



## **DEBRA**

---

### **TRUSTEES' REPORT & ACCOUNTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2010**

---

A charity registered in England and Wales (1084958) and Scotland (SC039654)  
Company Registration No 4118259 (England and Wales)

---

# DEBRA

## REFERENCE & ADMINISTRATIVE INFORMATION

<b>Trustees</b>	Philip Evans*	Chair
	Michael Thomas	Vice-Chair
	David Spence*	Treasurer
	Scott O'Sullivan	Secretary
	David Bendor-Samuel *	
	Clinton Budd	
	Robin Eady	
	Barbara Ives	until 22 May 2010
	Graham Marsden*	
	Heather Mills	
	Gillian Pigott	
	Simon Rothwell	
	Anthony Smith	until 22 May 2010
	Melissa Smith	
	John Tough	from 22 May 2010
	Patrick Turnbull	
	Roger Wakefield	from 22 May 2010
No Trustee has any beneficial interest in the company. All trustees are members of the company and guarantee to contribute £1 in the event of a winding up.		
* Members of Finance, Risk & Audit Subcommittee		
<b>Senior Staff</b>	Ben Merrett	Chief Executive
	John Dart	Director of Research & International Company Secretary and Seconded Chief Operating Officer of DEBRA International
	Carol Harris	Director of Finance
	Claire Mather	Director of Nursing & Social Care (from 1 April 2010)
	Gareth Simpson	Director of Fundraising & Communication (from 19 April 2010)
<b>Charity Commission Number</b>	1084958	
<b>OSCR Number</b>	SC039654	
<b>Company Number</b>	4118259	
<b>Registered office &amp; principal address</b>	DEBRA House 13 Wellington Business Park Dukes Ride, Crowthorne, Berks RG45 6LS	
<b>Auditors</b>	BDO LLP Kings Wharf, 20-30 Kings Road Reading, Berks RG1 3EX	
<b>Bankers</b>	HSBC High Street, Crowthorne Berks RG45 7AD	
<b>Solicitors</b>	Tim Marsden Norton Rose LLP, 3 More London Riverside London SE1 2AQ	
<b>Medical &amp; Scientific Adviser</b>	Professor John McGrath	

# DEBRA

## CONTENTS

---

	Page
Trustees' Report ... ..	1-16
Statement of Trustees' responsibilities ....	17
Auditor's Report ... ..	18-19
Statement of Financial Activities ... ..	20
Balance Sheet ....	21
Cash Flow Statement ... ..	22
Notes to the Accounts ... ..	23-31

---

# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

### **INTRODUCTION**

DEBRA is the national charity that supports individuals and families affected by Epidermolysis Bullosa (EB) – a rare genetic condition which causes the skin to blister and shear at the slightest friction, or even spontaneously. There are at least 5,000 people living with this devastating condition in the UK and 500,000 worldwide.

EB has a number of distinct forms: in the least severe form, blistering is confined to the hands and feet. In more severe cases, the whole body is affected and wounds heal very slowly, giving rise to scarring, physical deformity and significant disability. Blistering can also affect inner body linings, such as the mouth and throat and, in its most advanced form, EB is fatal in infancy.

DEBRA was founded in 1978 and provides an expert team of nurses and social care staff to work directly with families affected by EB. The charity also commissions world-leading research into the condition with the aim of finding effective treatments and, ultimately, a cure for EB. DEBRA receives no direct government funding and therefore relies on the generosity of the public to carry out its vital work, improving lives and giving hope.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The trustees incorporated DEBRA, a charitable company limited by guarantee, on 1 December 2000, and on 1 January 2002 it assumed responsibility for the activities of the unincorporated Dystrophic Epidermolysis Bullosa Research Association. The incorporated charity is governed by its Memorandum and Articles of Association.

Trustees are elected by members at each AGM to serve for a period of three years. During 2010 two new trustees were elected to bring specific skills onto the trustee board, specifically law and retail management. Over two-thirds of the trustees either had EB themselves or were the parent of a child with EB. New trustees receive individual induction from senior staff and advisers, and trustee training is regularly discussed at trustee meetings. Trustees received relevant publications, such as "Governance" magazine, and briefings by external advisers.

Trustees are supported by a number of subcommittees and advisory groups to provide expertise in specific areas of the charity's work. In December 2009 a subcommittee of trustees was established to examine the charity's current governance structures, which reported in early 2010. As a consequence, new subcommittees were established to oversee charitable activities and fundraising, whilst the pre-existing Finance Subcommittee was renamed the Finance, Risk & Audit Subcommittee with revised terms of reference. The trustees believe that governance has been significantly strengthened as a result. In addition the international Medical and Scientific Advisory Panel gives expert advice on research priorities and quality and a Translational Research Advisory Panel has been recruited to provide advice on developmental issues in bringing therapy from the laboratory and into the clinic.

Professional staff are employed, under the direction of the Chief Executive, to carry out the activities determined by the trustees and to support the many volunteers who undertake work on behalf of the charity. During 2010 responsibility for charitable activities was reviewed and the former post of Director of Charitable Activities was replaced by two separate directorates, one covering nursing and social care and the other taking responsibility for research and

# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

international development. DEBRA is an active member, and funder, of DEBRA International and is represented on that organisation's Executive Committee by a trustee. In addition, the Director of Research & International is seconded for 60% of his time to serve as the Chief Operating Officer of DEBRA International.

### **PUBLIC BENEFIT**

DEBRA exists to meet the public benefit of the advancement of health, specifically to take action to advance the health of people with EB and related diseases. Our main activities are described below. All activities are undertaken to further our charitable purposes for the public benefit, and we have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives, and in planning our future activities. The trustees believe that DEBRA meets the public benefit test.

### **OBJECTIVES AND ACTIVITIES**

DEBRA has a vision of a world where no one suffers from the painful genetic skin condition EB. Until that day the charity provides specialist care to those who need it, gives support to people and families affected and provides real hope for the future by funding pioneering research which will one day find a cure.

DEBRA is the representative voice of people whose lives are affected by EB. It is an association of people with EB, their carers, families, friends and supporters (both lay and professional), dedicated to eradicating the condition and helping people with the condition to exercise their rights to full citizenship. DEBRA aims to enhance the quality of life of people who are affected by EB by every means possible. The primary objectives are:

- to provide continuing services and support to people whose lives are affected by EB
- to develop effective treatments for EB through funding of research into the condition
- to promote best current practice in treatment
- to promote the well-being of people with EB and their families, and to maintain their full integration into society
- to promote professional and public knowledge of EB
- to encourage the development of EB support groups around the world and to foster co-operation and liaison
- to raise sufficient funds to make achievement of these objectives possible.

In fulfilling these objectives, DEBRA encourages the contribution that people with EB and their families make to the charity and to the life of the community in general.

DEBRA has continued its core work of funding research and providing services and support to people whose lives are affected by EB in the UK and abroad. In pursuance of these objectives in 2010 DEBRA aimed to maintain and increase its existing medical research programme and to consolidate its health and social care provision with an increased collaboration with statutory services.

# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

### ***Grant Making Policy***

DEBRA is a member of the Association of Medical Research Charities and abides by its recommendations on best practice in the award of medical research grants, and holds the certificate for best practice in Medical and Health Research Peer Review. All DEBRA research grant applications are independently peer reviewed by at least two, and usually three, external reviewers and by DEBRA International's independent Medical and Scientific Advisory Panel. This Panel, whose members are all eminent scientists and clinicians in relevant fields, has members from six different countries. The Medical and Scientific Advisory Panel is tasked to review all research grant applications received by all the member groups of DEBRA International, so that available funding can be properly targeted and unknowing duplication avoided. This international peer review process is managed by the DEBRA International Research Manager and Chief Operating Officer who are funded, either in part or in whole, by DEBRA. Any grant recommendations made by the panel are reviewed by the senior executives for commercial assessment.

### ***Volunteers***

A significant amount of the charity's work is undertaken by members and supporters. In 2010, the charity had an average of 1,447 volunteers (153 Full Time Equivalent) - (FTE) working in the charity's shops, which valued at the pay rate of shop assistants would be an equivalent of £1,673,373 in donated time. The head office had a total of 12 volunteers (0.7 FTE) which valued at the pay rate of administration staff would be an equivalent of £12,397 in donated time. Additionally, there are several hundred volunteers undertaking occasional fundraising activities.

