

The Libra Foundation
(a company limited by guarantee)

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(A company limited by guarantee)

Report and Financial Statements
For the year from 1 October 2013 to 30 September 2014



***UK students helping to relieve the hardship of
disadvantaged young people in Romania***

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Financial Statements

Charity number 1123200
Company number 06061947

The Libra Foundation
(a company limited by guarantee)

For the period from 1 October 2013 to 30 September 2014

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Report of the Trustees for the year ended 30 September 2014

The Trustees are pleased to present their Report and Accounts for the year to 30 September 2014.

Reference and Administrative Information

Charity Name: The Libra Foundation

Charity registration number: 1123200

Company registration number: 06061947

Registered Office and principal
operational address: 20 George Road,
Milford-on-Sea,
Lymington
Hampshire.
SO41 0RS

Trustees

Mr William Darley (Chairman)
Mr Timothy Tofts
Mrs Moira Whitlock
Mr Huw Williams
Miss Chloe Wright
Mr Neil Mansfield (Appointed 17 March 2014)
Mr Mark Flewitt (Appointed 20 March 2014)

Chief Executive Officer

Mrs Virginia Darley

Reviewing Accountants

Westlake Clark, 7 Lynwood Court, Priestlands Place, Lymington, HANTS SO41 9GA

Bankers

HSBC, 102 High Street, Lymington, HANTS SO41 9ZP

Charity number 1123200
Company number 06061947

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Structure, Governance and Management

Governing Document

The Libra Foundation is a charitable company limited by guarantee, incorporated on 23 January 2007 and registered as a charity on 14 March 2008 with effect from 23 January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the Trustees are appointed for a period of 3 years, with one third retiring at each AGM. The directors welcome expressions of interest from any person who would be interested in bringing specialist skills to the Trustee body. Trustees will be given a full induction and training as necessary. The skills currently available to the existing trustees include education practice, child development skills, therapy, business, strategic and financial skills.

Management of the Charity

The Trustees have appointed Mrs Virginia Darley as the Chief Executive Officer to ensure that the day-to-day management of the charity functions effectively. The directors of the charity hold periodic Trustee meetings at least quarterly at which progress on the achievement of the charitable objectives is reviewed.

Objectives

- (1) To relieve persons who are suffering hardship or who, by reasons of disability or their social or economic circumstances, are disadvantaged or in need of assistance in Romania or elsewhere;
- (2) To broaden the education and skills of young people by working with or living with the people referred to in (1) above,
- (3) To educate and improve the skill of carers of persons referred to in (1) above;
- (4) To encourage local volunteers to support the persons referred to in (1) above to enable Libra's efforts to be locally sustainable.

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Activities

The Libra Foundation takes UK students aged 16 – 18 years old to Romania to work with disadvantaged children. The project in Onesti has been running since 1999, and Libra has expanded to now run 8 projects around the eastern half of the country. Libra works with and through Romanian partner organisations which either run youngsters' residential centres for mentally, physically and/or developmentally delayed youngsters, or run schools or day centre organisations that work with Roma youngsters. Many of the students return to Romania in their Upper Sixth year. All students commit to engaging in fund-raising activities before and after they travel, learning organisational skills and are involved in the risk assessment and planning of the trips. Thereafter, some of the students are invited to join Libra's Leadership Training Scheme when they are at University or in employment.

Libra aims to provide resources and experiences to the youngsters in the Romanian centres, schools and countryside which the local management or authorities cannot otherwise afford.

In addition, Libra provides specialist support to the carers of the youngsters to enhance the local carers' skill base. In 2013/14 Libra provided a number of specialist therapists to visit the projects and to run workshops with the staff, parents and carers.

Libra also runs a programme to recruit local Romanian volunteers to provide year-round help in the youngsters' centres and schools when the Libra team are not there, and to assist with the accommodation of, and translation for, the UK students.

Libra's work is arranged through local individuals and local partner organisations who well understand the local context and assist in ensuring that the youthful energy provided by Libra is targeted to be as effective as possible.

In July 2014, Libra took out 78 students (2013: 71) and 38 (2013: 38) adults to work on 8 different projects in 7 different locations. One was for the youngsters from the Alexandra Centre in Onesti which the Libra staff have been supporting for 14 years with the help of the Inclusion Association. These youngsters attended an integration project with village youngsters in Lupesti. The second was a cultural integration project run in the Tristan Tzara School in Moinești with the support of the Town Hall and the Director of the Lucăcești High School. The third location saw Libra return to Comănești under the guidance of Robert Laic, the Director of Școala Liviu Rebreanu. The fourth location in Săcele saw a project run again in the Bradet Special School, plus an integration project run in the day centre in FAST with disabled, mainstream and disadvantaged youngsters all working together. Two projects were again run in conjunction with the FSC and saw Libra's students working in the remote rural regions of both Podu Turcului and Motoseni, each project running with around 100 local youngsters. Our seventh location was a social integration project for the Roma of Barlad, a town in the East of Romania close to the Moldovan border.

