

CAMPAIGN FOR NUCLEAR DISARMAMENT

(Company limited by guarantee no. 3533653)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

CAMPAIGN FOR NUCLEAR DISARMAMENT
(Company limited by guarantee no. 3533653)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2006

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CAMPAIGN FOR NUCLEAR DISARMAMENT

LEGAL AND ADMINISTRATION DETAILS

For the year ended 31 December 2006

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

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

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

Officers: Chairperson: Kate Hudson

Vice-chairs: Sophie Bolt
Rae Street
Jeremy Corbyn MP

Treasurer: Linda Hugl

Company Secretary: Linda Hugl

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

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

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

Girobank PLC
Park Street
Ashford
Kent
TN24 8EH

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

For the year ended 31 December 2006

The Council (which is the board of directors for company law purposes) presents its report and the audited financial statements for the year ended 31 December 2006.

OBJECTS

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

POLICIES ADOPTED

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

ORGANISATION OF THE CAMPAIGN

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

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

COUNCIL

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

Joan Abrams, Jim Addington**, Graham Allen*, Pat Allen** ***, Pat Arrowsmith, Adam Beese, Keith Bennett***, Jemma Bere*, Sophie Bolt, Jim Brann, Pam Brivio, Peter Brunsdon*, Anna Chaplin, Kate Charteris* ****, Ruth Clarke****, Jenny Clegg, Eileen Cook*, Jeremy Corbyn MP, John Cox, Catherine Crick*, Tom Cuthbert, Sue Davies, Beryl Davidson**, Monica Frisch, Mark Gallagher**, Joan Horrocks, Kate Hudson, Linda Hugl, Joy Hurcombe**, Jeremy Jago*, Helen John*, Ailsa Johnson**, Richard Johnson, Geri Laithwaite**, Geoff Lawrence*, Peter Leary, Brendan Lee, Peter le Mare, Gawain Little, Oliver Little**, Caroline Lucas MEP, Isobel McHarg*, Alice Mahon MP, Vijay Mehta, Tom Milburn, Rebecca Morden**, Miriam Moss, Iain Naughton**, Pauline Phillips, Chris Prettyman, Anna Rehin, John Robb*, Helen Robertson**, Robert Russell, Pat Sanchez, Gina Shaw, Jill Stallard, Joanne Stevenson, Rae Street, Joe Sturge, James Taggart, Carol Turner, Hannah Tweddle*, Michael Waugh, David Webb, George Woods

* elected at Annual Conference on 15 October 2006

** retired at Annual Conference on 15 October 2006

*** appointed on 2 December 2006

**** resigned on 2 December 2006

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

For the year ended 31 December 2006

REVIEW OF PROGRESS AND ACHIEVEMENTS

For much of the year CND campaigned on its core objectives of opposing the UK Trident nuclear weapons system and working towards global nuclear disarmament. Both of these objectives were encapsulated in the No Trident Replacement campaign.

No Trident Replacement

This year's campaigning was dominated by attempts to prevent a decision to replace the Trident nuclear weapons system. In September 2005, John Reid announced that there would be a full public and parliamentary debate. That statement shaped our work in 2006, and we sought to establish publicly that: the debate must take place; all options must be considered, including non-replacement; the case against must be put as extensively and coherently as possible; the deciding vote must be taken by parliament. Much of this, particularly the demand for debate and a parliamentary vote, became a widespread demand across the political spectrum. Public opinion shifted against Trident replacement, with an increase in opposition to 59% by July 2006, as indicated by an ICM poll commissioned by CND.