### ***Employment Of Disabled Persons***

As a disability charity, DEBRA is positively committed to providing employment opportunities to those with a disability or chronic medical condition, and aims to increase the involvement of people with EB in particular in all aspects of the charity's work. It is recognised that ensuring equal opportunities for disabled people may involve adjustments being made to the working environment or other employment arrangements. These adjustments will be made wherever reasonable and within a reasonable time frame.

## **ACHIEVEMENTS AND PERFORMANCE**

DEBRA is registered as a national and international charity with the Charity Commission and as a charity registered in Scotland by the Office of the Scottish Charity Regulator and exists to provide services and support to people living with EB and to facilitate the development of lasting and effective treatments for the condition through research.

The primary focus is on the estimated 5,000 people with EB in the UK. The EB population is heterogeneous with varying needs depending on the type of EB, age and family circumstances. DEBRA aims to address the needs of all people with EB, without favouring any one type of the condition. The condition affects all ethnic groups and DEBRA aims to provide equal access to services without impediment.

# DEBRA

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

---

### **Research**

The charity entered 2010 conscious of the likely continuing adverse effects of the international economic downturn on its fundraising income but with growing confidence in the sustainability of income from charity shops. Consequently, trustees took the view that commitments to fund new research, with one exception, should be delayed until the end of the year by which time the robustness of the charity's financial position could be more accurately assessed. However, a firm decision was also made to maintain the pre-existing research commitments. The continuing improvement during the year in income and the strength of the reserves allowed the trustees to sponsor a research grant round during the second half of the year and to approve funding of £435,000 in December 2010 on four new projects. Research expenditure during the year was £756,367 and the trustees are confident that research expenditure can be safely budgeted to grow over the next three years.

DEBRA has a long history of working internationally in EB research and, as a result, it was possible for a research grant application round to be launched in the first half of 2010, managed by the mainly UK funded DEBRA International research staff. This round was financed by DEBRA Austria (with a contribution from DEBRA of America) and two research projects were recommended for funding. In the event, one of the successful applicants withdrew his application since it was (rightly) anticipated that funding of several million euros would be obtained from the European Union to fund an extended version of the application submitted to DEBRA. DEBRA International is a partner in this EU grant. The scientific management of DEBRA Austria-funded research is undertaken from the UK on their behalf by the DEBRA International Research Manager, whose post is principally funded by DEBRA UK.

DEBRA had played a significant role in organising EB2009, the DEBRA International research planning conference which is held every three years, bringing together the leading EB research groups worldwide. This meeting, held in Vienna, marked a major step forward in the campaign to bring effective treatments closer with the most notable advance being a number of early stage clinical trials reported, particularly in cell therapies, that were either in progress or planned, covering virtually all the major forms of EB. One of these trials, undertaken in the UK by Professor McGrath, involves the injection of fibroblasts into the skin of people with severe EB whose wounds often take a long time to heal, or do not heal at all. Initial results from a small group of patients showed evidence of significantly improved wound healing and increased skin stability. During 2010, with DEBRA funding, the necessary work was undertaken to evaluate the data obtained from the Phase I trial and to start to put in place the infrastructure for a Phase II trial. Recruitment for the Phase II trial started at the end of 2010 and the trial is scheduled to start in early 2011.

DEBRA continued to seek funding outside of existing sources by collaborating with other potential funders, for example other national DEBRAs as previously mentioned. In 2009 a new entity, DEBRA Spirit, separate from DEBRA UK but with strong UK involvement came into being to raise major donations for EB research. In the event, this group's primary focus became campaigning for dedicated US Government funding for EB research and 2011 will see whether this work will bear fruit. Elsewhere, an application to the European Union Sixth Framework Programme, in which DEBRA International is a partner, was successful in obtaining funding for

## **DEBRA**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

preclinical work and a Phase I trial for gene therapy in Recessive Dystrophic EB. Work on this five year project will commence in March 2011.

The translation of research results into clinical applicability became increasingly important during 2010. It had been anticipated that the new Translational Research Advisory Panel (TRAP) would meet formally for the first time during the year and a number of potential candidates were identified, who expressed their willingness to help the charity in this venture. However, due to the need to be confident that funding for research would be available before convening the meeting, and the subsequent unavailability of key members and advisers during the last quarter of the year, the first meeting was deferred to February 2011. However, individual prospective TRAP members provided advice and assistance throughout the year.

Overall, DEBRA can look back over 2010 as a year when it was, once again, able to take a leading role in the facilitation and funding of EB research.

#### ***Healthcare***

One of DEBRA's main core objectives is to provide specialist, dedicated healthcare services for people living with any type of EB across the UK. This work is carried out both directly and indirectly in conjunction with local statutory providers all of whom are responsive to the wishes of the EB community. This is particularly necessary since EB is a rare condition about which few health professionals will have any knowledge or expertise. The DEBRA Healthcare Team work closely with the designated four EB centres of excellence (Great Ormond Street Hospital for Children, St Thomas' Hospital, Birmingham Children's Hospital and Heartlands and Solihull Hospital) and NHS colleagues to provide the high level of expertise needed to care adequately for people living with EB both directly and via shared care with local health professionals.

Due to the rarity of EB and specialist care required, some funding for the clinical service is provided by AGNSS (Advisory Group for National Specialised Services), which was the National Commissioning Group (NCG), including full NHS funding for 4 (3.12 FTE) nurses at Birmingham Children's Hospital and 2 (1.6 FTE) nurses at Solihull Hospital. DEBRA's healthcare team consists of 11 (8.19 FTE) nurses, of which 8 are linked to Great Ormond Street and St Thomas' Hospitals and 3 are employed by DEBRA in Scotland. There is a total of 17% NHS contribution to the overall funding for the team.

In 2010 the primary objective to maintain the level of DEBRA's healthcare provision, despite the economic conditions, continued to receive the trustees' highest priority within the charitable objectives. In this the charity was almost entirely successful and with the reallocation of funding within the charity DEBRA was able to maintain its objective despite the announcement part way through the year that the 25% NHS contribution to the team linked to St Thomas' Hospital would be withdrawn in full from September 2010. A reduction in funding for the Great Ormond Street team also became evident (resulting in the overspend on the nursing budget for 2010). DEBRA was also successful in negotiating full National Service Division (NSD) funding, via the Scottish Government, for a much needed children's nurse post in Scotland. The recruitment process is underway to find a suitable candidate. Throughout 2010 DEBRA also continued to fund the specialist EB podiatry foot clinic service at St Thomas' Hospital. Due to the changing demands on the charitable activities of DEBRA, a new role of Director of Nursing and Social care for DEBRA was established in April 2010.



# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

DEBRA greatly values the collaboration between the NHS and the charity and continues actively working to promote a unified service. As part of this effort, DEBRA maintained its support for the clinical network group comprising the four hospitals and DEBRA, and actively engaging in activities across the four centres. DEBRA is also grateful for the contribution made by the AGNSS to its three nurses at Great Ormond Street and to the NSD for their contribution towards the costs of DEBRA's nursing team.

Significant efforts continue to be made by the EB nursing teams, in conjunction with colleagues, in clinical research, particularly in the fields of wound care and treatment trials. Links continue to be forged with academic centres and industry in pursuit of this and a joint appointment between nursing and fundraising promotes industrial collaboration.

DEBRA nurses remained in demand to speak at external conferences, both in the UK and abroad. A special restricted fund for their own training needs continued to receive donations made for their speaking engagements.

### ***Social Care***

DEBRA's objective is to provide specialist social care services for people with EB across the UK, which are responsive to the wishes of the EB community. In 2009 the Social Care Team was reduced in light of the charitable expenditure cuts that were necessary at the time in order to retain significant involvement in research and healthcare. Consequently, in 2010 the objective continued to be to manage this reduction in the level of resources so that essential services could continue to be provided. The team consists of two permanent staff and additional funding was made available for one of the recently retired team members to cover some case work in the north of England. In the light of the team cuts and at the same time the increased pressure on the service due to statutory benefit changes, the team have worked very hard to ensure that essential support has been available.

The Social Care Team has three main priorities:

- to provide a casework service to families and individuals to help with particular issues, such as welfare rights, education, housing, employment, etc
- to make contact whenever possible with people with EB who are not currently using services
- to identify, in conjunction with people with EB, the need for new services or means of support.

Given the reduction in the size of the team, priority was given to enabling individuals and families to access services to meet current difficulties. There was an overall under-spend on support grants and activities due to this decrease in headcount. Also, there is the recognition by the EB community that DEBRA funding had been cut back and that there is a strong desire to use available funds to rebuild the team.

