by working for international peace and disarmament and a world in which the vast resources devoted to militarism are redirected to the real needs of the planet and the human community.

POLICIES ADOPTED

Its principal campaigning activities are to inform, educate and lobby to achieve its objects. CND publishes periodicals and reports; it sends regular briefings to and meets with MPs; it lobbies UK ministers, ambassadors, diplomats, academics and opinion formers, both in person and by letter; it informs and educates its members and encourages them to take action; it holds street stalls and exhibitions, and distributes leaflets and other materials, to inform the public on nuclear issues; it sends representatives to international disarmament conferences; it maintains contact and liaises with other organisations including regional and local groups within the UK, like-minded organisations in Europe and elsewhere, and specialist and expert organisations worldwide; it produces a schools pack, other educational materials, and provides speakers. At all times, it informs the media about its activities.

ORGANISATION OF THE CAMPAIGN

CND's annual conference is the policy-making body, establishes CND's strategy and sets priorities for the coming year. CND Council is the Board of Directors and is responsible for the implementation of policy as set by the Conference and meets three times a year. It monitors CND's finances and makes major financial decisions. Fifteen members of Council are directly elected by the AGM, and there are also representatives from the regions and specialist sections, as defined in Part 2 of CND's Regulations.

CND's staff work as a team, under the guidance of the Administration and Finance Group, and the Campaigns Group, which both meet four times a year. The Administration and Finance Group monitors financial performance against the budget, oversees fundraising, ensures that financial systems and controls are being followed and sets the budgets, including considering any amendments to the budgets, which are then approved by Council. It reports to Council. The Campaigns Group considers the details of campaigning programmes and ensures their integration with membership, fundraising and international work.

COUNCIL

The following members of the Council served throughout the year except where otherwise indicated:

Jim Addington, Graham Allen, Patrick Allen*, David Andrews, Martha Andrews**, Pat Arrowsmith*, Gordon Attfield, Kathy Beinart**, Joan Berry, Brian Boshell, Jim Brann, Ken Cameron**, Anna Chaplin, Jeremy Corbyn MP, Neil Cruickshank, Tom Cuthbert, Barbara Forbes, Peter Ford**, Monica Frisch, Caroline Gilbert*, Madeline Haigh, Tom Hart, Paul Hawkes, Joan Horrocks, Kate Hudson, Linda Hugl, Liz Hutchins, Sidney Jeffries, Helen John, Alisa Johnson*, David Knight, Peter Leary*, Peter le Mare, Gawain Little*, Oliver Little, Alice Mahon MP, Jenny Maxwell, Alan Meager, Vijay Metha, Tom Milburn, Dave Morris*, Miriam Moss, Carol Naughton, Mary Ogbogoh, Mathew Pelling, Pauline Phillips, Chris Prettyman, David Rumsey, Nicholas Russell*, Robert Russell, Pat Sanchez, Rae Street, Joe Sturge*, James Taggart, Jane Tallents, Carol Turner, David Webb, Liz Westmorland**, Heather Williams**.

* appointed at Annual Conference on September 15, 2002

** retired on September 15, 2002

The Company has no issued share capital or debentures, hence there are no directors' interests requiring disclosure.

REVIEW OF ACTIVITIES

For much of the year CND's activities were similar to those in previous years but, as the year progressed, campaigning significantly increased on the proposed war against Iraq. CND worked with Stop the War Coalition and the Muslim Association of Britain to hold major national demonstrations against the war at Easter and in September. In December CND took the momentous decision to challenge the UK government over the legal authority to go to war against Iraq, for which it won much praise, although it ultimately lost the case. Many donations were received to help pay for the legal costs and thanks are due to solicitor Phil Shiner, barristers Rabinder Singh QC and Charlotte Kilroy and Mark Thomas for their commitment to this action, which inspired others across the world.

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2002

Opposition to the UK Trident nuclear weapons system continued through supporting activities at Faslane where the weapons are based and through events in and around Plymouth, where HMS Vanguard is undergoing a re-fit. Lobbying, letter writing, street campaigning, touring, blockades, local meetings and demonstrations have all been employed on this and other campaigns. Developments at AWE Aldermaston were also monitored. CND attended the NPT Review Conference in New York and widely distributed information on the UK's record on nuclear disarmament. The Chair addressed the conference on behalf of NGOs calling for progress towards nuclear disarmament. This was reinforced in the UK by visits to Embassies.

Campaigning against Missile Defence continued during the year with a London demonstration at Easter, Yorkshire public meetings, and stunts at Fylingdales. Despite these efforts, the US withdrew from the ABM Treaty in June, the legal prelude to work on Missile Defence. CND was represented at the Global Network Against Weapons and Nuclear Power in Space Conference.