Throughout the year we engaged in extensive parliamentary work, including holding a number of meetings: one welcomed Mayors for Peace from Germany, Uganda and Hiroshima; another discussed Trident replacement and the threat of climate change. We also engaged in lobbying, facilitating parliamentary questions and backing Early Day Motions. Across the country, there have been many CND public meetings on Trident replacement, and street stalls which have gained support for the No Trident Replacement petition which was handed in to Downing Street on the Hiroshima Anniversary. CND also had a major presence at both Labour Party and Liberal Democrat Conferences with organised stalls and fringe meetings. The eve of Labour Party conference demonstration, attended by around 50,000 people in Manchester, included the slogan 'No Trident Replacement'. CND had a major presence at the TUC Congress - which voted overwhelmingly to oppose Trident replacement.

CND's second Annual No Trident Replacement strategy conference was hosted by South East Region TUC at Congress House and speakers included the Bishop of Reading, General Sir Hugh Beach and Louise Richards from War on Want. We have cooperated with a wide range of organisations and individuals to facilitate the Big Trident Debate website, an initiative launched in September to increase pressure on the government to hold the promised debate.

CND submitted written evidence and was invited to present oral evidence to all three Defence Select Committee Inquiries into Trident replacement. In December, CND published its Alternative White Paper, which was handed in to Downing Street on the day the government published its own White Paper pursuing a replacement. During the year CND has produced a range of briefings and campaigning material on Trident – including arms conversion. We also commissioned relevant opinion polls.

CND also continued to back the Block the Builders campaign at AWE Aldermaston, and were part of a delegation to AWE Aldermaston together with the Mayors for Peace group. The Faslane 365 project has been well supported by CND, both by National CND and by groups and regions, many activists having helped to blockade the base and register their opposition to the continued presence of Trident submarines at Faslane.

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

For the year ended 31 December 2006

Missile defence and weapons in space

During 2006, speculation increased over whether or not Britain was on a US 'shortlist' as a potential host country for Missile Defence interceptor missiles. Following major public opposition from the Czech Republic, another possible 'host', Britain seemed to be back in the running. As well as producing up-to-date information, we have been involved in a number of relevant events including supporting the Campaign Against American Bases (CAAB) Independence From America July 4th demonstration at Menwith Hill and making a presentation at the World Peace Forum in Vancouver. The international Keep Space for Peace Week was marked by demonstrations at Fylingdales and Menwith Hill and by a CND Parliamentary Meeting on Missile Defence, hosted by Linda Riordan MP. Speakers included Stuart Parkinson from Scientists for Global Responsibility.

NATO and Europe

Opposition to the stationing of US nuclear weapons in Europe under the guise of NATO has increased, which in turn has led to increased cooperation between peace organisations, and more national parliamentary and European parliamentary lobbying. CND stepped up its campaigning at Lakenheath airbase, where US nuclear weapons are situated. In October, together with Lakenheath Action Group, CND helped to organise the largest protest at the base for many years. NATO in Europe was one of the seminars that CND helped organise in Athens in May, at the 2006 European Social Forum. Together with other organisations, CND ensured that the demand for global abolition of nuclear weapons was included in the Forum's final declaration.

Nuclear Power

The government pursued the construction of more nuclear power stations as part of its new energy policy during 2006. CND produced a briefing and leaflet on the subject. We also made a submission to the government's Energy Review, participated in a green NGOs' group, joined in the Climate Change demo and helped promote a European-wide petition against nuclear power. On the 20th anniversary of Chernobyl we held a meeting in Parliament, at which there were a number of expert speakers, including a professor of radiology from Belarus. In October we co-hosted a meeting with Dr Helen Caldicott (founder and President of the Nuclear Policy Research Institute in the US) on the launch of her new book on nuclear power.

Anti-war campaigning

CND has continued to cooperate with the Stop the War Coalition and the Muslim Association of Britain over various anti-war demonstrations, such as the one held in March on the anniversary of the Iraq war and the one held on the eve of the Labour Party conference. We have also worked with the British Muslim Initiative – a sister organisation of MAB. The danger of further pre-emptive war on Iran continues, and CND continued opposing such a possibility. A new briefing on Iran and the history of its nuclear programme was produced.