A successful annual conference was held in May 2010 and a number of smaller meetings, or opportunities for people with EB to meet, were organised and funded. All main EB hospital clinics were also attended by a member of the team. In November, as a result of the

# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

strengthened financial position, additional funding was allocated to social care to recruit another team member. The new post holder started early in March 2011.

### ***Respite Breaks***

DEBRA's objective is to enable families living with EB to have breaks away from home in accommodation that has been specially chosen to meet their needs. The three mobile homes in England and Scotland were maintained and offered a very popular service to people with EB during 2010, and bookings to near full capacity are already in place for 2011.

### ***Public Education***

DEBRA featured as the nominated charity on November's BBC Lifeline television programme. Hosted by DEBRA President Michael Portillo it is estimated that 1m people will have seen this nine minute profile of families living with EB and the work of DEBRA. In addition to increased public awareness the programme raised £27,500. At almost three times the average reported amount for the Lifeline appeals in 2009-2010, this serves to underline once again the compelling nature of DEBRA's work and cause in the public's perception.

DEBRA has been proactive in developing its digital media profile and has in excess of 1,400 followers on Facebook with whom we can quickly and inexpensively communicate. DEBRA began trials of a specialist email service, to allow a greater reach for our core messages and provide detailed analysis on the effectiveness of the charity's e-communications.

During 2010 DEBRA was referenced 460 times in the national press, local press and online which reached an audience of around 19,600,000 people. This coverage would have cost the charity £415,000 to buy at commercial rates.

Work commenced on a comprehensive review of the charity's Communications Strategy to allow DEBRA in the UK to reflect the international branding being formally adopted across many DEBRAs worldwide. As part of this strategy, a new logo and strapline were approved by the trustees in the latter part of 2010, along with a new vision and purpose. DEBRA benefited from the support of a leading brand agency, Publicis, which provided pro bono expertise and resource for this work.

### ***Fundraising***

DEBRA continues to benefit from voluntary income from a range of sources. During 2010, increased emphasis was placed on challenge and sporting events and regional fundraising as reliable, steady income streams in difficult economic conditions.

DEBRA runners in the Virgin London Marathon (VLM) were particularly successful, raising a total of £119,000 (including gift aid). The average amount raised per DEBRA Gold Bond runner was £4,600, which is nearly double the average amount raised by runners in the VLM.

The DEBRA Fight Night achieved a net income of £87,000, a growth of 50% over 2009. This success was underpinned by increased levels of attendance, with over 400 guests, and a

## **DEBRA**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

reduction in operating costs. The Fight Night Committee, made up of volunteers from DEBRA's Appeals Council of senior supporters, continued to give support and guidance to DEBRA, actively assisting with table sales and attracting high value auction items.

The Midlands Appeals Council requested further support from within DEBRA to help with a clearly identified funding need to allow them to focus on fundraising in the region. This was given and the council is growing in numbers with planned activities identified.

It was decided, in light of the difficult economic environment, to postpone DEBRA's Annual Dinner and to take the opportunity to move this to the spring. This gave DEBRA an ideal opportunity to change the model of fundraising, through auctions and improved financial processing at two smaller regional dinners. This has resulted in a doubling of like for like income from the charity's on-screen auctions as well as significant improvement in efficiency of financial handling.

Community fundraising performed broadly in line with expectations. DEBRA has some excellent small groups and individuals who are actively organising and running localised events and activities with minimal direct DEBRA input: e.g. a significant contribution was made by a member of the Appeals Council undertaking a car rally, raising £58,000 for DEBRA. This model of fundraising in aid of DEBRA continued to be a robust income stream, even through the period of recession, and is an area for future development.

Income from regular gifts remained steady at £130,000 demonstrating high levels of retention and supporter loyalty. One-off gift income was boosted by the Lifeline appeal in conjunction with BBC television and an email appeal.

Very few major charitable gifts were received and this will be an area of increased emphasis over the period 2011-13 as the charity works more closely with the Appeals Council and high profile ambassadors to attract support.

#### ***Shops***

The shops operation has had another strong year in 2010 with 40% gross income growth. In addition, the retail gift aid scheme has grown from £138,000 in 2009 to £546,000 in 2010. This was a key area of growth identified in the 2009 Report and Accounts. At the end of 2010 30% of sales were gift aided, with plans in place to increase this important source of income. This year benefited particularly from the full year effect of the 34 shops acquired in the latter part of 2009. This acquisition included £1.5m of freehold property which, as a charge on these properties is reduced, will significantly strengthen the financial position of the charity. Strong like for like performance and new pricing initiatives also contributed to this growth.

A healthy net profit growth has been maintained whilst also investing in adequately resourcing this operation in areas like health and safety. The retail management structure has been enhanced with new appointments in Property Development, Business Development Management and Area and Regional Shops Management. The total number of shops remained fairly constant at 120 compared to 118 at the end of 2009 but there are expansion plans in place in the three year strategic plan to increase the number of shops each year.

# DEBRA

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

---

The first annual DEBRA Shops Conference took place in January 2010 to which all shop managers were invited. A full programme of speakers for the day was both informative and entertaining. The motivational impact on staff was immense with the chance for shop managers to relate to the compelling nature of DEBRA's cause in a relaxed and informal setting. In particular, the benefits of gift aid were explained with presentations from shop managers who had embraced this opportunity.

### ***Home Delivery Service - Bullen Healthcare Distribution Agreement***

This year has seen some growth in the income that is received from the distribution agreement with Bullen Healthcare, a well known UK based appliance and EB dressing distributor, and now EB pharmacy service. The dressing and pharmacy service has been well received by the EB community for home delivery of dressings and medications in addition to generating a significant income.

### **FINANCIAL REVIEW**

The accounts show the financial affairs of the charity for the year ended 31 December 2010. The charity's available net income after taking due account of the costs of generating funds (principally charity shop trading costs) was £2,740,354. Expenditure on charitable activities was £1,993,962, which created a surplus for the year of £746,392. The trustees decided that in order to ensure the long term financial stability of DEBRA, this surplus is to be retained in the charity with the impact that reserves have been rebuilt to the policy level in 2010.

Activity in 2010 included increased investment in trading activities, with the aim of reducing reliance on voluntary fundraising income to mitigate the impact of the current economic downturn. A large investment was made in 2009 in EPOS tills and software to facilitate the recovery of gift aid through the retail gift aid scheme. £546,000 has been reclaimed in gift aid through this route in 2010, an area which grew dramatically in 2010 and it is anticipated will continue to grow in 2011. Another continuing financial success story in 2010 was the income received from the Bullen Healthcare Distribution Agreement which totalled £159,492 in the year.

Expenditure on charitable activities was above the 2009 level at £1,993,962, which although significantly below historic levels, enabled the charity to rebuild reserves. The increase over 2009 was due partly to increased costs of the nursing teams from reduced NHS funding. New research commitments in 2010 of £435,000 were kept within the financial constraints of the reserves policy detailed below. A significant increase in expenditure on charitable activities is anticipated in 2011 now reserves have been successfully restored.

The surplus in the year led to a significant strengthening of the balance sheet during 2010 with net assets growing from £595,969 to £1,342,361.

The table on page 10 summarises the key highlights of DEBRA's financial performance over the last five years. Non-trading income grew dramatically during 2010 largely from the success of the retail gift aid scheme; gift aid being recognised as voluntary income for statutory reporting purposes despite it being generated through the shops network. This grew from £138,000 in 2009 to £546,000 in 2010. Another growth area was income generated by activities for DEBRA

## DEBRA

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

Spirit, a verein registered in Austria with aims similar to DEBRA UK. £220,000 of new income was generated through this channel in 2010. Net trading income achieved through the shops and fundraising events grew from £683,051 to £760,492 between 2009 and 2010, of which net trading income achieved through the shops rose from £506,299 to £558,797. Shops have performed exceptionally well when the income received through the retail gift aid scheme is also taken into account. Net trading income from other fundraising sources rose from £176,752 to £201,696 during the same period, despite the difficult economic climate during 2010. DEBRA has traditionally been greatly supported by the City which has been adversely affected.