NATO and its nuclear policy is also a target and CND promotes European security based on the OSCE rather than military alliances. It has attended several international meetings, including the European Social Forum in Florence, is active in the development of a European Network for Peace and Human Rights, and is working closely with European, especially French, anti-nuclear campaigners. It remains concerned with international issues relating to nuclear issues and has issued statements, produced briefings and written letters on Israel and Palestine, India and Pakistan, and other matters.

CND ended its involvement with the stakeholders' dialogue involving BNFL following the announcement of the go-ahead for the Sellafield Mox plant. CND continues to be represented on the highly relevant Plutonium Working Group. CND works with other "Green" NGO groups in its campaign against the production of plutonium at Sellafield.

Much activity took place at local level, increasing awareness of and interest in peace issues and CND. CND assists local groups and activists through the provision of advice, encouragement, leaflets and other campaigning materials and continues to work with its supporters in Parliament. It maintains regular contact with MPs, raises issues of concern and produces briefings, and seeks to influence the policy-making processes of the political parties. CND organised, with other peace organisations, an event at the Labour Party Conference.

Membership and fundraising activities have been boosted by the support of a number of musical and entertainment celebrities, who have been notably vocal in their opposition to the war in Iraq. Such profile raising, press work and campaigning against the war in Iraq has led to an increase in membership later in the year.

FUTURE DEVELOPMENTS

Although CND's involvement with opposition to the war in Iraq is vital, in 2003 the emphasis will revert to CND's key priorities: Trident, Missile Defence, NATO and Europe, and the plutonium economy. The links between the war in Iraq and these campaigns will be emphasised. CND will continue to work with other campaigning organisations and groups to achieve its objectives. Plans are already underway for a blockade of Faslane, a summer tour against missile defence, and representation at the NPT Preparatory Committee meeting in Geneva.

CND will continue to organise a broad range of activities involving its staff, regions, groups and members, with actions at places related to nuclear issues. It will send representatives to international conferences, the Labour and Liberal Democrat party conferences, trade union conferences and many other events.

CND's major push on fundraising and membership recruitment will continue. Fundraising, recruitment and profile raising will be maintained through CND's presence at festivals and events as well as other activities. Effort to establish a charitable trust to support educational work will continue.

CND is committed to maximise to the full its use of its resources, including its staff, members, and investment in information technology equipment. It will continue to develop its publications, especially its website (<http://www.cnduk.org>).

VOLUNTARY HELP AND DONATIONS IN KIND

CND is very grateful to a large number of volunteers, both in the National Office and in regional offices, who put in large amounts of work. All the Officers are volunteers, despite the time commitment entailed, and many regional offices are run entirely by volunteers. While all volunteers are entitled to claim travel and email expenses many do not do so, or claim only a small percentage. Equally many do not demand reimbursement of telephone, postal and other expenses incurred when working from their homes. These contributions are invaluable and much appreciated. CND is also particularly appreciative of the fundraising efforts of local groups and of the legacies it has received from supporters.

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2002

FINANCIAL REVIEW

The results of the year's operation are set out in the attached financial statements. The retained reserves at 31 December 2002 amount to £195,426.

Full details of the income and expenditure are shown on page 6 and the supporting notes. All assets are held in support of the Campaign's objects and the Council considers that the financial position at the year-end was satisfactory.

STATEMENT OF RESPONSIBILITY FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The Council is required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the Company and of the income and expenditure of the Company for that year. In preparing those financial statements the Council is required to:

- select suitable accounting policies and 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 financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PREPARATION OF THE REPORT

This report has been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

AUDITORS

The auditors, Gotham Erskine, have indicated their willingness to continue in office and offer themselves for re-appointment at the next Annual General Meeting.

ON BEHALF OF THE COUNCIL

L. Hugl

LINDA HUGL
Company Secretary

6 July 2003

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CAMPAIGN FOR NUCLEAR DISARMAMENT**

We have audited the financial statements of Campaign for Nuclear Disarmament for the year ended 31 December 2002 set out on pages 6 to 13. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of Council and auditors

As described in the Statement of Responsibility for the Preparation of the Financial Statements on page 4, the Council members, who are the directors of Campaign for Nuclear Disarmament for the purposes of company law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

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

We read the Council's 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 of the state of the Company's affairs as at 31 December 2002 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Gotham Erskine
Chartered Accountants
& Registered Auditors**

