

CAMPAIGN FOR NUCLEAR DISARMAMENT

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(Company limited by guarantee no. 3533653)

ANNUAL REPORT AND ACCOUNTS

YEAR ENDED DECEMBER 31, 1999



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ANNUAL REPORT AND ACCOUNTS

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CAMPAIGN FOR NUCLEAR DISARMAMENT

LEGAL AND ADMINISTRATIVE INFORMATION

The Campaign for Nuclear Disarmament was incorporated as a company limited by guarantee (without share capital) no. 3533653 on March 24, 1998. It is governed by its memorandum and articles of association. Every member of the Company 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 accounts.

Details of the Campaign's objects and Council members (who are the directors for company law purposes) are given in the Report of CND Council respectively on pages 2 and 4.

Officers: Chairperson: David Knight

Vice-chairs: Jon Nott (to 12th September 1999)
 Martin Jones (to 12th September 1999)
 Rae Street
 Mathew Pelling (from 12th September 1999)
 Tom Cuthbert (from 12th September 1999)

Treasurer Mathew Pelling (to 12th September 1999)
 Monica Frisch (from 12th September 1999)

Secretary: Jenny Maxwell

Bankers: The Co-operative Bank PLC, 1 Islington High Street, N1 9TR

National Westminster Bank PLC, 9 Charterhouse Building,
 Goswell Road, London, EC1M 7AT

Girobank PLC, Park Street, Ashford, Kent, TN24 8EH

Solicitors: Wiseman Lee, 229 Hoe Street, London N17 9PP

Auditors: Gotham Erskine, Friendly House,
 52-58 Tabernacle Street, London, EC2A 4NJ

Registered 162 Holloway Road, London, N7 8DQ
 Office: Telephone: 0171-700-2393
 Fax: 0171-700-2357
 e-mail: cnd@gn.apc.org

CAMPAIGN FOR NUCLEAR DISARMAMENT

REPORT OF COUNCIL

CND Council (which is the board of directors for company law purposes) presents its report and accounts for the year ended December 31, 1999.

OBJECTS

The Campaign seeks nuclear disarmament by Britain and world-wide 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

CND's principal campaigning activities are to inform, educate and lobby to achieve its objects. It publishes magazines, newsletters 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 world-wide; it produces a schools pack, other educational materials, and provides speakers. At all times, it informs the media about its activities.

REVIEW OF PROGRESS AND ACHIEVEMENTS

CND continues to oppose UK possession of the Trident nuclear weapons system through lobbying, supporting the activities at Faslane where the Trident submarines are based, and using a large-scale mock Trident missile for street campaigning in many towns and cities during the summer. CND has supported many local groups and activists through the provision of advice, encouragement, leaflets and other campaigning materials. The anniversaries of the Hiroshima and Nagasaki bombs and the Indian and Pakistani nuclear tests, and the 50th anniversary of the founding of NATO were all marked by appropriate demonstrations. Other actions drew attention to the UK's stance on nuclear weapons, including the Strategic Defence Review and voting behaviour at the United Nations.

CND has prepared briefings and submissions to the UK Parliament, including a major report on the potential for disaster if the "Millennium Bug" affected computer systems relating to nuclear weapons, missile monitoring systems and other military equipment, in the country, the United States and Russia. CND continues to work with its supporters in Parliament, especially the MPs in Parliamentary CND, seeks to influence the policy-making processes of the political parties and attended the Labour and Liberal Democrat Party Conferences.

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CAMPAIGN FOR NUCLEAR DISARMAMENT

REPORT OF COUNCIL
FOR THE YEAR ENDED DECEMBER 31, 1999

(Continued)

CND has been active on international issues with the Chair attending the Nuclear Non-Proliferation Preparatory Committee in New York. CND also had a strong presence at the Hague Appeal for Peace Conference, and sent representatives to many other conferences world-wide including an International Conference in Japan.

CND has continued to take an active interest in world affairs, particularly as they relate to the risks of military activity involving nuclear weapons. It highlighted the dangers of military action in the Balkans, the enormous impact on communities in the area, and especially the risks posed by the increasing military use of weapons containing depleted uranium. Another area of concern to CND is the possibility of weapons in space, which it opposes.

