

# **The Libra Foundation**

(A company limited by guarantee)

**Report and Financial Statements  
For the year from 1 November 2009 to 31 October 2010**



**Charity number 1123200  
Company number 6061947**

**The Libra Foundation**  
(a company limited by guarantee)

**Financial Statements**  
**For the year from 1 November 2009 to 31 October 2010**

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**Report of the Trustees for the year ended 31 October 2010**

The Trustees are pleased to present their Report and Accounts for the year to 31 October 2010

**Reference and Administrative Information**

Charity Name	The Libra Foundation
Charity registration number	1123200
Company registration number	6061947
Registered Office and principal operational address	20 George Road, Milford-on-Sea, Lymington Hampshire SO41 0RS

**Trustees**

Mrs Diana Heatly (Chairman)  
Mr William Darley (Finance Trustee)  
Mr Timothy Tofts (Schools Trustee)  
Miss Olivia Darley (Romania Project Trustee) (Appointed 12 May 2010)

**Project Director**

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

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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 2009 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, paediatric physiotherapy and business and financial skills.

Management of the Charity

The Trustees have appointed Mrs Virginia Darley as the Project Director 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 has been running since 1999. Libra works with and through Romanian partner organisations which either run children's residential centres for mentally, physically and/or developmentally delayed children, or run schools or day centre organisations that work with Roma children. The students commit to the Foundation for 2 years and engage 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.

Libra provides resources and experiences to the children in the Romanian centres and schools which the local management cannot otherwise afford. In addition, Libra provides specialist support to the carers of the children to enhance the local carers' skill base. In 2009/10 Libra funded a physiotherapist and an occupational therapist to visit the projects and to run workshops with the staff, parents and carers in the Alexandra Centre.

Libra also runs a programme to recruit local Romanian volunteers to provide year-round help in the children's centres and schools when the Libra team are not there and to assist with the accommodation of 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 2010, Libra took out 54 students and 16 adults to work on 8 different projects in 4 different locations. One was in the Alexandra Centre in Onesti in Romania which the Libra staff have been supporting for 10 years. The second was a cultural integration project run in No. 7 School in Comanesti. The third location in Sacele saw a new project in the Bradet Special School, plus the 3 projects run amongst the Roma children served by FAST and AAS. Two projects were again run in conjunction with the FSC, based in Bacau, and saw Libra's students working both in Podu Turcului and in the remote rural region of Motoseni, each project running with around 100 local children. In all, Libra brought a little hope and joy to over 500 children in the Summer of 2010.

In addition, thanks to the generosity of The Constance Green Foundation and Amilake Southern Ltd, together with the fund-raising efforts of the students and all those that supported them, Libra was able to re-start the provision of physiotherapy services to the Alexandra Centre in Onesti, and was able to ship 1¼ tonnes of physiotherapy, art, sport and music equipment worth over £10,000 out to our projects in Romania.

Libra also ran two therapy trips to Romania in April and October to review therapeutic practice available to the centres in Onesti and Bradet and to provide help and encouragement and to share best practice with the various specialists available in both Centres.

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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 children 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 £42,500 in 2009/10. Donations and fund-raising events raised another £16,700 and £16,000 respectively, giving a total income for the period of £75,200 as shown on the Statement of Financial Activities on page 9. Expenditure in the period amounted to £76,600, some £1,400 more than the income, so that reserves fell from £10,200 to £8,800 as shown on the Balance Sheet on page 10.

## **Reserves Policy**

Libra 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. In the event, expenditure slightly exceeded the income raised during the 2010/11 year. The reserves of £8,800 brought forward into the start of the new year will support the costs of running the office for the period before next year's students' fees are available for this purpose, and will support the fund-raising staff into the start of our main fund-raising season between February and May.