CND continued to call for a nuclear weapons free Middle East, to raise awareness about Israeli nuclear weapons and to call for full freedom to be granted to Mordechai Vanunu. During the summer, we, together with most of the British general public, urged the government to back a ceasefire in Lebanon. Many CND members joined in protests against weapons transports to Israel via the UK, and we helped facilitate peace camps set up at Brize Norton and Mildenhall air bases.

International

We have continued to liaise with like-minded organisations around the world, including close cooperation with the French Mouvement de la Paix on anti-nuclear issues, and remained involved in a number of international networks, including the International Peace Bureau, Abolition 2000, and the International Anti-Bases Network. In January 2006, we attended the World Social Forum in Caracas, Venezuela, where we discussed anti-nuclear and anti-war issues with a range of international organisations. We also attended both the European Social Forum in Athens (see NATO and Europe above), and the World Peace Forum in Vancouver.

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

For the year ended 31 December 2006

CND also worked to raise the profile of such multilateral initiatives as the draft Nuclear Weapons Convention lodged at the UN, and Hans Blix's proposal for a world summit on nuclear disarmament and non-proliferation and we have suggested to the New Agenda Coalition countries the possibility of a new disarmament initiative – this being part of our work preparatory to the NPT Prep Comm in Vienna in 2007.

Trade Unions

CND's trade union work expanded this year and TUC Congress voted overwhelmingly for an RMT resolution opposing Trident replacement. A fringe meeting was held at the TUC Congress with speakers from UNISON and TGWU as well as MPs.

CND had stalls at the NUT, CWU, NATFHE, GMB and UNISON Conferences, with the Chair invited to address the UNISON Conference. A new trade union publication, CND/Trade Union Link was produced twice this year, plus specific editions for the CWU, NATFHE and UNISON Conferences.

Other

National CND was also delighted to cooperate with Leicester CND over their very successful conference on South Asian nuclear weapons. The group worked with the local Indian Workers' Association to bring diverse communities together to discuss this important issue.

Lobbying, letter writing, street campaigning, blockades, local meetings and parliamentary meetings have all been employed on CND campaigns. Much activity took place at local level, increasing awareness of and interest in peace issues and CND. CND assists local groups and activists through the provision of advice, encouragement, leaflets and other campaigning materials and the CND website continues to develop, providing up to date information on all activities.

CND undertakes extensive press work to maintain high profile coverage of CND and its issues. It lobbies diplomats, ministers and various officials and continues to work with its supporters in Parliament. It maintains regular contact with MPs, raises issues of concern and produces briefings, and seeks to influence the policy-making processes of the political parties and trade unions.

FUTURE DEVELOPMENTS

The No Trident Replacement Campaign will continue to be the main focus of 2007, working in the international arena to highlight the global context alongside local work at Aldermaston to highlight the development of new nuclear weapons that has started there. Work will continue on scrapping Trident particularly at Devonport and Faslane.

CND will continue to organise a broad range of activities involving its staff, regions, groups and members, with actions related to nuclear issues. It will send representatives to international conferences, political party conferences, trade union conferences and many other events. It will continue to work with other campaigning organisations and groups to achieve its objectives, and fulfil its conference decisions.

CND's efforts on fundraising and membership recruitment will continue. Fundraising, recruitment and profile raising will be maintained through CND's presence at festivals and events as well as through campaigning activities. Efforts to establish a charitable trust to support educational work will continue and the relationship between the trust and CND will be developed thereafter.

CND is committed to maximising 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>).

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

For the year ended 31 December 2006

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 lunch expenses many do not do so, or claim only a small percentage. Equally many do not claim reimbursement of telephone, postal and other expenses incurred when working from their homes. These contributions are invaluable and much appreciated. CND is also particularly appreciative of the fundraising efforts of local groups and of the legacies it has received from supporters.

FINANCIAL REVIEW

The results of the year's operations are set out in the attached financial statements. The total retained reserves at 31 December 2006 amounted to £417,647.