CND has developed its work with communities along the nuclear materials routes (for both warheads and spent fuel), being actively involved in Communities Against Nuclear Trains. It has drawn attention to other nuclear issues, such as the Rolls-Royce Factory in Derby which makes nuclear reactors for Trident submarines, and the numerous incidents at Aldermaston. CND continued to be involved with the stakeholders dialogue involving BNFL on minimising the impact of the nuclear fuel cycle on the environment. This process is being mediated by the Environment Council and involves other non-governmental organisations.

FUTURE DEVELOPMENTS

CND will continue with a broad range of activities involving its staff, regions, groups and members. These include actions at Faslane, USAF Lakenheath and other places related to nuclear issues. It will continue participating in the stakeholder dialogue with BNFL, will send representatives to the Nuclear Non-Proliferation Treaty Conference in New York, the Labour and Liberal Democrat party conferences, trade union conferences and many other events.

CND will continue to monitor developments relating to nuclear issues, including weapons in space, the United States' proposed National Missile Defence and Space Based Infrared Systems, including their links with UK-based establishments such as Menwith Hill.

CND's major push on fundraising and membership recruitment will continue and it is anticipated that a charitable trust to support educational work will shortly be established.

CND will continue 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>).

AUDITORS

The auditors, Gotham Erskine, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

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CAMPAIGN FOR NUCLEAR DISARMAMENT

REPORT OF COUNCIL

FOR THE YEAR ENDED DECEMBER 31, 1999

(Continued)

COUNCIL

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

Joan Abrams, Jim Addington (resigned September 12, 1999), Kieran Aherne (resigned September 12, 1999), Stephen Allcroft, Graham Allen, Patrick Allen, David Andrews, Gordon Attfield, James Barnes (resigned September 12, 1999), Mary Brennan (resigned September 12, 1999), Pamela Brivio (resigned September 12, 1999), Ian Cleary (appointed September 12, 1999), Rosemary Cottey (appointed September 12, 1999), Jeremy Corbyn, David Cox, Marilyn Croser, Neil Cruickshank, Thomas Cuthbert, Olwen Davies, David Douglass (appointed September 12, 1999), Peter Ford, Monica Frisch, Clive Fudge (resigned September 12, 1999), Caroline Gilbert, Madeline Haigh (resigned September 12, 1999), Raymonde Hainton, Paul Hawkes, Joan Horrocks, Linda Hugl, Joy Hurcombe, Sidney Jeffries, Martin Jones (resigned September 12, 1999), David Knight, Peter Le Mare, Mary McCarthy (resigned September 12, 1999), Isobel McHarg, Alan Meager, Jennifer Maxwell (resigned September 12, 1999), Carol Naughton (appointed September 12, 1999), Jon Nott (resigned September 12, 1999), Mathew Pelling, Pauline Phillips, Chris Prettyman, Emma Randall (appointed September 12, 1999), Dominic Rivron, David Rumsey (appointed September 12, 1999), Nicholas Russell (appointed September 12, 1999), Robert Russell, Pat Sanchez, Rae Street, Joe Sturge, Jane Tallents, Carol Turner, Mona Warren, David Webb, Elizabeth Westmorland (resigned September 12, 1999), Ian Winters (resigned September 12, 1999), Walter Wolfgang.

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

ORGANISATION OF THE CAMPAIGN

CND's AGM, which takes place annually at CND 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 AGM 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 Finance and Administration Group, and the Campaigns, Membership, Fundraising and International Group, which both meet four times a year. The Finance and Administration 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, Membership, Fundraising and International Group considers the details of campaigning programmes and ensures their integration with membership, fundraising and international work.

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CAMPAIGN FOR NUCLEAR DISARMAMENT

REPORT OF COUNCIL
FOR THE YEAR ENDED DECEMBER 31, 1999

(Continued)

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 meal 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.

FINANCIAL REVIEW

Full details of the incoming resources and resources expended are shown on page 7 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.

YEAR 2000

Improvements continued to be made to the new computer system, including work necessary to ensure Year 2000 compliance. No Year 2000 problems occurred at the turn of the year.

STATEMENT OF RESPONSIBILITY FOR THE PREPARATION OF THE ACCOUNTS

Company law requires the Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the income and expenditure of the Company for that year. In preparing those accounts, the Council is required to select suitable accounting policies and then apply them consistently, to make judgements and estimates that are reasonable and prudent, and to prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue operating.

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the accounts 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 breaches of law and regulations.

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.