Date: 28.7.03

**Friendly House
52-58 Tabernacle Street
London
EC2A 4NJ**

CAMPAIGN FOR NUCLEAR DISARMAMENT (Company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 £
OPERATING INCOME			
National membership subscriptions		241,026	245,751
Fees from affiliated/representative organisations		4,160	5,175
Donations, fundraising and appeals	2	193,662	138,533
Legacies		25,856	73,393
Income from sale of campaigning materials		3,821	3,900
Conference income		3,949	4,185
Total income		472,474	470,937
OPERATING EXPENDITURE			
	5		
Campaigning activities		149,667	142,376
Legal challenge to Government re Iraq war		60,120	-
Membership and fundraising		118,003	84,753
Policy and decision making		16,211	16,003
Regions		41,417	39,921
Specialist sections		6,600	5,129
Support costs		128,184	117,122
Management and administration costs	3	4,060	4,320
Total expenditure		524,262	409,624
OPERATING (DEFICIT)/SURPLUS		(51,788)	61,313
Bank interest		3,766	6,062
Taxation	10	(91)	(604)
(DEFICIT)/SURPLUS AFTER TAX		(48,113)	66,771
Transfer (to)/from Fixed assets reserve		(3,504)	(7,885)
(DEFICIT)/SURPLUS FOR YEAR AFTER TRANSFERS		£ (51,617)	£ 58,886

NOTE

Movements in the accumulated surplus are shown below. Details of other movements in reserves are shown in Note 11.

	2002 £	2001 £
Surplus/(deficit) for year after transfers	(51,617)	58,886
Gain/(loss) on revaluation of investments (charged to General reserve in 2002 - see Note 11)	-	(1,641)
Accumulated surplus at 01 January 2002	122,710	65,465
Accumulated surplus at 31 December 2002	£ 71,093	£ 122,710

The annexed notes form part of these financial statements.

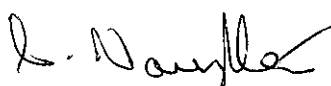
CAMPAIGN FOR NUCLEAR DISARMAMENT (Company limited by guarantee)

BALANCE SHEET

AT 31 DECEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	6	33,941	30,437
Investments	7	33,731	48,359
		<u>67,672</u>	<u>78,796</u>
CURRENT ASSETS			
Stocks		6,925	7,621
Debtors	9	70,736	18,234
Cash at bank and in hand		123,849	200,088
		<u>201,510</u>	<u>225,943</u>
CREDITORS: amounts falling due within one year	10	73,756	46,572
NET CURRENT ASSETS		<u>127,754</u>	<u>179,371</u>
NET ASSETS		<u>£ 195,426</u>	<u>£ 258,167</u>
CAPITAL AND RESERVES			
Accumulated surplus		71,093	122,710
General reserve	11	90,392	105,020
Fixed assets reserve	11	33,941	30,437
		<u>£ 195,426</u>	<u>£ 258,167</u>

These financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective June 2002). They were approved by the Council on 6 July 2003 and signed on their behalf by:


CAROL NAUGHTON, Chair


LINDA HUGL, Treasurer

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002 £	2001 £
(Deficit)/surplus for the year after taxation	(48,113)	66,771
Gain/(loss) on revaluation of investments	(14,628)	(1,641)
Total gains and losses relating to the year	<u>£ (62,741)</u>	<u>£ 65,130</u>

The annexed notes form part of these financial statements.

CAMPAIGN FOR NUCLEAR DISARMAMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985, the Financial Reporting Standard for Smaller Entities (effective June 2002) and applicable accounting standards and having regard to the Statement of Recommended Practice for Charities insofar as considered appropriate to the Campaign's operations.

The financial statements do not deal with any funds under the control of CND Representative Organisations. These are defined in the Campaign's constitution as CND national organisations, regional organisations, groups and specialist sections. All such organisations are entirely autonomous in their funding and decision-making. Details of transactions with these organisations are given in Note 12.

The effect of events relating to the year ended 31 December 2002 which occurred before the date of approval of the financial statements by the Council have been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2002 and of the results for the year ended on that date.

Income Recognition

Income from membership subscriptions is accounted for on a cash received basis. Donations are also accounted for on a cash basis except where received in response to a specific appeal. Such donations are recognised at the earlier of receipt or when the costs to be funded are defrayed. Legacy income is recognised when it is reasonably certain that a legacy will be received and the amount receivable can be reliably measured. Peace education income is recognised to the extent that it has been expended; unexpended amounts are carried forward as deferred income - see Note 2. All other income is accounted for on the accruals basis.

Investments

Investments are stated at year-end market value.

Depreciation

Depreciation has been computed so as to write off the cost of tangible fixed assets (equipment, furniture and fixtures) evenly over their expected useful lives of 4 - 8 years.