RESPONSIBILITIES OF COUNCIL

The Council is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law applicable to charities in England/Wales requires the Council to prepare financial statements for each financial year. Under that law the Council has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing those financial statements the Council is required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis (unless it is inappropriate to presume that the Company will continue in operation).

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

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, as the directors of the company who held office at the date of approval of these financial statements as set out above, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

CAMPAIGN FOR NUCLEAR DISARMAMENT

COUNCIL'S REPORT

For the year ended 31 December 2006

AUDITORS

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

SMALL COMPANY SPECIAL PROVISIONS

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

This report was approved, and authorised for issue, by the Council on 15 July 2007 and signed on its behalf by:

Linda Hugl
Company Secretary

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

We have audited the financial statements of the Campaign for Nuclear Disarmament for the year ended 31 December 2006 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirement of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and auditors

As described in the Statement of responsibility, the Council (which is the board of directors of the Campaign for Nuclear Disarmament for the purposes of company law) is responsible for the preparation of the Council's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the Company's affairs as at 31 December 2006, and of its income and expenditure in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Council's Annual Report is consistent with the financial statements

Gotham Erskine
Chartered Accountants
& Registered Auditors
Friendly House
52 - 58 Tabernacle Street
London EC2A 4NJ

Date:

CAMPAIGN FOR NUCLEAR DISARMAMENT

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2006

	Notes	2006 £	2005 £
OPERATING INCOME			
Subscriptions		322,161	310,984
Appeals		84,983	34,913
Other donations	2	40,117	35,398
Fundraising activities		22,198	21,743
Legacies	3	142,447	150,772
TOTAL OPERATING INCOME		611,906	553,810
OPERATING EXPENDITURE	5		
Campaigning activities:			
Direct campaigning costs	9	275,043	164,087
Regions		54,290	37,078
Specialist sections		4,309	6,030
External campaigns		5,400	6,550
Peace education		4,621	4,721
Membership and fundraising		117,014	80,238
Policy and decision making		11,936	11,112
Support costs	10	147,059	137,061
TOTAL OPERATING EXPENDITURE		619,672	446,877
OPERATING (DEFICIT)/SURPLUS		(7,766)	106,933
Bank interest		16,664	9,342
Taxation	12	(2,770)	-
SURPLUS AFTER TAX		6,128	116,275
Transfer (to)/from designated reserves	13	-	(7,164)
SURPLUS/(DEFICIT) FOR YEAR AFTER TRANSFERS		£ 6,128	£ 109,111

NOTES

Changes have been made to the categorisation of income and expenditure shown above this year and the 2005 comparatives have been restated accordingly.

Movements in the Accumulated Surplus are shown below. Details of other movements in reserves are shown in Note 13.

	2006 £	2005 £
Surplus for year after transfers	6,128	109,111
Gain on revaluation of investment (2005 credited to General reserve)	7,993	-
Accumulated surplus at the start of the year	248,526	139,415
Accumulated surplus at the end of the year	£ 262,647	£ 248,526

The annexed notes form part of these financial statements

CAMPAIGN FOR NUCLEAR DISARMAMENT (company limited by guarantee)

BALANCE SHEET

As at 31 December 2006

	Notes	2006	2005
		£	£
FIXED ASSETS			
Tangible assets	6	16,733	14,365
Investments	7	61,412	53,419
		<u>78,145</u>	<u>67,784</u>
CURRENT ASSETS			
Stocks		6,515	5,939
Debtors	11	32,371	24,497
Cash at bank and in hand		533,320	371,691
		<u>572,206</u>	<u>402,127</u>
CREDITORS: amounts falling due within one year	12	(232,704)	(66,385)
NET CURRENT ASSETS		<u>339,502</u>	<u>335,742</u>
NET ASSETS/TOTAL ASSETS			
LESS CURRENT LIABILITIES		£ 417,647	£ 403,526
CAPITAL AND RESERVES			
Accumulated surplus		262,647	248,526
General reserve	13	120,000	120,000
Fixed assets reserve	13	35,000	35,000
		<u>£ 417,647</u>	<u>£ 403,526</u>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2005). They were approved, and authorised for issue, by the Council on 15 July 2007 and signed on their behalf by:-