	2010	2009	2008	2007	2006
Total incoming resources	£10,435,462	£7,711,999	£6,997,515	£6,792,985	£6,589,420
Non trading income	£2,506,488	£1,869,031	£1,979,244	£2,152,916	£2,847,750
Net trading income	£760,493	£683,051	£699,850	£953,429	£878,907
Non trading fundraising costs	£526,627	£488,449	£578,249	£809,197	£809,822
Charitable expenditure	£1,993,962	£1,719,548	£2,343,273	£2,685,327	£3,042,782
Fundraising efficiency: non trading income less non trading expenditure, divided by non trading income	79.0%	73.9%	70.8%	62.4%	71.6%
Retained (deficit)/surplus	£746,392	£344,083	£(242,428)	£(388,181)	£(182,249)
Retained surplus as a % of income	7.2%	4.5%	(3.5%)	(5.7%)	(2.8%)
Net current assets	£350,369	£86,449	£(116,324)	£70,272	£461,848
Unrestricted reserves	£1,300,109	£549,367	£218,499	£392,774	£765,597
Grants payable within 12 months - SOFA	£267,917	£179,446	£697,328	£882,913	£1,305,508

Cost to income ratios for charity shops are high throughout the sector which impacts significantly on overall ratios. In addition, ratios have been impacted by a continued investment in trading activities.

The charity's fixed assets comprise the premises, equipment and vehicles required to operate trading activities, premises, furniture and equipment required to operate the charity's offices, and three mobile homes held for the use of people with EB and their families. The rest of the charity's assets are held to promote the purposes of the charity through its research programmes and support services.

#### **Reserves Policy**

The trustees' policy is to maintain *cash-backed free reserves* of £500,000. Reserves are held as a buffer for short term cash flow needs because the charity's income is to some extent dependent on a few large fundraising events at specific times in the financial year. Also there

## **DEBRA**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

are seasonal variations in the trading performance of the shops. Total reserves at the end of 2010 were £1,342,361 and cash-backed free reserves were £618,888. Cash-backed free reserves are calculated by subtracting fixed assets (excluding investments) from unrestricted reserves. This represents reserves which can be accessed immediately and the trustees invested this £500,000 in a two year breakable bond at a favourable rate of interest. The strategy to rebuild reserves through operating surpluses has necessarily been balanced against the need to continue the provision of core charitable services during the current economic recession. The trustees are satisfied that there are sufficient cash balances to meet legal commitments as they fall due.

#### ***Investment Policy***

Trustees are authorised under the Constitution to invest any monies not immediately required for its objects in or upon such investments, securities or properties as may be thought fit.

The charity successfully rebuilt reserves during 2010 and invested the policy level of £500,000 cash-backed reserves in a two year breakable bond with Nat West earning 2.7% interest. DEBRA aims to apply its income in support of its charitable objectives, and further investment is considered as an interim measure in respect of as yet uncommitted cash surpluses. All investment activities involve risk and reward, and the policy is to achieve a satisfactory return while minimising risk. During 2010, the trustees took the view that this was best achieved by investing funds not immediately needed in a deposit account at Nat West, with an interest rate of 1.4%. The performance of this investment is in line with short-term money market deposits.

#### ***Expenses Policy***

DEBRA has expenses policies for both employees and trustees and also has a PAYE dispensation in place. Expenses which have necessarily been incurred by staff and trustees in performance of their duties are recoverable from DEBRA. Expenses will only be reimbursed if they meet the following criteria:

- no personal benefit could be derived from the expenditure by the employee concerned
- the expenditure is reasonable and represents only additional costs to those that would normally arise on a personal basis
- there is a clear business justification for the costs
- the expenditure does not represent a form of payment to a third party for work undertaken on DEBRA's behalf.

Any expenses which do not meet the criteria above are regarded as a benefit by HMRC and as a matter of policy DEBRA does not reimburse such expenses.

#### ***Funds***

The majority of DEBRA's funds are unrestricted in application and are held in a General Fund. Where funds are received which are restricted in their application to specific purposes or activities, these are held in a Restricted Fund. Details of Restricted Funds are set out in Note 14 of the financial statements.

## DEBRA

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

---

#### ***Asset Cover for Funds***

Note 15 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

#### ***Related Parties***

DEBRA has a 100% beneficial interest in DEBRA Trading Ltd, whose principal activity is the sale of promotional items on behalf of the charity. In accordance with SORP 2005 paragraph 383 c), the accounts of the company have not been incorporated into these accounts on the grounds that the results are not material. For information, the company's results are shown separately in Note 19 to the financial statements.

#### **RISK STATEMENT**

The trustees have established a register for all major strategic, business and operational risks identified by them to which the charity is exposed, confirm that these have been reviewed during the year by the Senior Management Team and the Trustee Board, and that systems and procedures have been established to manage those risks. The potential impact of these risks would be mitigated by delaying new research commitment.

Summary extracts of the key risks from the Risk Register are listed in the table below, demonstrating the management and monitoring of these risks.

<b>Risk factor</b>	<b>Risk Control</b>	<b>Monitoring</b>
Decline in retail activity	Monthly detailed shops reporting	Shops Board meetings
Loss of major source of income	Diversity of fundraising activities	Fundraising Sub-Committee meetings
Failure to protect against fraud	Regular review of Financial Regulations, whistle-blowing policy and segregation of duties	Finance, Risk and Audit Sub-Committee meetings
Loss of key staff and knowledge	Job and knowledge sharing and procedure documentation	Trustee Board meetings and succession planning
Failure to meet Health and Safety requirements	Health and Safety policy and training	Shops Board meetings
Failure to comply with current employment law	Employment law advice service	Trustee Board meetings
Inappropriate activities undertaken	Fundraising and marketing policy	Trustee Board meetings
Charity image damaged	Marketing and PR strategy and media monitoring	Trustee Board meetings

## **DEBRA**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

Due to the economic uncertainty the trustees consider both the decline of retail activity and loss of major source of income as increasing risks. However, as a result of the implementation of a robust Health and Safety training scheme in the shops during 2010 the trustees considered the risk of failure to meet health and safety requirements is decreasing.

#### **PLANS FOR FUTURE PERIODS**

##### ***Research***

As a result of the increased stability and predictability of income achieved during 2010, DEBRA can look forward confidently to increasing its impact year-on-year in the development of treatments for EB. Combining resources with other DEBRAs, in particular DEBRA Austria, sufficient funding will be available for two research grant rounds during 2011, with DEBRA anticipating to contribute a minimum of £500,000 for new research. DEBRA will work closely with other research-funding DEBRAs to agree common goals and priorities to ensure that all funding continues to be utilised in the most effective way.

Equal priority will be given to research with nearer and longer-term benefits for people living with EB, with the objective of balancing work aimed at creating improvements in quality of life by symptom relief with more complex research aimed at more fundamental therapies to create lasting and effective treatments and cures. DEBRA International's project to identify current best clinical practice, to which DEBRA has agreed to contribute £15,000, will help to identify areas of symptom relief, important to patients, which require further investigation and refinement.

Turning to 'cause and cure' EB research, this is an exciting time. There are now a number of potential therapeutic approaches in late preclinical stages or early stage clinical trials for different types of EB which we expect to see develop further over the coming years. Not all of these will progress into licensed treatments and, for virtually all, there are challenges to be overcome in basic research and in therapy development. However, there has never been a time when so many opportunities existed and DEBRA has committed itself to doing all it can to make sure that the necessary work is undertaken to take them forward. In some cases, this may involve direct funding by the charity, in others we will work with the research teams to find partners, public or private, in others our role may be to provide support and encouragement, together with linking those teams with the patient community.

Whilst continuing to support EB research, there will be an increasing focus on development and delivery, utilising the Translational Research Advisory Panel to identify areas where DEBRA needs to commission ancillary projects to support therapy developments and their eventual adoption by the NHS. A budget of £100,000 has been allocated to this work in 2011. Working through DEBRA International, the charity will also seek to influence decisions at international level in the fields of rare conditions, orphan drug development and regulation of complex therapies.



# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

### ***Healthcare***

The plan for 2011 is the immediate focus for DEBRA to negotiate with the national commissioners to receive funding for core nursing services carried out by the DEBRA teams to be funded by the NHS. We aim to increase the current 17% NHS contribution to the London and Scottish teams to a minimum of 75%, however we recognise that we are negotiating in an uncertain and hard time for the public sector, but are hopeful that the recognition of the largely core service currently offered should be paid for by the NHS. Any money released by national funding will be used to develop the healthcare services further by enabling DEBRA to supplement the core service with additional care benefits outside the reach of the NHS.