ON BEHALF OF THE COUNCIL

Monica Frisch

MONICA FRISCH

Treasurer April 15, 2000

AUDITORS' REPORT TO THE MEMBERS OF
CAMPAIGN FOR NUCLEAR DISARMAMENT

We have audited the accounts on pages 7 to 14 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and under the historical cost convention and the accounting policies set out on page 9.

RESPECTIVE RESPONSIBILITIES OF COUNCIL AND AUDITORS

As described on page 5 the Council, which is the board of directors of the Company for company law purposes, is responsible for the preparation of the accounts. It is our responsibility as auditors to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

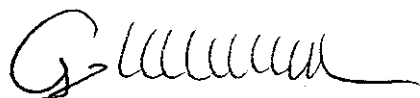
BASIS OF OPINION

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at December 31, 1999 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
Friendly House
52-58 Tabernacle Street
London EC2A 4NJ

Date: 23.6.00

CAMPAIGN FOR NUCLEAR DISARMAMENT

 INCOME AND EXPENDITURE ACCOUNT
 FOR THE YEAR ENDED DECEMBER 31, 1999

		Year to 9 months to Dec. 31, 1999	Dec. 31, 1998
	<u>Notes</u>	<u>£</u>	<u>£</u>
INCOME			
National membership subscriptions		203,491	151,453
Fees from affiliated and representative organisations		4,286	3,353
Donations, fundraising and appeals	2	110,143	107,266
Legacies	7	(21,322)	23,185
Net legacy share from Scottish CND/CND Cymru	10	6,408	-
Income from sale of campaigning materials		6,886	6,862
Conference income		3,469	3,003
Miscellaneous income		113	-
		-----	-----
TOTAL INCOME		313,474	295,122
		-----	-----
EXPENDITURE			
Campaigning activities	3	128,905	103,543
Membership and fundraising	3	104,969	91,929
Policy and decision making	3	16,461	12,412
Regions	3	45,773	36,209
Specialist sections	3	4,790	8,925
Support costs	4	139,243	87,228
Management and administration costs	5	3,349	3,134
		-----	-----
TOTAL EXPENDITURE		443,490	343,380
		-----	-----
OPERATING DEFICIT		(130,016)	(48,258)
Bank interest		7,532	12,438
Taxation	8	(1,525)	(2,612)
		-----	-----
DEFICIT AFTER TAX	9	(124,009)	(38,432)
Transfer (to)/from Legacies reserve	9	46,000	(16,000)
		-----	-----
DEFICIT AFTER LEGACIES RESERVE TRANSFER		(78,009)	(54,432)
Transfer (to)/from Fixed Assets Reserve		(18,000)	9,000
		-----	-----
DEFICIT FOR YEAR/PERIOD AFTER TRANSFERS		(£96,009)	(£45,432)
		=====	=====

NOTE

Movements in the Accumulated surplus are shown below. Details of other movements in reserves are shown in Note 9.

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Surplus/(deficit) for year after transfers	(96,009)	(45,432)
Accumulated surplus at the start of the year	128,996	174,428
	-----	-----
Accumulated surplus at the end of the year	£32,987	£128,996
	=====	=====



The annexed notes form part of these accounts

CAMPAIGN FOR NUCLEAR DISARMAMENT (Company limited by guarantee)

BALANCE SHEET AS AT DECEMBER 31, 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
TANGIBLE FIXED ASSETS	6	34,519	37,177
CURRENT ASSETS			
Stock - materials and merchandise	7,990		7,298
Debtors	7 21,381		63,440
Bank and cash	165,047		234,800
	194,418		305,538
CREDITORS (AMOUNTS FALLING DUE IN ONE YEAR)	8 (61,930)		(51,699)
NET CURRENT ASSETS		132,488	253,839
NET ASSETS/TOTAL ASSETS			
LESS CURRENT LIABILITIES		£167,007	£291,016
FINANCED BY:-			
CAPITAL AND RESERVES:			
General reserve	9 105,020		105,020
Legacies reserve	9 -		46,000
Fixed assets reserve	9 29,000		11,000
Accumulated surplus	32,987		128,996
		£167,007	£291,016

These accounts 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 March 2000). They were approved by the Council on April 15, 2000 and signed on its behalf by:-

.....  DAVID KNIGHT Chairperson
  MONICA FRISCH Treasurer

The annexed notes form part of these accounts

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE ACCOUNTS DECEMBER 31, 1999

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the accounts are set out below, have remained unchanged from the previous year and have been consistently applied.

a. Basis of preparation of accounts

These accounts have been prepared under the historical cost convention and in accordance with the Companies Act 1985, as amended, the Financial Reporting Standard For Smaller Entities (effective March 2000) 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 accounts 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 10.