In all, Libra again brought a little hope, joy and fun in learning to around 650 Romanian youngsters in the Summer of 2014, and encouraged around 85 Romanian student volunteers to participate in the projects and to begin to understand the personal satisfaction and growth that can come from volunteering. We hope that we also encouraged and supported the 100 or so carers, teachers, cleaners and directors who work with these youngsters all year round.

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Public Benefit

In the evaluation and planning of our projects each year we have regard to both the Charity Commission's general guidance on public benefit and the relief of poverty and the development of education for the public benefit. The trustees always ensure that the projects we undertake are in line with our charitable objects and aims. Our ambitious twin aims are to broaden the education and life experience of those students, both British and Romanian, who choose to participate in our programmes, both for their benefit and for the benefit of all of those who subsequently come into contact with them, and also to relieve the poverty of those disadvantaged youngsters in the areas where we work, through working with them and raising the profile of their predicament within the local area.

Financial Review

Students and adult participants are asked to pay fees which are intended to cover the cost of administration, travel and accommodation. These amounted to £81,500 in 2014 (2013: £80,400). Donations and fund-raising events raised another £5,300 and £25,000 respectively (2013: £6,800 and £22,600 respectively), giving a total income for the period after foreign exchange losses of £500 of £111,300 (2013: £109,800) as shown on the Statement of Financial Activities on page 9. Expenditure in the period amounted to £118,200 (2013: £105,200), some £6,800 more than the income, so that reserves fell from £27,500 to £ 20,700 as shown on the Balance Sheet on page 10.

Reserves Policy

Libra normally aims to retain a level of reserves that is sufficient to protect any ongoing legal and moral commitments without unduly depriving current year activities of funding. This has remained the case through 2013/14. However, going forwards, the trustees have decided to commit all of our reserves to boosting human resources in order to secure significant growth so that the Foundation may, by 2017/18 be returned to a sustainable financial footing. The Trustees expect the reserves to fall to zero by the end of 2014/15 unless external funding can be secured to enable the Foundation to go forward into 2015/16 and thereafter. We continue to experience strong demand for our services from our Romanian partners and trust that, with external funding, we may attract and retain additional UK schools to servicing that demand.

Responsibilities of the Trustees

The trustees, who are also directors of The Libra Foundation for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees have due regard to guidance published by the Charity Commission on public benefit and believe that Libra provides significant benefit both in the UK and in Romania.

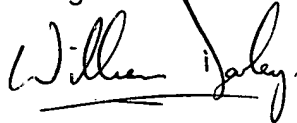
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Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Approved by the Trustees on 4 December 2014
and signed on their behalf by:



William Darley
Chairman of Trustees

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Independent Examiner's Report to the Trustees:

I report on the accounts of the company for the year ended 30 September 2014 which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.


Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Zoe Redmill ACA
WESTLAKE CLARK
Chartered Accountants
11 December 2014

7 Lynwood Court
Priestlands Place
Lymington
Hampshire
SO41 9GA

Charity number 1123200
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**Statement of Financial Activities (including Summary Income & Expenditure Account)
for the year ended 30 September 2014**

		Year ended 30 Sep 2014 £	Year ended 30 Sep 2013 £
Incoming Resources	Note		
Incoming resources from generated funds			
Voluntary Income			
Donations	2	5,303	6,840
Activities for generating funds			
Events and items sold	3	25,055	22,596
Investment income			
Bank interest and foreign exchange (loss)/gain		(477)	20
Incoming resources from charitable activities			
Fees from project participants	3	81,462	80,422
Total incoming Resources		111,343	109,878
 Resources expended			
Costs of generating Funds			
Costs of generating voluntary income		27,850	22,158
Fundraising trading: cost of goods sold and other costs			
Events and sold item costs		1,783	3,336
Costs of Charitable activities			
Cost of travel, accommodation and admin	4	58,406	59,405
Cost of charitable activity in-country	4	22,651	19,111
Governance costs		7,494	1,241
Total resources expended		118,184	105,251
Net (outgoing)/incoming resources		(6,841)	4,627
Total funds brought forward		27,536	22,909
Total funds carried forward		20,695	27,536

The statement of financial activities includes all gains and losses in the period. All incoming resources and resources expended derive from continuing activities.

The notes on pages 11 to 14 form an integral part of these statements.

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Balance Sheet as at 30 September 2014

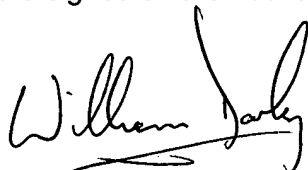
	30 Sep 2014 £	30 Sep 2013 £
Current Assets		
Prepayments	480	0
Cash at bank	22,594	31,020
Current Liabilities		
Accruals	(2,379)	(3,484)
Net Assets	<u>20,695</u>	<u>27,536</u>
Funds of the Charity		
Unrestricted funds	20,695	27,536
Total Funds	<u>20,695</u>	<u>27,536</u>

For the period ending 30 September 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Trustees on 4 December 2014
and signed on their behalf by:



William Darley
Finance Trustee

The notes on pages 11 to 14 form an integral part of these statements.