With the expectation of increased NHS healthcare funding DEBRA's aims for 2011 include:

- to deliver and develop the nursing service resulting in an increase in care provision through e.g. a greater number of home visits, and ensuring knowledge is transferred effectively with new resources developed for both healthcare professionals and people living with EB
- to develop further the EB foot clinic service that will directly help people with EB Simplex across the UK
- to develop and expand our nursing service in Scotland for people living with EB and for local hospitals and clinicians
- to further develop expertise within the nursing teams to carry out research in the clinical setting. With research coming ever closer to identifying effective treatments for EB it is vital that we have the skills necessary to translate these directly into patient care.

### ***Social Care***

The allocation of funds for recruiting a new social care team member for the north of England will make an immense and much needed difference to the service available for people living with EB in that area. The new post holder started work in March 2011.

Further funding has been allocated and recruitment is in progress for an additional social care team member to cover Scotland. A limited service will remain available to people in Scotland during the recruitment process.

DEBRA will continue to provide and enhance the range of activities that people with EB have come to expect. This will include an increase in the number of people benefiting from the weekends away or outings for adults, teenagers and children, an increase to the number of home visits where necessary, and assistance to more people to attend the annual conference. An increase in DEBRA support grants to meet instances of individual or family hardship will continue to be made as an increase in demand is anticipated due to government cutbacks. DEBRA aims to update and increase the range of patient information materials published. The three mobile homes will continue to be available and further funding for a new replacement caravan will be sought.

# **DEBRA**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

### ***International***

DEBRA sees international collaboration as being a very important element of its mission, particularly in therapy development. This involves both bilateral contacts at national level and, through DEBRA International, collective activity at the international level. In support of this work, DEBRA seconds staff to undertake leadership roles in DEBRA International and encourages trustees to participate in international events.

During 2010, the seconded Chief Operating Officer of DEBRA International was elected to the Board of EURORDIS (The European Organisation for Rare Diseases). In addition, DEBRA International was recognised by the European Medicines Agency as an expert body representing patients. These high-level contacts at the heart of therapy and service development will provide the opportunity to influence policy at the supranational level.

The International Medical and Scientific Advisory Panel, managed from the UK, will continue to play the pivotal role in providing peer review for all research grant applications received by DEBRAs worldwide and in helping to guide research strategy.

### ***Fundraising***

As described in the 2009 Report and Accounts there has been a complete re-think during 2010 of fundraising plans, from which a new Fundraising and Communications Strategy has been developed for implementation 2011-13. This places emphasis in five broad areas:

- through closer working with the charity's networked Appeals Council and ambassadorial support, DEBRA will aim to unlock individual, corporate, trust and foundation income and attract transformational and philanthropic major gifts
- localisation of the cause through the development of links between DEBRA shops, supporters and the EB community will allow DEBRA to grow the existing volunteer-led fundraising groups and develop further groups with an aim to double income from regional fundraising by the end of 2013
- DEBRA's Donor Development Strategy will see renewed focus in 2011 with the level of existing regular donations increasing, and a drive to attract 650 new regular givers over the three years of the strategic plan
- DEBRA's Communications Strategy will aim to significantly increase the charity's reach, implementing a new corporate identity and vibrant communications style through the core channels of the shop network, digital social media, local PR, word of mouth and events
- DEBRA's Golf Society, Shooting Society, special events and challenge and sporting portfolios will continue to play a key part in the success of the charity's Fundraising Strategy with focus on growing each event to maximise potential.

## **DEBRA**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

---

Much of DEBRA's fundraising success would not be possible without the tremendous support it receives from the Appeals Council, other donors and the large number of volunteers who help extensively on behalf of the charity. This effort is both encouraging and greatly appreciated.

#### ***Shops***

The three key drivers of growth are anticipated to be:

- 3% like for like sales growth
- developing the volume of gift aided items
- opening new shops.

Alongside these ambitious growth targets there are improvement programmes including price optimisation, development of shop management professionalism, efficiency improvements with space utilisation and effective leadership from area and regional management.

Following on from the success of the first annual Shops Conference in January 2010, a second one took place in January 2011 to which all shop managers plus assistant managers were invited. After another extremely successful day with presentations about nursing, research and social care as well as retailing it is anticipated this will be a permanent feature in the DEBRA shops calendar.

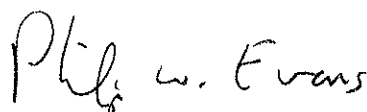
#### ***Royal Patronage***

It is an honour to announce that Her Royal Highness The Countess of Wessex accepted an invitation to become Patron of DEBRA in February 2011. The support from The Countess will significantly help the charity to continue to raise awareness of EB.

#### **AUDITORS**

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

  
**Philip Evans**  
Chair

## DEBRA

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

---

The trustees are responsible for preparing the annual report and the financial statements in accordance with Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of its surplus or deficit for the year. In preparing these financial statements, 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 financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, 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 Companies Act 2006.

## **DEBRA**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DEBRA**

---

We have audited the financial statements of DEBRA for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related Notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement (set out on page 17), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## DEBRA

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DEBRA

---

#### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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



Don Bawtree, Senior Statutory Auditor  
for and on behalf of BDO LLP, Statutory Auditor  
BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006  
Reading  
United Kingdom

Date: 3 May 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	1,845,527	485,685	2,331,212	1,836,919
Activities for generating funds	3	7,928,974	-	7,928,974	5,842,969
Investment income	4	30,670	-	30,670	8,471
<b>Incoming resources from charitable activities</b>					
Respite breaks		7,130	-	7,130	4,643
<b>Other incoming resources</b>		136,770	706	137,476	18,997
<b>Total incoming resources</b>		<u>9,949,071</u>	<u>486,391</u>	<u>10,435,462</u>	<u>7,711,999</u>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	6	465,446	61,181	526,627	488,449
Fundraising trading: cost of goods sold and other costs	6	7,168,481	-	7,168,481	5,159,920
<b>Total costs of generating funds</b>		<u>7,633,927</u>	<u>61,181</u>	<u>7,695,108</u>	<u>5,648,369</u>
<b>Net incoming resources</b>		<b>2,315,144</b>	<b>425,210</b>	<b>2,740,354</b>	<b>2,063,630</b>
<b>Charitable activities</b>					
Research	6	490,437	265,930	756,367	721,351
Healthcare	6	582,427	108,312	690,739	545,076
Social care	6	174,316	54,818	229,134	207,746
Respite breaks	6	31,156	500	31,656	28,819
Public education	6	160,436	-	160,436	116,684
<b>Governance costs</b>	6	125,630	-	125,630	99,871
<b>Total charitable expenditure</b>		<u>1,564,402</u>	<u>429,560</u>	<u>1,993,962</u>	<u>1,719,547</u>
<b>Total resources expended</b>	6	<u>9,198,329</u>	<u>490,741</u>	<u>9,689,070</u>	<u>7,367,916</u>
<b>Net income for the year and net movement in funds</b>		<u>750,742</u>	<u>(4,350)</u>	<u>746,392</u>	<u>344,083</u>
<b>Total funds brought forward</b>		549,367	46,602	595,969	251,886
Transfer between funds		-	-	-	-
<b>Total funds carried forward</b>		<u>1,300,109</u>	<u>42,252</u>	<u>1,342,361</u>	<u>595,969</u>

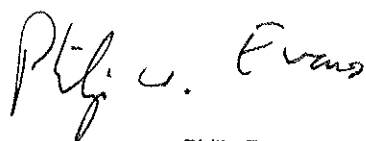
All operations are continuing.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**BALANCE SHEET  
AS AT 31 DECEMBER 2010**

		Company registration number		4118259	
	Notes	£	2010 £	£	2009 £
<b>Fixed assets</b>					
Tangible assets	10		1,900,115		2,102,040
Intangible assets	10		( 1,218,894)		( 1,318,750)
<b>Investments</b>					
2 year bond	10		500,000		
Programme Related Investment					83,000
			<u>1,181,221</u>		<u>866,290</u>
<b>Current assets</b>					
Stocks			5,455		11,040
Debtors	11		698,966		624,530
Cash at bank and in hand			<u>1,709,464</u>		<u>1,564,670</u>
			2,413,885		2,200,240
<b>Creditors: amounts falling due within one year:</b>	12		<u>( 2,063,516)</u>		<u>( 2,113,791)</u>
<b>Net current assets</b>			350,369		86,449
<b>Total assets less current liabilities</b>			<u>1,531,590</u>		<u>952,739</u>
<b>Creditors: amounts falling due over one year:</b>	12		( 189,229)		( 356,770)
<b>Net assets</b>			<u><u>1,342,361</u></u>		<u><u>595,969</u></u>
<b>Income funds</b>					
Restricted funds	14		42,252		46,602
Unrestricted funds			1,300,109		549,367
			<u><u>1,342,361</u></u>		<u><u>595,969</u></u>

The accounts were approved by the Board on 27th April 2011 and signed on their behalf by:



Philip Evans  
Chairman



David Spence  
Treasurer



**DEBRA****2010 ACCOUNTS**

---

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	£	2010 £	£	2009 £
Net cash inflow from operating activities	16		552,208		918,731
Returns on investments and servicing of finance					
Interest and rent received			30,670		8,471
Capital expenditure					
Payments to acquire tangible fixed assets and investments		( 521,084)		( 607,770)	
Disposal of investments		83,000		-	
Net cash outflow from capital expenditure			( 438,084)		( 607,770)
Increase in cash	17		144,794		319,432

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

**1.0 ACCOUNTING POLICIES****1.1 Basis of preparation**

The accounts are prepared under the historical cost convention, and are in accordance with the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (March 2005).

