

A BREATH FOR LIFE CHILDRENS CHARITY
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 28 FEBRUARY 2001

Charity No. 1069697
Company No. 3518921



Waters and Atkinson
Chartered Accountants
Morecambe

A BREATH FOR LIFE CHILDRENS CHARITY

REPORT AND ACCOUNTS

for the year ended 28 FEBRUARY 2001

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A BREATH FOR LIFE CHILDRENS CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS

A Breath for Life Childrens Charity was incorporated under the Companies Act 1985 on the 27 February 1998 (Company number 3518921) and registered as a charity on the 22 May 1998, and is governed by the Memorandum and Articles of Association. The charitable company is limited by guarantee. The company is also registered with the Charities Commissioners (Charity number 1069697).

MANAGEMENT COMMITTEE

Jane Dean
Zoe Greenwood
Janie Ash

SECRETARY

Larry Barcas

REGISTERED OFFICE

Unit 4
Lake Enterprise Park
Ladies Walk
Caton Road
Lancaster

BANKERS

National Westminster Bank PLC
44 Market Street
Carnforth
Lancashire

ACCOUNTANTS

Waters and Atkinson
Chartered Accountants
The Old Court House
Clark Street
Morecambe
Lancashire

A BREATH FOR LIFE CHILDRENS CHARITY

TRUSTEE ANNUAL REPORT for the year ended 28 FEBRUARY 2001

A Breath for Life Childrens Charity was incorporated under the Companies Act 1985 on the 27 February 1998 (Company number 3518921) and is governed by the Memorandum and Articles of Association. The charitable company is limited by guarantee. The company is also registered with the Charities Commissioners (Charity number 1069697). Its address is Unit 4, Lake Enterprise Park, Ladies Walk, Caton Road, Lancaster, Lancashire and the Trustees during the year were:-

Jane Dean (Chairman)
Zoe Greenwood
Janie Ash

The Trustees act on a voluntary basis and make up the governing body that adopt the policies and make the decisions on behalf of the charity. They meet at regular intervals to discuss the current and future progress of the charity's objectives.

Responsibilities of the management committee

Company law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates which are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The management committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The management committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objectives

The objectives of the charity are the relief of sickness of children in particular but not exclusively through the provision of services and facilities to provide and protect the health of said children.

Review of activities

With our case files since commencement now in excess of 500, we continue to expand, this year alone we saw 74 new patients. These were suffering from a variety of health and developmental problems, which were treated with either Hyperbaric Oxygen or the many other natural therapies available, in some cases using a combination of several different therapies. This is both time consuming and expensive but we continue to see marked improvements in the children and have positive feedback from the parents.

This year we again saw the addition of yet more available therapies, and with the addition of a kinesiologist we are now more able to test for allergies and food intolerances. This has led to the necessity of supplying

A BREATH FOR LIFE CHILDRENS CHARITY**TRUSTEE ANNUAL REPORT for the year ended 28 FEBRUARY 2001**

more dietary supplements and additives. Although currently ordered for the individual, it is envisaged that we shall in due course and as demand increases, be required to carry a supply from stock of such items.

During January and February 2001, we began the process of dismantling and subsequently relocating the Hyperbaric chamber and all our other assets and services. The move to smaller and less expensive premises is seen as a temporary one, whilst negotiations for a specific property and the necessary fundraising continue. The removals were completed by the end of February, the chamber due for re-commissioning in mid March.

Apart from this temporary closure period the unit remains open for Hyperbaric Oxygen Therapy from Monday through to Saturday. Naturopathic and Homeopathic clinics take place each Wednesday and Bowen therapy is available each Friday by appointment. The monthly children's clinic takes place on the first Saturday of each month when a full cross section of therapies is available. All these clinics are over subscribed with many now having to be placed on waiting lists, this we will try and address as and when circumstances permit.

Risk review

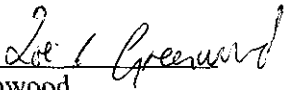
The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Reserves policy

The management committee have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between 3 and 6 months of the resources expended. At this level, the management committee feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed.

Small company exemptions

This report is prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.


