The Libra Foundation

(A company limited by guarantee)

Report and Financial Statements
For the 11 months from 1 December 2007 to 31 October 2008

Charity number 1123200
Company number 6061947

The Libra Foundation

(a company limited by guarantee)

Financial Statements

For the 11 months from 1 December 2007 to 31 October 2008

Contents	Page

Charity number 1123200
Company number 6061947

The Libra Foundation

(a company limited by guarantee)

Report of the Trustees for the 11 months ended 31 October 2008

The Trustees are pleased to present their Report and Accounts for the 11 months to 31 October 2008.

Reference and Administrative Information

Charity Name:	The Libra Foundation
Charity registration number:	112300
Company registration number:	6061947
Registered Office and principal operational address:	20 George Road, Milford-on-Sea, Lymington Hampshire. SO41 0RS

Trustees

Mr William Darley (Chairman)
Mrs Diana Heatly (Physiotherapy Trustee)
Mr Timothy Tofts (Schools Trustee)

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

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. The skills 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 and Activities

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.

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 childrens' residential centres for mentally, physically and/or developmentally delayed children, or run schools or day centre organisations that work with Roma children. The students are expected to commit to the Foundation for 2-3 years and engage in fund-raising activities before and after they travel, learning organisational skills as well as being involved in the risk assessment and planning of the trips.

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 2007/08 Libra funded a physiotherapist and an occupational therapist to visit the Alexandra Centre in Onesti to runs workshops with the carers in the Alexandra Centre. Libra also funded a significant part of a full-time physiotherapist's salary. This programme touched almost all of the 120 children in the 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, 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 2008, Libra took out 31 students and 12 adults to work on 3 different projects. One was in the Alexandra Centre in Onesti in Romania which the Libra staff have been supporting for 9 years. The second was a new project in a Roma school in Comanesti, and the third was in a youth centre in Sacele. Due to the continuing growth in interest expressed by the Schools and Colleges with which Libra worked in 2008, a further trip to Romania was undertaken in October 2008 to establish links with two new centres where additional volunteers could be utilised in 2009. Libra has limited the numbers in 2009 to 50 students and 16 adults to be travelling out to work with the Romanian children in these 5 centres.

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 £25,000 in 2007/08. Donations and fund-raising events raised another £5,000 and £11,000 respectively, giving a total income for the period of £41,000 as shown on the Statement of Financial Activities on page 8. Expenditure in the period amounted to £43,000, allowing the retention of £5,000, which are shown as reserves carried forward on the Balance Sheet on page 9.

Reserves Policy

Libra aims to retain a level of reserves that is sufficient to protect any ongoing moral commitments without unduly depriving current year activities of funding. In the event, the current period expenditure exceeded revenue by £2,000. The majority of the £5,000 in reserves at the year-end was to support the costs of running the office for the period before next year's students' fees are available for this purpose.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of the 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 period. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that 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 Trustees are 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 Trustees 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.

The individuals who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the period and up to the date of this report are set out on page 3. The charitable company is not required to have either an audit or an independent review undertaken on the company accounts. However, the Trustees have asked Westlake Clark to review the accounts to ensure that they comply with current regulations and their report is attached to this report as Page 7.

Approved by the Trustees on 12 March 2009
and signed on their behalf by:

William W Darley
Chairman of Trustees

Charity number 1123200
Company number 6061947

The Libra Foundation

(a company limited by guarantee)

Accountant's report to the Board of Trustees on the unaudited accounts of The Libra Foundation

In accordance with the engagement letter dated 28 February 2008, and in order to assist you to fulfil your duties under the Companies Act 1985, we have reviewed the financial statements of the charity which comprise the Statement of Financial Activities and the Balance Sheet, and the related notes.

This report is made to the Charity's Board of Trustees, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might review the financial statements, report to the Charity's Board of Trustees, that we have done so, and state those matters that we have agreed to state to them in this 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 charity and the Charity's Board of Trustees, as a body, for our work, or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the review of financial statements.