**1.2 Incoming resources**

Income is accounted for on an accruals basis where practicable to do so. Gifts in kind are only included in the accounts where the trustees can ascribe a value in excess of £1,000. Legacies and grants receivable are not recognised until there is certainty of timing and amount. Income is deferred where it represents a payment in advance for a specific event which will not take place until a future accounting period, except for sponsorship for charity challenges.

**1.3 Resources expended**

Expenditure is accounted for on an accruals basis where practicable to do so. Equipment purchased for use in research is written off as part of the research project costs as incurred. Central costs are apportioned and allocated between the costs of generating funds and charitable expenditure on the basis of central staff time allocation to the various activities.

**1.4 Recognition of grant liabilities**

Grants are awarded for research projects over a period of one to five years. All grants provide the right to terminate with three months notice and continuation of funding is dependent on satisfactory progress reporting and review. However, full grant recognition has been incorporated into these accounts.

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets with a value in excess of £1,000 are capitalised, and are stated at cost less depreciation. The threshold for capitalisation was raised from £500 on 1 January 2009. On all assets purchased since 1 January 2002, depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 25 years
Mobile homes	Over 10 years
Fixtures, fittings, static equipment	Over 5 years
Mobile equipment	Over 3 years
Motor vehicles	Over 4 years

Assets transferred from Dystrophic Epidermolysis Bullosa Research Association (unincorporated) as at 1 January 2002 have continued to be depreciated as in the previous charity.

A review of assets is undertaken annually, and adjustments are made to the expected useful life as required. From 1 January 2009 freehold land and buildings are assumed to have a residual value of 50%.

**1.6 Intangible fixed assets and amortisation**

The charity acquired ten freehold properties from another charity in September 2009. The difference between the market value and the price paid is recognised as negative goodwill. This will be amortised in line with a reducing guarantor liability on the assets, commencing in 2010 for six years.

**1.7 Stock**

Stock is valued at the lower of cost and net realisable value.

**1.8 Accumulated funds**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in Note 14 to the financial statements.

**1.9 Consolidated accounts**

In accordance with SORP 2005 paragraph 384 (c), the accounts of DEBRA Trading Ltd have not been incorporated into these accounts on the grounds that the results are not material. The profit covenanted by DEBRA Trading is included in activities for generating funds. This report therefore provides information about the standalone charity only. For information, the company's results and the investment the charity holds in DEBRA Trading Ltd are shown separately in Note 19 to the financial statements.

**1.10 Foreign currency translation**

Foreign currency is translated into sterling at the current exchange rate at the date of the transaction.

**1.11 Leases**

Operating lease annual rental payments are charged to the SOFA on a straight line basis over the term of the lease. Assets financed by finance leases have been capitalised at present values and are depreciated in line with the depreciation policy. The interest element of the lease payments is charged to the SOFA over the period of the lease.

**1.12 Governance costs**

Governance costs comprise the costs relating to the general running of the charity, and include direct items such as external audit, legal advice for trustees, the cost of trustee meetings, together with an allocation of staff costs and general overheads attributable to the support of governance activities.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

2	VOLUNTARY INCOME	Unrestricted funds	Restricted funds	Total 2010	Total 2009
		£	£	£	£
	Donations & gifts	1,714,457	168,969	1,883,426	1,506,145
	Legacies receivable	48,277	3,018	51,295	94,678
	Grants receivable	82,793	313,698	396,491	236,096
		<u>1,845,527</u>	<u>485,685</u>	<u>2,331,212</u>	<u>1,836,919</u>
	<b>Donations &amp; gifts</b>				
	Individual donations	1,331,666	70,707	1,402,373	968,099
	Corporate donations	271,574	57,155	328,729	378,426
	International donations	1,278	27,676	28,954	956
	Events by Individuals	109,939	13,431	123,370	158,664
		<u>1,714,457</u>	<u>168,969</u>	<u>1,883,426</u>	<u>1,506,145</u>
	<b>Grants receivable</b>				
	Charitable trusts	<u>82,793</u>	<u>313,698</u>	<u>396,491</u>	<u>236,096</u>

3	ACTIVITIES FOR GENERATING FUNDS	Total 2010	Total 2009
		£	£
	Income	7,928,974	5,842,971
	Operating expenses	( 7,168,481)	( 5,159,920)
	Net income from fundraising activities	<u>760,493</u>	<u>683,051</u>

The greatest income from generating funds is derived from the operation of charity shops selling donated goods. As at 31 December 2010 there were 120 shops compared to 118 at 31 December 2009. The major categories of income and expenditure are summarised below:

	Income	Operating expenses	Net income 2010	Net income 2009
	£	£	£	£
Shops	7,208,382	( 6,649,585)	558,797	506,299
Fundraising events	681,131	( 511,898)	169,233	96,264
Miscellaneous trading	39,461	( 6,998)	32,463	80,488
	<u>7,928,974</u>	<u>( 7,168,481)</u>	<u>760,493</u>	<u>683,051</u>

Shops continue to show a good rate of growth over the previous year. The growth in income from fundraising events has been encouraging during 2010, despite the difficult economic circumstances this year. However, income from this source remains significantly below the 2008 level of £444,074.

4	INVESTMENT INCOME	Total 2010	Total 2009
		£	£
	Interest receivable	13,250	8,471
	Rent of flats	17,420	-
	Total investment income	<u>30,670</u>	<u>8,471</u>

Rental income was received from three flats, situated above properties acquired in 2009.

## 5 GRANTS PAYABLE

Expenditure on charitable activities include grants payable to third parties as detailed in Note 6. 79 Social Care grants totalling £48,931 were made to individuals through the Social Care programme. All other grants were payable to institutions as detailed in Note 18.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

**5 GRANTS PAYABLE (continued)**

Healthcare and Social Care work is considered on-going and no future commitment is provided for. Research projects have a finite life and at 31 December 2010 the Trustees had authorised a commitment to support research grants over the next three years to the sum of £571,324 (£279,448 at 31 December 2009).

The total commitment is currently budgeted to be spent as follows:

	Total 2010 £	Total 2009 £
Within 1 year	267,917	179,446
Within 2-3 years	303,407	100,002
Within 4-5 years	-	-
	<b>571,324</b>	<b>279,448</b>
Provided within the grants payable creditor	571,324	279,448
Contingent liability	-	-
	<b>571,324</b>	<b>279,448</b>

As disclosed in the accounting policies, there is no contingent liability as full grant recognition is accounted for from the 2009 Accounts onwards.

