

A BREATH FOR LIFE CHILDRENS CHARITY
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 28 FEBRUARY 2002

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 2002

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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).

TRUSTEES

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 2002

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

This has been an unsettled year for the charity. The move to smaller and less expensive accommodation caused more disruption than anticipated. We experienced an initial drop in attendance figures until parents became familiar with the new location. A great part of the year was then taken up with negotiations for a property in Kendal. This, sadly, did not happen.

In an attempt to raise funds and our profile we employed a full time Centre Manager. Again this did not bear fruit and our expectations of monies from Trust Funds or Lottery applications, just did not happen. We also enlisted professional help to set up our Web Site, which to date, has not been a success.

A BREATH FOR LIFE CHILDRENS CHARITY

TRUSTEE ANNUAL REPORT for the year ended 28 FEBRUARY 2002

Toward the end of the financial year, our numbers of children had returned to previous levels. We continue to treat children with Hyperbaric oxygen and naturopathic treatment. Our work has been recognised in various medical and holistic health journals which has had a positive effect on attendance. We remain optimistic and continue to develop our unique skills in treating sick children.

Risk review

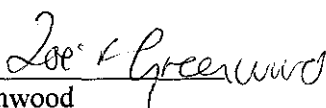
The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent 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 - 14.12.02 ✓

A BREATH FOR LIFE CHILDRENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
for the year ended 28 FEBRUARY 2002

Incoming resources	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2002	Total Funds 2001
Donations and legacies	2	50912	-	50912	66888
Activities to further the Charity's objects:					
Provision of services and Facilities	3	3685	-	3685	3838
Activities to generate funds:					
Sale of Xmas cards		111	-	111	494
Other income		981	-	981	773
Investment income and interest		898	-	898	1361
Total incoming resources		<u>56587</u>	<u>-</u>	<u>56587</u>	<u>73354</u>
Resources expended					
Purchases		14198	-	14198	8142
Sound learning		-	-	-	6010
Oxygen		1443	-	1443	2264
Consultancy		22133	-	22133	4250
Therapists fees		-	-	-	1762
Wages		9396	-	9396	12523
Xmas cards		-	-	-	704
Training		628	-	628	590
Telephone		1044	-	1044	1105
Printing, postage and stationery		459	-	459	1507
Advertising and PR costs		7479	-	7479	674
Travel and subsistence		894	-	894	1723
Hire of equipment		506	-	506	768
Heat and light		921	-	921	740
Repairs and renewals		243	-	243	1820
Property repairs		-	-	-	3080
Saatchi event expenses		1647	-	1647	-
Insurance		608	-	608	684
Rent		8509	-	8509	9325
Water		229	-	229	62
Sundry expenses		3196	-	3196	3459
Website costs		9988	-	9988	1764
Bank charges		230	-	230	198
Credit card service charges		366	-	366	-
Legal and professional fees		-	-	-	200
Accountancy		588	-	588	588
Depreciation		5264	-	5264	6516
Profit on sale of investments		(40)	-	(40)	-
Total resources expended		<u>89929</u>	<u>-</u>	<u>89929</u>	<u>70458</u>

A BREATH FOR LIFE CHILDRENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
for the year ended 28 FEBRUARY 2002

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2002</u>	<u>Total Funds 2001</u>
Net incoming/outgoing resources					
Net income/(expenses) for the year	4	(33342)	-	(33342)	2896
Gains and losses on the revaluation And disposal of investment assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>931</u>
Net movement in funds		(33342)	-	(33342)	3827
 Total funds at 1 March 2001		<u>60140</u>	<u>20000</u>	<u>80140</u>	<u>76313</u>
Total funds at 28 February 2002		<u>26798</u>	<u>20000</u>	<u>46798</u>	<u>80140</u>

Movements in funds are disclosed in Note 12 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 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
Fixed assets			
Tangible	7	19360	24624
Investments	8	<u>21</u>	<u>4391</u>
		19381	29015
Current Assets			
Cash at bank and in hand		24182	51713
Debtors	9	<u>4410</u>	<u>-</u>
		28592	51713
Creditors: amounts falling due within one year	10	<u>1175</u>	<u>588</u>
Net current assets		<u>27417</u>	<u>51125</u>
Net assets	11	<u>46798</u>	<u>80140</u>
Unrestricted Funds			
General Funds		26798	60140
Restricted funds		<u>20000</u>	<u>20000</u>
Total funds	12	<u>46798</u>	<u>80140</u>

The trustees 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 companies.

Approved by the management committee on14.12.02..... and signed on its behalf by:

.....*Joe Greenwood*.....