## **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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## **The Libra Foundation**

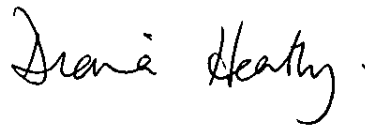
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Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income 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 27 November 2010  
and signed on their behalf by



Diana Heatly  
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 31 October 2010 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 43(2) of the Charities Act 1993 (the 1993 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 43 of the 1993 Act,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended), 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  
30 November 2010

7 Lynwood Court  
Priestlands Place  
Lymington  
Hampshire  
SO41 9GA

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**Statement of Financial Activities (including Summary Income & Expenditure Account) for the period ended 31 October 2010**

	Note	2010 £	2009 £
<b>Incoming Resources</b>			
<b>Incoming resources from generated funds</b>			
<b>Voluntary Income</b>			
Donations	2	16,660	4,510
<b>Activities for generating funds</b>			
Events and items sold	3	16,028	22,622
<b>Investment income</b>			
Bank interest		64	17
<b>Incoming resources from charitable activities</b>			
Fees from project participants	3	42,487	40,911
<b>Total incoming Resources</b>		75,239	68,060
 <b>Resources expended</b>			
<b>Costs of generating Funds</b>			
<b>Costs of generating voluntary income</b>		17,990	11,607
<b>Fundraising trading: cost of goods sold and other costs</b>			
Events and sold item costs		3,199	4,531
<b>Costs of Charitable activities</b>			
Cost of travel, accommodation and admin	4	32,837	32,647
Cost of charitable activity in-country	4	21,639	13,520
<b>Governance costs</b>		981	879
<b>Total resources expended</b>		76,646	63,184
<b>Net (outgoing)/incoming resources</b>		(1,407)	4,876
<b>Total funds brought forward</b>		10,211	5,335
<b>Total funds carried forward</b>		8,804	10,211

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 31 October 2010**

	2010 £	2009 £
<b>Current Assets</b>		
Cash at bank	10,849	13,610
<b>Current Liabilities</b>		
Accruals	(2,045)	(3,399)
<b>Net Assets</b>	<u>8,804</u>	<u>10,211</u>
 <b>Funds of the Charity</b>		
Unrestricted funds	8,804	10,211
<b>Total Funds</b>	<u>8,804</u>	<u>10,211</u>

For the year ending 31 October 2010 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 year 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 27 November 2010  
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 31 October 2010:**

**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.

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- 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 £400 and a premium for Public Liability insurance of £461 for the period

## (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

	2010	2009
	£	£
Donated by Amilake Southern Ltd	6,000	0
Donated by The Constance Green Foundation	5,000	0
Donated by Tim Kelly	1,000	0
Donated by 2 <sup>nd</sup> JA Littman Foundation	250	500
Other private and corporate donations < £500	4,410	4,010
<b>Total donations</b>	<b>16,660</b>	<b>4,510</b>

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

	2010	2009
	£	£
Centrally organised events	4,354	10,244
Student organised events	10,616	10,603
Other events and items sold	1,058	1,775
<b>Total fundraising</b>	<b>16,028</b>	<b>22,622</b>

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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 children's centre in Romania. Students were charged £700 each in 2010, and team leaders and responsible adults were charged £350 each. These fees amounted to £42,487 in 2010 (2009 £40,911). 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 children in Romania.

**4. Resources expended on Charitable Activities**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Cost of travel, accommodation and admin</b>		
Participants' travel costs	19,182	21,543
Cost of project director allocated to charitable work	7,560	5,300
Cost of October planning and development	1,307	1,401
Cost of Easter risk assessments	2,608	2,099
Team building and training costs	597	631
Central office costs	1,583	1,673
<b>Total travel, accommodation and admin</b>	<b>32,837</b>	<b>32,647</b>
 <b>Cost of charitable activity in-country</b>		
Equipment donated	10,056	6,701
Haulage on equipment	750	651
Camps, food and accommodation	8,091	5,485
Physiotherapy support	2,742	683
 <b>Total cost of charitable activity in-country</b>	<b>21,639</b>	<b>13,520</b>
 <b>Total cost of Charitable Activities</b>	<b>54,476</b>	<b>46,167</b>

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### **5. Staff Costs and Numbers**

The Libra Foundation had two employees during the period to 31 October 2010 who earned £11,636 (2009 £2,790) In addition, Mrs Virginia Darley, who had been organising the project for 7 years before the creation of the charity, 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 a Project Director Mrs Darley was paid £10,800 (2009 £10,600) under this agreement in 2010 The Trustees consider this to be good value for money This cost is allocated 30% (2009 50%) to the cost of generating funds, and 70% (2009 50%) to the cost of the administration of the charitable activities

### **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 £2,629, (2009 £3,356) In addition, Mrs Virginia Darley was re-imbursed costs incurred on the charity's behalf of £3,029, (2009 £4,033) 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