Stocks

Stocks of materials and merchandise for sale are valued at the lower of cost and net realisable value.

CAMPAIGN FOR NUCLEAR DISARMAMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

2. DONATIONS, FUNDRAISING AND APPEALS

	2002	2001
	£	£
Donations by standing order	72,818	77,836
General donations	8,638	10,010
Peace education income (see below)	620	324
Other specific donations (including Walk for the World)	11,268	16,434
Legal challenge appeal	60,120	-
Other appeals	34,922	28,464
Fundraising events and projects	5,276	5,465
	£ 193,662	£ 138,533

Peace education income mainly represents grants received from W F Southall Trust via the United Nations Association Trust. This income is recognised to the extent that it is expended in the year; unexpended amounts are included as deferred income within Other creditors (see Note 10) as follows. All other specific donations, mainly for campaigning, have been spent on the purposes for which they were given during the year.

	2002	2001
	£	£
Deferred income at the start of the year	2,804	3,093
Donations	1,463	35
Less: Expenditure in the year	(620)	(324)
Deferred income at the end of the year	£ 3,647	£ 2,804

3. MANAGEMENT AND ADMINISTRATION COSTS

	2002	2001
	£	£
Audit fee	3,822	3,733
Other legal and professional fees	238	587
	£ 4,060	£ 4,320

Fees payable to the auditors, net of VAT were as follows:

	2002	2001
	£	£
Audit and accounts	3,340	3,180
Advice and assistance	280	100
	£ 3,620	£ 3,280

CAMPAIGN FOR NUCLEAR DISARMAMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

4. EMPLOYEES AND STAFF COSTS

2002

2001

The average weekly number of whole-time equivalent employees during the year was:

Campaigning activities	4.3	4.6
Membership and fundraising	2.8	2.2
Support costs	1.5	1.5
	<u>8.6</u>	<u>8.3</u>

Staff costs were as follows:

	£	£
Salaries and wages	188,904	169,104
National insurance	16,522	14,990
	<u>£ 205,426</u>	<u>£ 184,094</u>

5. DEPARTMENTAL COSTS

	Staff Costs	Direct Costs	2002	2001
	£	£	£	£
Campaigning activities	104,844	44,823	149,667	142,376
Legal challenge to Government re Iraq war	-	60,120	60,120	-
Membership and fundraising	65,589	52,414	118,003	84,753
Policy and decision making	-	16,211	16,211	16,003
Regions	-	41,417	41,417	39,921
Specialist sections	-	6,600	6,600	5,129
Support costs	34,993	93,191	128,184	117,122
Management and administration costs	-	4,060	4,060	4,320
	<u>£ 205,426</u>	<u>£ 318,836</u>	<u>£ 524,262</u>	<u>£ 409,624</u>

Information about regions and Specialist sections expenditure is given in Note 12. Details of support costs are given in Note 8.

No members of the Council received remuneration for their services during the year. Expenses relating to travel and subsistence totalling £8,877 (2001: £9,168) were reimbursed to 35 members (2001: 32).

Details of staff costs and numbers are given in Note 4.

CAMPAIGN FOR NUCLEAR DISARMAMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

6. TANGIBLE ASSETS

	Fixtures & Fittings £	Office Equipment £	Total £
Cost			
01 January 2002	11,466	71,886	83,352
Additions	-	21,195	21,195
Disposals	(11,466)	(19,389)	(30,855)
31 December 2002	-	73,692	73,692
Depreciation			
01 January 2002	11,465	41,450	52,915
Charge for the year	-	14,196	14,196
Disposals	(11,465)	(15,895)	(27,360)
31 December 2002	-	39,751	39,751
Net Book Value			
31 December 2002	£ NIL	£ 33,941	£ 33,941
31 December 2001	£ 1	£ 30,436	£ 30,437

7. INVESTMENTS

In 2001 the Campaign invested £50,000 equally into 4 ethical unit trusts. The year-end market value was £33,731 (2001: £48,359). Dividend income is reinvested.

8. SUPPORT COSTS

	2002 £	2001 £
Premises costs (see below)	65,704	62,414
Less: Rent income from sub-letting	(26,862)	(22,638)
Finance and administration staff costs	34,993	33,343
Bank and credit card charges	10,567	10,604
Accountancy costs	932	820
Equipment maintenance	10,724	10,863
Depreciation	14,196	7,946
Telephone	8,536	7,690
Printing, postage and stationery	214	50
Other staff costs	489	1,653
General volunteers' expenses	3,007	2,700
Loss/ (gain) on disposals	3,496	-
Miscellaneous expenses	2,188	1,677
	£ 128,184	£ 117,122

Premises costs include the total expenditure on rent, rates, rates, light, heat, insurance and repairs for 162 Holloway Road, on which the Campaign holds a lease expiring in 2009. Committed rent for the year ended 31 December 2003 amounts to £32,000.