**6 RESOURCES EXPENDED**

	Staff costs £	Grants payable £	Other costs £	Total 2010 £	Total 2009 £
<b>Costs of generating funds</b>					
Voluntary income	293,745	-	232,882	526,627	488,449
Activities for generating funds	3,825,932	-	3,342,549	7,168,481	5,159,920
	<b>4,119,677</b>	<b>-</b>	<b>3,575,431</b>	<b>7,695,108</b>	<b>5,648,369</b>
<b>Charitable expenditure:</b>					
Research	280,758	449,237	26,372	756,367	721,351
Healthcare	255,035	417,817	17,887	690,739	545,076
Social care	151,815	48,931	28,388	229,134	207,746
Respite breaks	-	-	31,656	31,656	28,819
Public education	127,076	-	33,360	160,436	116,684
	<b>814,684</b>	<b>915,985</b>	<b>137,663</b>	<b>1,868,332</b>	<b>1,619,676</b>
<b>Governance costs</b>	99,290	-	26,340	125,630	99,871
	<b>5,033,651</b>	<b>915,985</b>	<b>3,739,434</b>	<b>9,689,070</b>	<b>7,367,916</b>
<b>Other costs</b>	Depreciation £	Overhead allocation £	Miscellaneous costs £	Total 2010 £	Total 2009 £
<b>Costs of generating funds</b>					
Voluntary income	-	77,115	155,767	232,882	178,719
Activities for generating funds	- 18,635	111,736	3,249,448	3,342,549	2,415,395
	<b>- 18,635</b>	<b>188,851</b>	<b>3,405,215</b>	<b>3,575,431</b>	<b>2,594,114</b>
<b>Charitable expenditure</b>					
Research	-	26,372	-	26,372	21,196
Healthcare	-	17,887	-	17,887	19,201
Social care	-	20,047	8,341	28,388	30,382
Respite breaks	11,527	-	20,129	31,656	28,819
Public education	-	33,360	-	33,360	28,844
	<b>11,527</b>	<b>97,666</b>	<b>28,470</b>	<b>137,663</b>	<b>128,442</b>
<b>Governance costs</b>	-	26,066	274	26,340	25,825
	<b>( 7,108)</b>	<b>312,583</b>	<b>3,433,959</b>	<b>3,739,434</b>	<b>2,748,381</b>

Operating lease costs of £1,147,017 are included in miscellaneous costs and relate to rental of premises (£1,135,224) and equipment hire (£11,793).

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

**7 COST ALLOCATION**

All central overhead costs are allocated to activities on the basis of staff time, and are detailed below:

	2010 £	2009 £
<b>Staff costs</b>	<b>1,190,689</b>	<b>1,041,995</b>
<b>Overheads</b>		
Office premises rent	35,195	37,596
Service charges, utilities & cleaning	25,938	18,326
Equipment costs	78,684	61,818
Postage, printing, stationery, telephone & fax	96,914	69,092
Insurance costs	37,811	33,269
Legal, professional & consultancy fees	24,288	62,793
Bad debt write off	-	-
Auditor's remuneration (audit services)	16,957	16,750
Depreciation	18,518	11,568
Irrecoverable VAT	-44,733	18,775
Bank charges	8,922	12,396
Sundry expenses	14,089	-220
	<b>312,583</b>	<b>342,163</b>
<b>Total Allocation</b>	<b>1,503,272</b>	<b>1,384,158</b>

**8 TRUSTEES**

None of the trustees (or any person connected with them) received any remuneration during the period, but six of them were reimbursed a total of £4,655 travel and subsistence expenses.

One trustee, Scott O'Sullivan, received welfare grants during the year totalling £1,917.

John Tough received a payment of £776 in 2010 for his work as a Charity Shop Consultant. Authority for this payment is provided in the charity's constitution.

Insurance has been purchased to protect DEBRA from losses arising from wrongful acts committed by trustees or employees at a cost of £3,500.

**9 EMPLOYEES**

The average number of employees during the period was:

	2010 full time equiv	2010 Number	2009 Number
Research	1.4	2	1
Healthcare*	4.1	5	5
Social care	1.8	3	3
Fundraising	14.2	17	17
Shops	208.9	262	189
Management & administration	11.2	13	13
	<b>242</b>	<b>302</b>	<b>228</b>

At the end of the year the number of employees per department was:

	2010 full time equiv	2010 Number	2009 Number
Research	1.4	2	2
Healthcare*	3.5	4	5
Welfare	1.8	3	3
Fundraising	14.8	18	18
Shops	227.6	285	245
Management & Administration	12.1	14	14
	<b>261</b>	<b>326</b>	<b>287</b>

\*These numbers exclude the eight healthcare staff funded through grants to external organisations and detailed in Note 18. Staff employed by external institutions and funded through research grants are also excluded.

**9 EMPLOYMENT COSTS**

	Total 2010 £	Total 2009 £
Wages & salaries	4,143,237	3,048,924
Social security costs	307,745	218,400
Pension costs	118,537	103,795
	<b>4,569,519</b>	<b>3,371,119</b>

# DEBRA

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 9 EMPLOYMENT COSTS (continued)

The charity does not operate any charity pension scheme. The charity makes payments to certain employees' personal pension plans. Payments of £118,914 were made in the year and charged to the SOFA in the period they were due. At the year end there remained £1,116 unpaid. In addition, £5,437 has been provided to cover new employees who will have the opportunity to join the scheme after three months employment, backdated to the date of commencement of employment.

The following members of staff received emoluments above £60,000:	2010	2009
Between £60,001 - £70,000	2	1
Between £120,001 - £130,000	-	1
Between £150,001 - £160,000	1	-

### 10 FIXED ASSETS

#### Tangible fixed assets

	Shop fittings	Mobile homes	Fixtures, fittings & equipment	Motor vehicles	Freehold land and buildings	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2010	236,101	125,757	226,070	10,717	1,899,572	2,498,217
Additions			21,084			21,084
Disposals			(4,198)		(115,000)	(119,198)
<b>At 31 December 2010</b>	<b>236,101</b>	<b>125,757</b>	<b>242,956</b>	<b>10,717</b>	<b>1,784,572</b>	<b>2,400,103</b>
<b>Depreciation</b>						
At 1 January 2010	47,220	59,548	204,701	3,686	81,022	396,177
Charge for the year	47,220	11,527	10,510	2,344	39,666	111,267
Disposals			(4,198)		(3,258)	(7,456)
<b>At 31 December 2010</b>	<b>94,440</b>	<b>71,075</b>	<b>211,013</b>	<b>6,030</b>	<b>117,430</b>	<b>499,988</b>
<b>Net Book Value</b>						
Brought forward	188,881	66,209	21,369	7,031	1,818,550	2,102,040
<b>At 31 December 2010</b>	<b>141,661</b>	<b>54,682</b>	<b>31,943</b>	<b>4,687</b>	<b>1,667,142</b>	<b>1,900,115</b>

The net book value of fixtures, fittings and equipment includes an amount of £103,621 (2009: £138,162) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge on these assets for the year was £34,541 (2008: £34,541).

#### Intangible fixed assets

	Acquisition goodwill
	£
<b>Cost</b>	
At 1 January 2010	(1,318,750)
Additions	-
Disposals	-
<b>At 31 December 2010</b>	<b>(1,318,750)</b>
<b>Amortisation</b>	
At 1 January 2010	-
Charge for the year	99,856
Disposals	-
<b>At 31 December 2010</b>	<b>99,856</b>
<b>Net Book Value</b>	
Brought forward	(1,318,750)
<b>At 31 December 2010</b>	<b>(1,218,894)</b>

The charity acquired 10 freehold properties from Action for Children in September 2009, valued at £1,518,750. The difference between the market value and the price paid is recognised as negative goodwill. There is a reducing balance guarantor liability on these assets restricting their sale. The release of these assets from the restriction is as follows:

Date	Released in year	Cumulative
Mar 2010	115,000	115,000
Mar 2011	380,000	495,000
Mar 2012	355,000	850,000
Mar 2013	275,000	1,125,000
Mar 2014	193,750	1,318,750
Mar 2015	200,000	1,518,750

This negative goodwill is being amortised in line with the reducing guarantor liability.

# DEBRA

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 10 INVESTMENTS

	Programme related investment £	Two year bond	Total investments
<b>Cost</b>			
At 1 January 2010	83,000		83,000
Additions	-	500,000	500,000
Disposals	83,000		( 83,000)
<b>At 31 December 2010</b>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
<b>Represented by</b>			
Two year bond with National Westminster Bank			<u>500,000</u>
			<u>500,000</u>

The charity received loans from six individuals in 2009 to invest in DEBRA Spirit. This is was an international major donor programme, established specifically to raise funds for research. The loans were fully repaid in 2010.

The trustees invested £500k in a two year breakable Bond, demonstrating commitment to the Reserves Policy of maintaining £500k of cash backed reserves.

### 11 DEBTORS

	2010 £	2009 £
HM Revenue & Customs	90,105	84,167
Other debtors	64,353	95,432
Accrued income	239,698	160,155
Prepayments	304,810	284,776
	<u>698,966</u>	<u>624,530</u>

Accrued income includes income due from quarter four in relation to the home delivery service agreement and gift aid of £142,896 due for the last three months of 2010.