Campaign for Nuclear Disarmament was incorporated as a company limited by guarantee on March 24, 1998 and took over the activities, assets and liabilities of the unincorporated association of the same name on April 1, 1998. The prior period comparatives cover the 9 months from April 1 to December 31, 1998.

The effect of events relating to the year ended December 31, 1999 which occurred before the date of approval of the accounts by the Council have been included in the accounts to the extent required to show a true and fair view of the state of affairs at December 31, 1999 and of the results for the year ended on that date.

b. Income recognition

Income from membership subscriptions and donations are accounted for on a cash received basis. Legacy income is recognised when it is reasonably certain that a legacy will be received and the amount receivable can be reliably measured; this is a change of policy: previously income was recognised when the amount receivable could be reliably measured - see Note 7. All other income is accounted for on the accruals basis.

c. 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 as follows:

Photocopiers	-	4 years
Other equipment, furniture etc.	-	8 years

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CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1999

(Continued)

d. Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Income and expenditure account as incurred.

e. Stock

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

2. DONATIONS, FUNDRAISING AND APPEALS

	Year to 9 months to	
	Dec. 31, 1999	Dec. 31, 1998
	£	£
Donations by standing order	90,654	73,190
General donations	2,242	6,223
Specific donations	597	1,341
Appeals	12,345	18,540
Fundraising events and projects	4,305	7,972
	-----	-----
	£110,143	£107,266
	=====	=====

3. DEPARTMENTAL COSTS

	Year to 9 months to	
	Dec. 31, 1999	Dec. 31, 1998
	£	£
	Direct costs	Staff costs
	£	£
Campaigning	36,435	92,470
Membership and fundraising	55,567	49,402
Policy and decision-making	16,461	-
Regions (see below)	45,773	-
Specialist sections (see below)	4,790	-
Support costs (see below)	95,604	43,639
Professional fees	3,349	-
	-----	-----
	£257,979	£185,511
	=====	=====

Information about Regions and Specialist sections expenditure is given in Note 10. Details of support costs are given in Note 4.

The average weekly number of whole-time equivalent employees during the year was 9.3 (9 months ended December 31, 1998 - 9.5).

No members of the Council received any remuneration for their services as Council members. A total of £8,626 (9 months ended December 31, 1998 - £5,695) was paid to 31 Council members (1998 - 40) as reimbursement of travel, telephone, stationery and e-mail costs incurred in connection with CND business.

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CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1999

(Continued)

4. SUPPORT COSTS

	Year to Dec. 31, <u>1999</u> £	9 months to Dec. 31, <u>1998</u> £
Premises costs (see below)	63,349	34,683
Less: Rent income from sub-letting	(14,416)	(10,444)
Finance and admin staff costs	43,639	31,793
Bank and credit card charges	10,284	8,102
Accountancy costs	1,045	877
Equipment maintenance and leasing	9,781	5,653
Depreciation	8,143	5,822
Loss on disposal arising from upgrading computer network	2,274	-
Telephone	6,807	4,444
Printing and stationery	1,350	1,667
Other staff costs	2,035	1,643
General volunteers' expenses	2,941	1,663
Miscellaneous	2,011	1,325
	----- £139,243 =====	----- £87,228 =====

Premises costs include the total expenditure on rent, rates, light, heat, insurance and repairs - including a provision for future maintenance (see Note 8) of £2,000 (9 months ended December 31, 1998 - £2,000) - for 162 Holloway Road, on which the Campaign holds a lease expiring in 2009. The rent is subject to review from December 25, 1999: the landlord has proposed an increase from £25,000 to £35,000 p.a. This has been reduced to £32,000 and negotiations are continuing.

During the year the rateable value of the premises was increased back-dated to December 1994 when the ground floor was sub-let. Premises costs includes an amount of £13,141 relating to the period from December 1994 to December 1998.

5. MANAGEMENT AND ADMINISTRATION COSTS

	Year to Dec. 31, <u>1999</u> £	9 months to Dec. 31, <u>1998</u> £
Audit fee	2,938	2,840
Legal fees	411	294
	----- £3,349 =====	----- £3,134 =====

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

/Continued ...