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

9. DEBTORS AND FUTURE LEGACY INCOME

	2002	2001
	£	£
Donations receivable (see below)	53,536	-
Other debtors	2,905	4,568
Prepayments	14,295	13,666
	<u>£ 70,736</u>	<u>£ 18,234</u>

Donations receivable include £10,757 donations for fundraising development which had been promised during 2002 and have been received since the year-end. The balance represents donations received since the year-end for the Campaign's Legal challenge appeal. These donations have been recognised because the full expected costs of the Legal challenge to the Government during the year have also been recognised in the Income and Expenditure Account.

At the year end the Campaign had been notified of entitlement to various legacies which are expected to be received in due course. At present there is no material indication how much is going to be received from these legacies.

10. CREDITORS: amounts falling due within one year

	2002	2001
	£	£
Trade creditors	5,271	5,518
Corporation tax (see below)	93	606
Other tax payable	4,854	4,655
Provision for premises repairs (see below)	2,282	2,282
Other creditors (see below)	11,413	20,799
Accruals	49,843	12,712
	<u>£ 73,756</u>	<u>£ 46,572</u>

Corporation tax has been charged at the average very small companies rate of 2.5% (2001: 10%) on bank interest receivable in the year.

The Campaign makes prudent provision for the cost of future repairs required to be carried out under the terms of its office lease, including regular internal and external decoration. The provision made in the year is included in premises costs as shown in Note 8. Details of movements for the year are as follows:

	2002	2001
	£	£
Provision at the start of the year	2,282	7,000
Provision made for the year	-	-
	<u>2,282</u>	<u>7,000</u>
Less: Maintenance carried out in the year	-	(4,718)
Provision at the end of the year	<u>£ 2,282</u>	<u>£ 2,282</u>

As explained in Note 12, the Campaign pays to CND Scotland and CND Cymru a share of legacies and membership subscription income. The amounts calculated as payable for the financial year are shown above under Other creditors.

CAMPAIGN FOR NUCLEAR DISARMAMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

11. RESERVES

	Balance at 01 January 2002	Deficit for year	Transfers	Balance at 31 December 2002
	£	£	£	£
Accumulated surplus	122,710	(48,113)	(3,504)	71,093
General reserve	105,020	(14,628)	-	90,392
Fixed assets reserve	30,437	-	3,504	33,941
	<u>£ 258,167</u>	<u>£ (62,741)</u>	<u>£ NIL</u>	<u>£ 195,426</u>

The deficits for the year shown above are respectively the deficit for the year on the Income and Expenditure Account before transfers, charged to the Accumulated surplus, and the loss on revaluation of investments shown in the Statement of Total Recognised Gains and Losses on page 7, charged to the General reserve. The General reserve was set up to allow an orderly wind-down of the Campaign, should this ever become necessary, and should be used for this purpose only. The Balance in the reserve is maintained at approximately three month's expenditure. The investment loss has been charged to the General reserve since the investments concerned were made from that reserve.

The purpose of the Fixed assets reserve is to reflect the Campaign's funds which are tied up in fixed assets and therefore not available for spending on other purposes. The balance is set to equate to the net book value of fixed assets at the year-end and a transfer has been made from the Accumulated surplus for this purpose.

12. TRANSACTIONS WITH OTHER CND ORGANISATIONS

The Campaign makes grants to regional CND organisations and specialist sections and the totals given are shown in Note 5. The grants to regions are principally towards the cost of staff employed by the regional organisations.

The Campaign pays to CND Cymru and CND Scotland a proportion of legacies received based respectively on Welsh and Scottish members as a proportion of Campaign membership - less a deduction for the proportionate share of legacies received by those organisations. The net amounts payable, respectively of £1,713 (2001 - £4,944) and £471 (2001 - £7,499), are deducted from the Legacies income shown in the Income and Expenditure Account.

The Campaign also pays to CND Cymru and CND Scotland the subscriptions received from members who have moved respectively to Wales and Scotland (less a deduction for members moving the other way). The net amounts concerned, respectively £3,179 (2001 - £3,284) and £2,054 (2001 - £1,882), are deducted from the National membership subscriptions income shown in the Income and Expenditure Account.

All amounts due were paid by the year end except for the membership and legacy income share-outs which are paid in arrears.

As explained in Note 1 all these other CND organisations are completely autonomous and organisationally separate from the Campaign.