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Notes forming part of the Financial Statements for the period ended 30 September 2014:

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period and in the preceding period.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Charities Act 2006, the Financial Reporting Standard for Smaller Enterprises (FRSSE) and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Where incoming resources have related expenditure which is incurred by the charity, the income and related expenditure are shown gross. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities (SoFA) when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts. Clothing and other items donated are included as incoming resources within activities for generating funds when they are sold.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of purchasing items sold for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees, public liability insurance and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. time spent.
- Total funds carried forward are stated after charging the Independent Examiner's fee of £600 and a premium for Public Liability insurance of £798 for the period.

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(e) Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

2. Donations

	2014	2013
	£	£
Total donations	5,303	6,840

All of the donations received this year were less than £500.

3. Incoming Resources from Activities to further the Charity's Objects

	2014	2013
	£	£
Centrally organised events	4,582	9,025
Student organised events	20,083	13,021
Other events and items sold	390	550
Total fundraising	25,055	22,596

The other principal source of income to the charity is the fee charged to participants to cover the cost of their travel in getting to the youngsters' centre in Romania. Students were normally charged £875 each in 2014, and team leaders and responsible adults were normally charged £400 each. These fees amounted to £81,462 in 2014 (2013: £80,422). The Libra Foundation is acutely aware that there are many students who struggle to find these fees and consequently has a bursary scheme to assist students who would otherwise find the experience impossible to fund. In addition, the Foundation has a scholarship scheme offering a reduction to students who have shown outstandingly high quality of service to the youngsters in Romania.

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4. Resources expended on Charitable Activities

	2014	2013
	£	£
Cost of travel, accommodation and admin		
Participants' travel costs	26,987	28,084
Cost of Project Director and Operations Manager allocated to charitable work	21,177	21,175
Cost of October planning and development	963	4,240
Cost of Easter risk assessments and schools' look/see visit	3,773	1,582
Team building and training costs	2,019	1,454
Central office costs	3,487	2,870
Total travel, accommodation and admin	58,406	59,405
 Cost of charitable activity in-country		
Therapy equipment donated	460	1,050
Haulage on equipment	474	364
Equipment purchased, camps, food and accommodation and transportation	21,457	17,441
Therapy support	260	256
Total cost of charitable activity in-country	22,651	19,111
 Total cost of Charitable Activities	 81,057	 £ 78,516

Note: The Easter risk assessment visit included Libra-funded trips for a number of senior teachers to encourage participation by the schools and colleges. This knowledge gaining exercise took place in October in the 2013 financial year. The cost of accommodation and transportation in-country increased due to the extension of our area co-ordinator programme which made more vehicles available for the projects, thus extending our risk management capability.

As usual, we extend our thanks to Chris Mutch for transporting all the art, sport and music equipment out for our projects at a highly economical cost.

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5. Staff Costs and Numbers

The Libra Foundation employs our Operations Manager full-time, our Publications Manager on a 25% contract, and our Event Manager on a commission basis. Our new Project Director joined us on 1 June 2014 on an 80% contract, but only started to draw a salary from 1 September. Our employment costs for these staff, including employers national insurance contributions was £25,933 (2013: £22,305). In addition our CEO, Mrs Virginia Darley, who had been organising the project for 7 years before the creation of the charity 7 years ago, and now works full time in the Libra Foundation, is a crucial part of the operational team and is the wife of a Trustee, Mr William Darley. She is paid a fee of £200 per student that travels to Romania under an agreement to provide her services as the Chief Executive Officer. Mrs Darley was paid £15,600 (2013: £14,200) under this agreement in 2014. The Trustees consider this to be good value for money. Both Mrs Darley's and the Project Director's costs are allocated 30% to the cost of generating funds, and 70% to the cost of the administration of the charitable activities, whilst the Operations Manager's costs are allocated 50:50.

6. Trustee Remuneration & Related Party Transactions

The wife of one of the Trustee's received remuneration as identified in Note 5 above. No Trustees received any remuneration during the period. The charity re-imbursed two Trustees for costs amounting to £1,602, (2013: £3,167). In addition, Mrs Virginia Darley was re-imbursed costs incurred on the charity's behalf of £2,343, (2013: £987). Henniker Productions Ltd, a company wholly owned by Mr William Darley, was paid £5,800 for the development of a 4-year Business Plan for the Foundation. Except as mentioned, no trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period.

7. Taxation

As a charity, the Libra Foundation is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

8. Members Liability

The charity is a private limited company, limited by guarantee and consequently does not have any share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of a liquidation.

9. Controlling Party

The charity is controlled by the Trustees who are all directors of the company.