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1999

(Continued)

	Year to 9 months to Dec. 31, 1999	Dec. 31, 1998
	£	£
Audit fee	2,500	2,418
Advice and accountancy assistance	520	511
	-----	-----
	£3,020	£2,929
	=====	=====

6. TANGIBLE FIXED ASSETS

	<u>Equipment</u>	<u>Fixtures & Furniture</u>	<u>Total</u>
	£	£	£
COST			
At the start of the period	61,671	11,466	73,137
Additions during the period	7,759	-	7,759
Disposals	(5,849)	-	(5,849)
	-----	-----	-----
At the end of the period	63,581	11,466	75,047
	-----	-----	-----
DEPRECIATION			
At the start of the period	24,495	11,465	35,960
Charged during the period	8,143	-	8,143
Disposals	(3,575)	-	(3,575)
	-----	-----	-----
At end of the period	29,063	11,465	40,528
	-----	-----	-----
NET BOOK VALUE			
At the start of the period	£37,176	£1	£37,177
	=====	=	=====
At the end of the period	£34,518	£1	£34,519
	=====	=	=====

7. DEBTORS

	<u>1999</u>	<u>1998</u>
	£	£
Legacies receivable (see below)	-	46,000
Other debtors	9,326	5,550
Prepayments	12,055	11,890
	-----	-----
	£21,381	£63,440
	=====	=====

Council has decided to adopt the method of accounting for legacy income (see Note 1b) in the proposed new Statement of Recommended Practice for Charities. This is a change from the previous policy. At the year-end there were no legacies receivable meeting the new criteria and, since some of the legacies receivable at December 31, 1998 had still not been received during 1999, legacy income for the year is shown as a negative amount in the Income and Expenditure Account.

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CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1999

(Continued)

A prior year adjustment has not been made because previously legacies receivable were put to a Legacies reserve - so that the new policy has not affected the Accumulated surplus. At the year-end the Campaign had been notified of legacies totalling approximately £51,000, all of which are expected to be received in due course.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1999</u>	<u>1998</u>
	£	£
Trade creditors	11,387	14,407
Social security and other payroll taxes	4,507	4,680
Corporation tax (see below)	1,525	2,612
Provision for premises repairs (see below)	7,000	5,000
Other creditors (see below)	20,892	6,449
Accruals	16,619	18,551
	-----	-----
	£61,930	£51,699
	=====	=====

Corporation tax is charged at an average rate of 20.25% (9 months ended December 31, 1998 - 20%) 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 4. Details of movements for the year are as follows:

	Year to 9 months to	
	Dec. 31, 1999	Dec. 31, 1998
	£	£
Provision at the start of the period	5,000	3,000
Provision made for the period	2,000	2,000
	-----	-----
	7,000	5,000
Less: Maintenance carried out in the period	-	-
	-----	-----
Provision at the end of the period	£7,000	£5,000
	=====	=====

Other creditors includes an amount of £13,141 back-dated rates (see Note 4).

/Continued ...

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1999

(Continued)

9. RESERVES

	Balance B/fwd £	Deficit after Tax £	Transfers £	Balance C/fwd £
General reserve	105,020	-	-	105,020
Legacies reserve	46,000	-	(46,000)	-
Fixed assets reserve	11,000	-	18,000	29,000
Accumulated surplus	128,996	(124,009)	28,000	32,987
	-----	-----	-----	-----
	£291,016	(£124,009)	£Nil	£167,007
	=====	=====	=====	=====

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 General Reserve must be maintained at approximately 3 months' expenditure.

The Legacies reserve was established to reflect the fact that legacy income, as previously recognised, might not be available for use for some considerable time. Following the change in accounting policy explained in Note 7 in practice this means that it will be recognised only shortly before it is received. There is accordingly no need to maintain a Legacies reserve any more.

The purpose of the Fixed assets reserve is to fund future asset requirements. Council considers that £29,000 is sufficient for this purpose.

10. TRANSACTIONS WITH OTHER CND ORGANISATIONS

The Campaign makes grants to regional CND organisations and specialist sections and the totals given are shown in Note 3. 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. In previous years there have been small net amounts payable which have been included as part of Membership and fundraising costs. This year Scottish CND received a substantial legacy and the Campaign's share has been shown separately 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 £2,694 (9 months to December 31, 1998 - £1,766) and £2,469 (9 months to December 31, 1998 - £1,859), are deducted from National membership subscriptions shown in the Income and Expenditure Account.

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

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