Zoe Greenwood
On behalf of the Trustees

Date - 1/12/01,

A BREATH FOR LIFE CHILDRENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
for the year ended 28 FEBRUARY 2001

Incoming resources	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2001	Total Funds 2000
Donations and legacies	2	46888	20000	66888	19319
Activities to further the Charity's objects:					
Provision of services and Facilities	3	3838	-	3838	7266
Activities to generate funds:					
Sale of Xmas cards		494	-	494	-
Grants		-	-	-	195
Other income		773	-	773	4511
Investment income and interest		1361	-	1361	400
Total incoming resources		<u>53354</u>	<u>20000</u>	<u>73354</u>	<u>31691</u>
Resources expended					
Purchases		8142	-	8142	4516
Sound learning		6010	-	6010	-
Oxygen		2264	-	2264	2528
Consultancy		4250	-	4250	-
Therapists fees		1762	-	1762	-
Wages		12523	-	12523	10065
Xmas cards		704	-	704	-
Training		590	-	590	225
Telephone		1105	-	1105	802
Printing, postage and stationery		1507	-	1507	2354
Advertising		674	-	674	281
Travel and subsistence		1723	-	1723	441
Hire of equipment		768	-	768	1165
Heat and light		740	-	740	1240
Repairs and renewals		1820	-	1820	2287
Property repairs		3080	-	3080	1691
Open day expenses and refreshments		-	-	-	222
Insurance		684	-	684	436
Rent		9325	-	9325	10223
Water		62	-	62	77
Sundry expenses		3459	-	3459	614
Website costs		1764	-	1764	-
Bank charges		198	-	198	-
Bank interest		-	-	-	1
Legal and professional fees		200	-	200	118
Accountancy		588	-	588	470
Depreciation		6516	-	6516	8016
Profit on sale of investments		-	-	-	(12816)
Total resources expended		<u>70458</u>	<u>-</u>	<u>70458</u>	<u>34956</u>

A BREATH FOR LIFE CHILDRENS CHARITY**STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
for the year ended 28 FEBRUARY 2001**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2001</u>	<u>Total Funds 2000</u>
Net incoming/outgoing resources					
Net income/(expenses) for the year	4	(17104)	20000	2896	(3267)
Gain on revaluation of investments		<u>931</u>	<u>-</u>	<u>931</u>	<u>-</u>
Net movement in funds		(16173)	20000	3827	(3267)
 Total funds at 1 March 2000		<u>76313</u>	<u>-</u>	<u>76313</u>	<u>79580</u>
Total funds at 28 February 2001		<u>60140</u>	<u>20000</u>	<u>80140</u>	<u>76313</u>

Movements in funds are disclosed in Note 11 to the financial statements.

All incoming resources and reserves expended derive from continuing activities.

A BREATH FOR LIFE CHILDRENS CHARITY**BALANCE SHEET as at 28 FEBRUARY 2001**

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
Fixed assets			
Tangible	7	24624	28561
Investments	8	<u>4391</u>	<u>3435</u>
		29015	31996
Current Assets			
Cash at bank and in hand		<u>51713</u>	<u>46215</u>
		51713	46215
Creditors: amounts falling due within one year	9	<u>588</u>	<u>1898</u>
Net current assets		<u>51125</u>	<u>44317</u>
Net assets	10	<u>80140</u>	<u>76313</u>
Unrestricted Funds			
General Funds		<u>60140</u>	<u>76313</u>
		60140	76313
Restricted funds		<u>20000</u>	<u>-</u>
Total funds	11	<u>80140</u>	<u>76313</u>

The directors have:-

- taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1).
- confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985.
- acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its loss for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the management committee on *December 1st 2001* and signed on its behalf by:

..... *Loe F. Greenwood*

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2001****1. Accounting policies**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

The charitable company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Incoming resources**Donations and grants**

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Interest receivable

Interest is included when receivable by the charity.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:-

Plant and Equipment	20% on reducing balance and 33% on reducing balance
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Investments

Investments held at fixed assets are re-valued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2001****1. Accounting policies (continued)****Fund accounting**

Funds held by the charity are:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds to be used for specific purposes as laid down by the donor.