### 12 CREDITORS: amounts falling due within one year

	2010 £	2009 £
Trade creditors	196,865	178,079
Grants payable	947,697	1,103,158
Other creditors	367,859	372,353
Taxation and social security	113,238	75,709
Accruals	435,457	383,852
Deferred Income	2,400	640
	<u>2,063,516</u>	<u>2,113,791</u>

The charity has installed the EPOS system during 2009 to facilitate the reclaim of gift under the retail gift aid scheme. Part of this investment is financed by lease financing over a five year period. £34,541 in finance lease payments are due within one year.

There is a dilapidations provision of £256,934 accounted for under other creditors.

### CREDITORS: amounts falling due over one year

	2010 £	2009 £
Finance leases	89,229	123,770
Acquisition creditor	100,000	150,000
Long term loans		83,000
	<u>189,229</u>	<u>356,770</u>

The terms of the aquisition of the Action for Children shops allow for the payment to be spread over four years, commencing in 2010.

The loans for international research noted under investments for 2009 were repaid in 2010.

# DEBRA

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 13 OTHER FINANCIAL COMMITMENTS

The following payments are committed to be paid during the next year in respect of operating leases:

	Premises rent £	Equipment hire £	Van hire £
Expiring within 1 year	382,160	1,235	
Expiring within 2-5 years	517,875	13,058	11,970
Expiring after 5 years	222,230	1,165	-
	<b>1,122,265</b>	<b>15,458</b>	<b>11,970</b>

The following payments are committed to be paid in respect of finance leases:

	Epos equipment £
Payable in 1-2 years	34,540
Payable in 2-5 years	54,689
Payable after 5 years	-
	<b>89,229</b>

There were no capital commitments at the year end.

### 14 RESTRICTED FUNDS

	Balance at 31 Dec 2009 £	Incoming resources £	Resources expended £	Balance at 31 Dec 2010 £
Research	-	235,930	235,930	-
Healthcare	24,559	99,949	108,312	16,196
Social care	20,845	59,331	54,120	26,056
Director of Charitable Activities	-	30,000	30,000	-
Emma Turner paralympics fund	1,198	-	1,198	-
Fundraising	-	61,181	61,181	-
	<b>46,602</b>	<b>486,391</b>	<b>490,741</b>	<b>42,252</b>

Restricted funds at 31 December 2010 comprise:

	£
Healthcare - dressings	8,934
Healthcare - nurses study leave fund	4,359
Healthcare - dietician fund	772
Healthcare - nursing equipment	1,617
Healthcare - Glasgow EB patient equipment	514
Social Care - Midlands social care worker	12,973
Social Care - residents of Kingston travel costs	500
Social Care - work in Nottingham / Nottinghamshire	2,000
Social Care - work in Wolverhampton	500
Social Care - pillows and welfare in Scotland	280
Social Care - holiday and travel costs Manchester families	2,000
Social Care - work for Halifax families	903
Social Care - work in Liverpool	1,000
Social Care - work for Tameside families	400
Social Care - work in Dundee or Tayside	5,500
	<b>42,252</b>

No funders have asked for specific disclosure of their grants in the accounts.

### 15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2010 Total £	2009 Total £
Fund balances at 31 December 2010 are represented by:				
Fixed assets	1,181,221	-	1,181,221	866,290
Current assets	2,371,633	42,252	2,413,885	2,200,240
Creditors: amounts falling due within one year	( 2,063,516)	-	( 2,063,516)	( 2,113,791)
Long term creditors	( 189,229)	-	( 189,229)	( 356,770)
	<b>1,300,109</b>	<b>42,252</b>	<b>1,342,361</b>	<b>595,969</b>



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

<b>16</b>	<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Reconciliation of changes in resources:		
	Changes in resources	<b>746,392</b>	344,083
	(Profit)/loss on disposal of fixed assets	<b>111,742</b>	4,029
	Depreciation of fixed assets	<b>11,411</b>	105,656
	Decrease / (increase) in stock	<b>5,585</b>	( 3,223)
	Decrease / (increase) in debtors	<b>( 74,436)</b>	( 372,663)
	(Decrease) / increase in creditors	<b>( 217,816)</b>	849,320
	Investment income receivable	<b>( 30,670)</b>	( 8,471)
		<b>552,208</b>	918,731
<b>17</b>	<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Increase in cash	<b>144,794</b>	319,432
	Net funds b/f	<b>1,564,670</b>	1,245,238
	Net funds c/f	<b>1,709,464</b>	1,564,670
<b>18</b>	<b>GRANTS TO INSTITUTIONS</b>	<b>Total</b>	<b>Total</b>
		<b>2010</b>	<b>to date</b>
		<b>£</b>	<b>£</b>
	<b>Research Projects</b>		<b>Total</b>
			<b>project cost</b>
			<b>£</b>
	<b>University of Dundee</b>		
	RNA therapeutics for EB Simplex	19,298	1,142,862
	Skin carcinogenesis in RDEB	54,592	1,044,601
	Pre-clinical trials towards application of siRNA therapy in EB Simplex	0	0
		<b>73,890</b>	<b>2,187,463</b>
	<b>University of Nice &amp; Others</b>		
	Pre-clinical gene therapy of Recessive & Dominant Dystrophic EB	2,036	73,395
			<b>73,395</b>
	<b>Netherlands Cancer Institute</b>		
	Inducible Deletion of Plectin in basal keratinocytes		
	Analysis of the dominant plectin mutation in EBS-Ogna	11,872	95,036
			<b>95,036</b>
	<b>King's College London</b>		
	Genotype-phenotype correlation for skin cancer in EB	0	158,858
	Elucidating the mode of action of fibroblast therapy for EB	41,642	49,386
	Developing refined stem-cell therapies for RDEB	12,314	12,314
		<b>53,956</b>	<b>220,558</b>
			<b>356,774</b>
	<b>Blizard Institute of Cell and Molecular Science, London</b>		
	Dissecting the role of basement membrane components	0	0
			<b>114,960</b>
	<b>Instituto Dermopatico dell'Immacolata, Rome</b>		
	Modifying genes in phenotypically discordant siblings with RDEB	0	0
			<b>87,344</b>
	<b>University of Santiago</b>		
	Increasing research capacity	0	0
			<b>40,000</b>
	<b>Other</b>		
	- Increase in research provision	291,876	
	- Grant overspends	15,607	
	-Unused grants written back at end of project		
		<b>307,483</b>	<b>-</b>
	<b>Total research grants</b>	<b>449,237</b>	<b>2,576,452</b>
		<b>Total £</b>	<b>Total £</b>
		<b>2010</b>	<b>project cost</b>
	<b>Research project expenditure by category:</b>		
	- Genetic research	123,179	1,352,987
	- Cancer research	131,711	1,318,419
	- Clinical research	39,277	115,036
	- Therapies	155,070	361,334
		<b>449,237</b>	<b>3,147,776</b>

# DEBRA

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 18 GRANTS TO INSTITUTIONS (continued)

	Total 2010 £	Total project cost £
<b>Healthcare Team projects</b>		
<b>Great Ormond Street Hospital for Sick Children</b>		
Three clinical nurse specialists in EB	124,005	141,630
<b>Guys &amp; St Thomas' Hospital London</b>		
Five adult support nurses	287,889	360,849
<b>Other</b>		
- Miscellaneous healthcare grants	5,923	4,115
- Scotland	-	80,905
<b>Total Healthcare Team grants</b>	<u><u>417,817</u></u>	<u><u>587,499</u></u>

### 19 RELATED PARTIES

#### DEBRA Trading Ltd

The principal activity of DEBRA Trading Ltd, a company incorporated in England and Wales, is the sale of promotional items on behalf of DEBRA. DEBRA has a beneficial interest in 100% of the company's issued share capital of £2.

The company's results for the period under review were as follows:

	2010 £	2009 £
Turnover	24,822	39,937
Net Profit transferred to DEBRA	<u><u>8,431</u></u>	<u><u>22,452</u></u>

#### Other Related Parties

£53,956 was payable to DEBRA's medical advisor Professor John McGrath during the year, in respect of two research projects approved by the trustees, with a further provision of £136,216 as at 31 December 2010.

A payment of £776 was made to John Tough, a DEBRA Trustee, in respect of him offering professional advice. This payment was approved by the trustees in John's absence as the market rate for his advice as a Charity Shops Expert.

A loan of £20,000 was received by DEBRA in 2009 from a trustee, Pat Turnbull, which was invested in the Programme Related Investment disclosed in Note 10. This formed part of the £83,000 that was invested in DEBRA Spirit, which was a Verein registered in Austria with aims similar to DEBRA UK. This loan, along with all of the others, was fully repaid in 2010.