You have acknowledged on the balance sheet as at 31 October 2008 your duty to ensure that the charity has kept proper accounting records for the period and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the charity is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Westlake Clark

WESTLAKE CLARK
Chartered Accountants

7 Lynwood Court
Priestlands Place
Lymington
Hampshire
SO41 9GA

Date: 25 March 2009

Charity number 1123200
Company number 6061947

The Libra Foundation

(a company limited by guarantee)

Statement of Financial Activities (including Income & Expenditure Account) for the period ended 30 November 2007

	Note	2008 £	2007 £
Incoming Resources			
Incoming resources from generated funds			
Voluntary Income			
Donations	2	4,976	17,459
Activities for generating funds			
Events and items sold	3	11,190	5,955
Investment income			
Bank interest		358	186
Incoming resources from charitable activities			
Fees from project participants	3	24,484	6,850
Total incoming Resources		41,008	30,450
Resources expended			
Costs of generating Funds			
Costs of generating voluntary income		5,000	1,596
Fundraising trading: cost of goods sold and other costs			
Events and sold item costs		2,384	1,587
Charitable activities			
Cost of travel, accomodation and admin	4	21,418	8,325
Cost of charitable activity in-country	4	13,197	10,956
Governance costs		817	843
Total resources expended		42,816	23,307
Net (outgoing)/incoming resources		(1,808)	7,143
Total funds brought forward		7,143	0
Total funds carried forward		5,335	7,143

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 10 to 12 form an integral part of these statements.

Charity number 1123200
Company number 6061947

The Libra Foundation

(a company limited by guarantee)

Balance Sheet as at 31 October 2008

	2008 £	2007 £
Current Assets		
Cash at bank	7,097	7,628
Current Liabilities		
Accruals	(1,762)	(485)
Net Assets	**5,335**	**7,143**
Funds of the Charity		
Unrestricted funds	5,335	7,143
Total Funds	**5,335**	**7,143**

The trustees are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that members have not required an audit in accordance with subsection (2) of section 249B.

The trustees acknowledge their responsibilities for:

i ensuring that the company keeps accounting records which comply with section 221; and

ii preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

In preparing these Financial Statements advantage has been taken of the special provisions of Part VII of the Companies Act 1985 relating to small entities. In the opinion of the trustees, the Company is entitled to those exemptions as a small company.

Approved by the Trustees on 12 March 2009.
and signed on their behalf by:

William Darley
Chairman of Trustees

The notes on pages 10 to 12 form an integral part of these statements.

Charity number 1123200
Company number 6061947

Notes forming part of the Financial Statements for the period ended 31 October 2008:

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 accounting
The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985, 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 accountancy fees 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 accountancy fees of £250 for the period.

2. Donations

	2008	2007
	£	£
Passed across from pre-incorporation fund-raising	0	5,042
Donated by King Edward VI School, Southampton	510	10,307
Donated by Moore House School, Farnborough	1,000	0
Other private and corporate donations	3,466	2,110
Total donations	**4,976**	**17,459**

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

	2008	2007
	£	£
Centrally organised events	6,741	5,475
Student organised events	3,294	0
Other events and items sold	1,155	480
Total fundraising	**11,190**	**5,955**

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 £600 each in 2008, and team leaders and responsible adults were charged £300 each. These fees amounted to £24,484 in 2008. The Libra Foundation has a bursary scheme to assist one student each year 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

	2008	2007
Cost of travel, accommodation and admin	**£**	**£**
Participants' travel costs	12,963	5,180
Cost of project director allocated to charitable work	3,200	900
Cost of October planning and development	2,428	872
Cost of Easter risk assessments	1,925	875
Team building costs	432	404
Central office costs	470	94
Total travel, accommodation and admin	**21,418**	**8,325**
Cost of charitable activity in-country		
Equipment donated	4,815	1,830
Haulage on equipment	831	264
Camps, food and accommodation	3,085	789
Physiotherapy salaries supported	4,200	7,841
Cost of monitoring effectiveness of physio support	266	232
Total cost of charitable activity in-country	**13,197**	**10,956**
Total cost of Charitable Activities	**34,615**	**19,281**

5. Staff Costs and Numbers
The Libra Foundation had one employee during the period to 31 October 2008 who earned £1,090. 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 £6,400 under this agreement in 2008. The Trustees consider this to be good value for money. This cost is allocated equally between the cost of generating funds, and the cost of the administration of 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 £6,697. In addition, Mrs Darley was re-imbursed costs incurred on the charity's behalf of £11,475. 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. The charity is obtaining a bank debit card and opening a bank account in Romania so that costs can, in future, be incurred directly by the charity rather than going through Trustee's and Mrs Darley's personal accounts as at present.

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. As the charity currently has no employees, it does not operate a PAYE Scheme and therefore has no creditor for taxation and social security.