Legal status of charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

2. Donations and legacies	<u>Unrestricted</u>	<u>Restricted</u>	<u>2001 Total</u>	<u>2000 Total</u>
Scotts Trust	-	20000	20000	-
General donations and legacies	<u>46888</u>	<u>-</u>	<u>46888</u>	<u>19319</u>
	<u>46888</u>	<u>20000</u>	<u>66888</u>	<u>19319</u>
3. Incoming resources from activities to further the charity's objects:	<u>Unrestricted</u>		<u>2001 Total</u>	<u>2000 Total</u>
Dives	1428		1428	5679
Dive equipment	267		267	931
Childrens clinic	313		313	656
Sound learning	<u>1830</u>		<u>1830</u>	<u>-</u>
	<u>3838</u>		<u>3838</u>	<u>7266</u>
4. Net incoming resources for the year			<u>2001</u>	<u>2000</u>
This is stated after charging:				
Depreciation			6516	8016
Management committee's remuneration:				
Retainer			600	-
Consultancy			4250	-
Rent of premises			9325	10223

Expenses amounting to £480 (2000 - £Nil) were reimbursed to 1 (2000 - 0) members of the management committee.

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2001****5. Staff costs and numbers**

Staff costs were as follows:

Salaries and wages	11965	10029
Social security costs	<u>558</u>	<u>36</u>
	<u>12523</u>	<u>10065</u>

No employee received emoluments of more than £50,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents was as follows:

	<u>2001</u> No.	<u>2000</u> No.
Administration and co-ordination	<u>1</u>	<u>1</u>

6. Taxation

The charitable company is exempt from corporation tax on its charitable activities.

7. Tangible fixed assets**Plant and
Equipment**

Cost	
As at 1 March 2000	40889
Additions	<u>2579</u>
As at 28 February 2001	<u>43468</u>
Depreciation	
As at 1 March 2000	12328
Charge for the year	<u>6516</u>
As at 28 February 2001	<u>18844</u>
Net book value as at 28 February 2001	<u>24624</u>
Net book value as at 1 March 2000	<u>28561</u>

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2001**

8.	Investments	<u>2001</u>	<u>2000</u>	
	Listed investments @ Mid-market value:			
	At 29 February 2000	3435	31537	
	Additions/(disposals) of investments during year	25	(28102)	
	Gain on investments from change in value	<u>931</u>	<u>-</u>	
	At 28 February 2001	<u>4391</u>	<u>3435</u>	
	Historical cost of investments held at 28 February 2001	<u>3460</u>	<u>3435</u>	
9.	Liabilities: Amounts falling due within one year	<u>2001</u>	<u>2000</u>	
	Trade creditors	-	1311	
	Accruals	<u>588</u>	<u>587</u>	
		<u>588</u>	<u>1898</u>	
10.	Analysis of net assets between funds			
		<u>General Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
	Tangible fixed assets	24624	-	24624
	Investments	4391	-	4391
	Current assets	31713	20000	51713
	Current liabilities	<u>(588)</u>	<u>-</u>	<u>(588)</u>
	Net assets at 28 February 2001	<u>60140</u>	<u>20000</u>	<u>80140</u>

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2001****11. Movement in funds**

	<u>At</u> <u>1/3/2000</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>At</u> <u>28/2/2001</u>
Restricted funds:				
Premises purchase	—	<u>20000</u>	—	<u>20000</u>
Total restricted funds	—	<u>20000</u>	—	<u>20000</u>
Unrestricted funds:				
General funds	76313	53354	(70458)	59209
Designated revaluation fund	—	<u>931</u>	—	<u>931</u>
Total unrestricted funds	<u>76313</u>	<u>54285</u>	<u>(70458)</u>	<u>60140</u>
Total funds	<u>76313</u>	<u>74285</u>	<u>(70458)</u>	<u>80140</u>

Purposes of restricted funds:

Premises purchase

The balance will help fund the purchase of the charity's own premises. Suitable location has not yet been found for purchase.

Purposes of designated funds:

Revaluation funds

The revaluation fund is required by the Companies Act 1985 and represents the amount by which investments exceed their historical cost.

12. Related parties

During the year the charity paid Mr L Barcas, the Secretary, for consultancy services provided. The cost of this was £4,250, being at normal market rates and no amounts were outstanding at the year end.