KATE HUDSON, Chair

LINDA HUGL, Treasurer

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 December 2006

	2006	2005
	£	£
Surplus for year after taxation	6,128	116,275
Gain on revaluation of investment	7,993	7,836
Total recognised gains and losses relating to the year	£ 14,121	£ 124,111

The annexed notes form part of these financial statements

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2006

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 1985, the Financial Reporting Standard for Smaller Entities (effective January 2005) and applicable accounting standards.

The financial statements do not deal with any funds under the control of CND Representative Organisations. These are defined in the Campaign's constitution as CND national organisations, regional organisations, groups and specialist sections. All such organisations are entirely autonomous in their funding and decision-making. Details of transactions with these organisations are given in Note 13.

The effect of events relating to the year ended 31 December 2006 which occurred before the date of approval of the financial statements by the Council have been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2006 and of the results for the year ended on that date.

Income recognition

Income from membership subscriptions and donations is accounted for on a cash received basis. Grants subject to restrictions are accounted for in the period specified for their use by donors or, where there is no time restriction, as they are expended on the purposes for which they were given. Legacy income is recognised when it is reasonably certain that a legacy will be received and the amount receivable can be reliably measured. All other income is accounted for on the accruals basis.

Investments

Investments are stated at year-end market value.

Depreciation

All assets costing more than £500 are capitalised. Depreciation has been computed so as to write off the cost of the tangible fixed assets (equipment, furniture and fixtures) evenly over their expected useful lives of 4 - 8 years.

Stocks

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

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2006

2. DONATIONS	2006 £	2005 £
General donations	10,108	7,757
Newspaper advert donations	14,639	13,156
Peace education income	78	4,721
Campaigning donations	13,624	5,539
Parliamentary donations	110	70
Information donations	10	-
Insurance donations	730	1,820
In memoriam donations	818	2,335
	<hr/> £ 40,117	<hr/> £ 35,398

Peace education income mainly represents grants received from Unison of £10,000 (2005 - £Nil) and W F Southall Trust of £2,000 (2005 - £1,950). Income is recognised to the extent that it is expended in the year; unexpended amounts are included as deferred income within Other creditors (see Note 12) as follows:

	2006 £	2005 £
Deferred income at the start of the year	1,605	2,876
Grants received in the year	12,000	3,450
Less: Expenditure in the year	(78)	(4,721)
Deferred income at the end of the year	<hr/> £ 13,527	<hr/> £ 1,605

All other specific donations, mainly for campaigning, have been spent on the purposes for which they were given during the year.

3. LEGACIES

During the year the Campaign received a large legacy which it varied so that £120,000 went to the Nuclear Education Trust, a new Charity which the Campaign has helped establish to carry out educational and other charitable work in pursuit of the Campaign's objects. Varying the legacy in this way has enabled the Trust to claim back over £70,000 inheritance tax deducted from CND's legacy. The legacy income shown in the Income and Expenditure Account is shown after deducting this £120,000 and the legacy shareouts to Scottish CND and CND Cymru described in Note 14.

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2006

4. EMPLOYEES AND STAFF COSTS	2006 £	2005 £
Wages and salaries	248,276	180,514
Social security costs	23,297	17,503
Pension costs	2,285	-
Other staff costs	-	1,742
	£ 273,858	£ 199,759

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

Campaigning activities	5.1	3.8
Membership and fundraising	2.5	2.0
Admin	1.9	1.8
Regional development	0.8	-
Peace education	0.3	-
	10.6	7.6