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2002****1. Accounting policies**

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value, 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, legacies and grants**

Income from donations, legacies 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 as 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 2002****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>Total</u> <u>2002</u>	<u>Total</u> <u>2001</u>
Scotts Trust - restricted	-	-	-	20000
General donations and legacies	<u>50912</u>	<u>-</u>	<u>50912</u>	<u>46888</u>
	<u>50912</u>	<u>-</u>	<u>50912</u>	<u>66888</u>
3. Incoming resources from activities to further the charity's objects:	<u>Unrestricted</u>		<u>Total</u> <u>2002</u>	<u>Total</u> <u>2001</u>
Dives	-	-	-	1428
Dive equipment	391		391	267
Childrens clinic	2654		2654	313
Sound learning	<u>640</u>		<u>640</u>	<u>1830</u>
	<u>3685</u>		<u>3685</u>	<u>3838</u>
4. Net incoming resources for the year			<u>2002</u>	<u>2001</u>
This is stated after charging:				
Depreciation			5264	6516
Management committee's remuneration:				
Retainer			-	600
Consultancy			22133	4250
Rent of premises			8509	9325

Expenses amounting to £Nil (2001 - £480) were reimbursed to no (2001 - 1) members of the management committee.

A BREATH FOR LIFE CHILDRENS CHARITY**NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2002****5. Staff costs and numbers****2002 2001**

Staff costs were as follows:

Salaries and wages	8852	11965
Social security costs	<u>544</u>	<u>558</u>
	<u>9396</u>	<u>12523</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:

2002 2001

Administration and co-ordination	<u>1</u>	<u>1</u>
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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 2001	<u>43468</u>
As at 28 February 2002	<u>43468</u>
Depreciation	
As at 1 March 2001	18844
Charge for the year	<u>5264</u>
As at 28 February 2002	<u>24108</u>
Net book value as at 28 February 2002	<u>19360</u>
Net book value as at 1 March 2001	<u>24624</u>

A BREATH FOR LIFE CHILDRENS CHARITY

NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2002

8. Investments	<u>2002</u>	<u>2001</u>	
Listed investments @ Mid-market value:			
At 28 February 2001	4391	3435	
Additions/(disposals) of investments during year	(4370)	25	
Gain on investments from change in value	<u>-</u>	<u>931</u>	
At 28 February 2002	<u>21</u>	<u>4391</u>	
Historical cost of investments held at 28 February 2002	<u>25</u>	<u>3460</u>	
9. Debtors: Amounts falling due within one year	<u>2002</u>	<u>2001</u>	
Other debtors – proceeds of sale of Listed investments	<u>4410</u>	<u>-</u>	
10. Liabilities: Amounts falling due within one year	<u>2002</u>	<u>2001</u>	
Trade creditors	587	-	
Accruals	<u>588</u>	<u>588</u>	
	<u>1175</u>	<u>588</u>	
11. Analysis of net assets between funds			
	<u>General Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
Tangible fixed assets	19360	-	19360
Investments	21	-	21
Current assets	8592	20000	28592
Current liabilities	<u>(1175)</u>	<u>-</u>	<u>(1175)</u>
Net assets at 28 February 2002	<u>26798</u>	<u>20000</u>	<u>46798</u>

A BREATH FOR LIFE CHILDRENS CHARITY

NOTES TO THE ACCOUNTS for the year ended 28 FEBRUARY 2002

12. Movement in funds

	<u>At 1/3/2001</u>	<u>Incoming Resources</u>	<u>Outgoing Resources</u>	<u>At 28/2/2002</u>
Restricted funds:				
Premises purchase	<u>20000</u>	<u>-</u>	<u>-</u>	<u>20000</u>
Total restricted funds	<u>20000</u>	<u>-</u>	<u>-</u>	<u>20000</u>
Unrestricted funds:				
General funds	59209	56587	(88994)	26802
Designated revaluation fund	<u>931</u>	<u>40</u>	<u>(975)</u>	<u>(4)</u>
Total unrestricted funds	<u>60140</u>	<u>56627</u>	<u>89969</u>	<u>26798</u>
Total funds	<u>80140</u>	<u>56627</u>	<u>89969</u>	<u>46798</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 or are below their historical cost.

13. Related parties

During the year the charity paid Mr L Barcas, the Secretary, for consultancy services provided. The cost of this was £22,133, being at agreed rates and no amounts were outstanding at the year end.

14. Ultimate controlling party

The ultimate controlling party for all financial affairs of the charity is the Council of Trustees.