5. DEPARTMENTAL COSTS	Staff costs £	Direct costs £	2006 Total £	2005 Total £
Membership and fundraising	66,713	50,301	117,014	80,238
Campaigning activities:				
Direct campaigning costs (see below)	133,822	141,221	275,043	164,087
Regions	16,152	38,138	54,290	37,078
Specialist sections	-	4,309	4,309	6,030
External campaigns	-	5,400	5,400	6,550
Peace education	4,543	78	4,621	4,721
Policy and decision making	-	11,936	11,936	11,112
Support costs	52,628	94,431	147,059	137,061
	£ 273,858	£ 345,814	£ 619,672	£ 446,877

A breakdown of Membership and fundraising costs is given in Note 8

Information about Direct campaigning costs, Regions and Specialist sections expenditure is given in Notes 9 and 14. Details of support costs are given in Note 10.

During the year the Chair, Kate Hudson, received consultancy fees of £6,500 to enable her to campaign full-time for a concentrated period (2005 - one other Council member paid £100 to run an arts programme). Apart from this, no members of the Council received remuneration for their services. Expenses relating to travel and subsistence totalling £5,741 (2005 - £5,035) were reimbursed to 31 members (2005 - 36).

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

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2006

6. TANGIBLE FIXED ASSETS - OFFICE EQUIPMENT

	£
Cost	
At 1 January 2006	63,464
Additions	11,107
Disposals	<u>(4,298)</u>
At 31 December 2006	<u>70,273</u>
Depreciation	
At 1 January 2006	49,099
Charge for the year	8,650
Eliminated on disposals	<u>(4,209)</u>
At 31 December 2006	<u>53,540</u>
Net book value	
At 31 December 2005	£ 14,365
At 31 December 2006	<u>£ 16,733</u>

7. INVESTMENTS

	2006	2005
	£	£
Market value		
F&C - Stewardship International Fund Accumulation	13,756	13,696
AXA - UK Ethical Class R Fund Accumulation	16,624	13,197
Norwich Union - UK Ethical Fund Accumulation	18,822	15,207
Henderson - Global Care Growth Fund	12,210	11,319
	<u>£ 61,412</u>	<u>£ 53,419</u>

In 2001 the Campaign invested £50,000 equally into 4 unit trusts as above and since then there have been no movements apart from the annual revaluations. The year-end market value was as shown above. Dividend income is reinvested.

8. MEMBERSHIP AND FUNDRAISING COSTS

	2006	2005
	£	£
Administration costs		
Appeal expenses	6,179	5,726
Membership appeals	9,500	4,443
Membership development	220	520
Merchandising costs	8,724	-
Profile raising	11,216	7,915
Publications	-	280
Legacies expenses	14,349	6,024
Membership and fundraising staff costs	113	247
	<u>£ 66,713</u>	<u>£ 55,083</u>
	<u>£ 117,014</u>	<u>£ 80,238</u>

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2006

9. DIRECT CAMPAIGNING COSTS	2006	2005
	£	£
Campaign! magazine	7,030	5,073
General campaigning	43,974	33,095
Public liability insurance	5,755	8,178
Parliamentary work	5,693	2,293
Profile raising events	2,055	7,310
Advertisements	65,337	-
Press	4,687	1,360
Information service	732	433
International Advisory Group	1,494	6,009
Trade union work	2,295	334
Website	2,169	850
Staff costs	133,822	99,152
	£ 275,043	£ 164,087

10. SUPPORT COSTS	2006	2005
	£	£
Premises costs (see below)	66,791	63,059
Less: Rent income from sub-letting	(33,735)	(32,905)
Insurance	5,676	5,656
Bank and credit card charges	10,106	9,779
Audit fees	5,600	5,400
Accountancy costs	864	575
Legal and other professional fees	1,998	4,554
Equipment maintenance	11,345	8,454
Depreciation	8,650	9,084
Telephone	7,657	8,472
Printing, postage and stationery	2,156	1,141
General volunteers' expenses	4,253	4,670
Miscellaneous expenses	2,093	1,889
Loss on disposal	89	-
Sundry staff costs	888	1,709
Finance and administration staff costs	52,628	45,524
	£ 147,059	£ 137,061

Premises costs include the total expenditure on rent, rates, light, heat and repairs for 162 Holloway Road, on which the Campaign holds a lease expiring in 2009. Committed rent for the year ended 31 December 2007 amounts to £43,000.

11. DEBTORS AND FUTURE LEGACY INCOME	2006	2005
	£	£
Prepayments	18,438	18,462
Other debtors	13,933	6,035
	£ 32,371	£ 24,497

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2006

At the year-end the Campaign had been notified of its entitlement to various legacies, totalling approximately £500,000.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2006	2005
	£	£
Trade creditors	32,007	6,982
Provision for premises repairs (see below)	2,457	2,457
Social security taxes	8,243	5,798
Corporation tax	2,770	-
Other creditors (see below)	170,558	42,955
Accruals	16,669	8,193
	£ 232,704	£ 66,385

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 10. Details of movements for the year are as follows:

	2006	2005
	£	£
Provision at the start of the year	2,457	2,457
Provision made for the year	-	-
	2,457	2,457
Less: Maintenance carried out in the year	-	-
Provision at the end of the year	£ 2,457	£ 2,457

As explained in Note 14, the Campaign pays to Scottish CND and CND Cymru a share of legacies and membership subscription income. The amounts calculated as payable for the financial year are shown above under Other creditors. Also included in Other creditors at the year-end was an amount of £2,110 held on behalf of Ex Services CND (see Note 14) and the £120,000 due to Nuclear Education Trust mentioned in Note 3.

13. RESERVES	Balance at 1 January 2006	Surplus for year	Transfers	Balance at 31 December 2006
	£	£	£	£
Accumulated surplus	248,526	14,121	-	262,647
General reserve	120,000	-	-	120,000
Fixed asset reserve	35,000	-	-	35,000
	£ 403,526	£ 14,121	£ Nil	£ 417,647

CAMPAIGN FOR NUCLEAR DISARMAMENT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2006

The surplus for the year shown above is the aggregate of the surplus for the year on the Income and Expenditure Account before transfers (see page 9) and the gain on revaluation of investments shown in the Statement of Total Recognised Gains and Losses on page 10.

The General reserve was set up to allow an orderly wind-down of the Campaign, should this ever become necessary, and should be used for this purpose only. The balance in the reserve is maintained at approximately three month's expenditure.

The purpose of the Fixed assets reserve is to reflect the Campaign's funds which are tied up in fixed assets and therefore not available for spending on other purposes. The year-end balance has been set to equate to the net book value of fixed assets plus a further £18,000 to cover future fixed asset purchases.

14. TRANSACTIONS WITH OTHER CND ORGANISATIONS

The Campaign makes grants to regional CND organisations (including contributions to the employment of staff in the regions) and specialist sections and the totals given are shown in Note 5.

During 2004 the Treasurer of Ex Services CND was ill and the organisation asked the Campaign to administer funds, including a £13,300 legacy received by the organisation, on its behalf. After other income and expenditure had been taken in to account, the Campaign held £4,590 on their behalf at 31 December 2005. During 2006 £2,480 was retained as donations towards specified costs of the Campaign authorised by the organisation, leaving a year-end balance amounting to £2,110 included under Other creditors (see Note 12).

The Campaign pays to CND Cymru and Scottish CND a proportion of legacies received based respectively on Welsh and Scottish members as a proportion of Campaign membership - less a deduction for the proportionate share of legacies received by those organisations. The net amounts payable, respectively of £13,137 (2005 - £11,000) and £14,124 (2005 - £19,444), are deducted from the Legacies income shown in the Income and Expenditure Account.

The Campaign also pays to CND Cymru and Scottish CND 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 £2,641 (2005 - £2,859) and £1,989 (2005 - £2,167), are deducted from the Membership subscriptions income shown in Note 2.

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

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