

**Friends of TREAD (Charity 1081400)**  
**Statement of Financial Activities for the year ended 31<sup>st</sup> March 2008**

	Notes	Unrestricted funds £	Restricted funds £	2008 Total £	2007 Total £
<b>INCOMING RESOURCES</b>					
<b>Voluntary Income</b>	<b>2</b>				
Individual giving		10,970	17,383	<b>28,353</b>	25,532
Gift Aid recovered		4,896	—	<b>4,896</b>	9,405
Churches & schools		2,729	660	<b>3,389</b>	4,538
Clubs & organisations		1,451	240	<b>1,691</b>	4,156
Legacies		—	—	—	20,200
		<hr/> 20,046	<hr/> 18,283	<hr/> <b>38,329</b>	<hr/> 63,831
<b>Activities for generating funds</b>					
Appeals and fund-raising events	<b>3</b>	5,173	—	<b>5,173</b>	1,443
<b>Investment Income</b>					
Bank interest		319	—	<b>319</b>	—
<b>Total incoming resources</b>		<hr/> 25,538	<hr/> 18,283	<hr/> <b>43,821</b>	<hr/> 65,274
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>	<b>5</b>	80	—	<b>80</b>	137
<b>Charitable activities</b>					
<b>Grants payable in furtherance of charity's objectives</b>					
Grants to partner organisation (TREAD India Trust)	<b>4</b>	8,525	27,822	<b>36,347</b>	37,001
<b>Activities in furtherance of charity's objectives</b>					
Core salaries to M Sounder Raj and M Ranjitha Raj		3,960	—	<b>3,960</b>	3,600
<b>Governance costs</b>	<b>5</b>	980	—	<b>980</b>	980
<b>Total resources used</b>		<hr/> 13,545	<hr/> 27,822	<hr/> <b>41,367</b>	<hr/> 41,718
Net incoming/(outgoing) resources before transfers		11,993	(9,539)	<b>2,454</b>	23,556
Transfers between funds		(9,609)	9,609	—	—
<b>Net incoming resources</b>		<hr/> 2,384	<hr/> 70	<hr/> <b>2,454</b>	<hr/> 23,556
BALANCE brought forward at 1 April 2007		31,937	717	<b>32,654</b>	9,098
<b>BALANCE carried forward at 31 March 2008</b>		<hr/> 34,321	<hr/> 787	<hr/> <b>35,108</b>	<hr/> 32,654

## Balance Sheet as at 31<sup>st</sup> March 2008

	2008	2007
	£	£
<b>Current assets</b>		
Investments (short-term)	<b>20,319</b>	—
Cash at bank and in hand	<b>14,789</b>	33,098
	<b>35,108</b>	33,098
<b>Current liabilities</b>		
Sundry creditors	—	(444)
	<b>35,108</b>	32,654
<b>Net assets</b>		
	<b>35,108</b>	32,654
<b>Represented by</b>		
<b>Funds</b>		
Unrestricted funds	<b>34,321</b>	31,937
Restricted funds (Note 6)	<b>787</b>	717
	<b>35,108</b>	32,654
<b>Total funds</b>		
	<b>35,108</b>	32,654

The financial statements on pages 1 to 4 were approved by the trustees on 26<sup>th</sup> June 2008 and signed on their behalf by:

Chairman

**Notes forming part of the financial statements  
for the year ended 31<sup>st</sup> March 2008**

**1. Principal Accounting Policies**

- The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice (SORP) issued in February 2005.
- Income is recognised in the period in which the charity is entitled to receipt. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.
- Expenditure is included when incurred. Grants payable to the partner organisation are included in the SOFA when approved by the trustees and agreed with TREAD. The value of such grants unpaid at the year end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.
- Funds held by the charity are **unrestricted general funds** which can be used in accordance with the charitable objects at the discretion of the trustees, **designated funds** which are set aside by the trustees out of unrestricted general funds for specific purposes or projects, and **restricted funds** that can only be used for particular restricted purposes within the objects of the charity; restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**2. Voluntary income from donors**

Project	Unrestricted funds	Restricted funds	2008 Total	2007 Total
	£	£	£	£
Sponsored orphaned youngsters	—	6,535	<b>6,535</b>	5,999
Sarah Project, Podia	—	—	—	1,269
Girkinpali Day Care Centre	—	575	<b>575</b>	710
Dubatotha Day Care Centre	—	—	—	1,381
Grace Tailoring Institute, Podia	—	2,515	<b>2,515</b>	3,032
Trinity Day Care Centre, Kudunure	—	8,548	<b>8,548</b>	8,844
Kothagudem Project	—	100	<b>100</b>	—
Other	25,538	10	<b>25,548</b>	44,039
	<u>25,538</u>	<u>18,283</u>	<b><u>43,821</u></b>	<u>65,274</u>

**3. Appeals and fund-raising events**

Coffee Morning	343	—	<b>343</b>	—
Afternoon Tea	627	—	<b>627</b>	—
Sale of throws	61	—	<b>61</b>	—
Easy Fundraising	143	—	<b>143</b>	77
Other	4,000	—	<b>4,000</b>	1,366
	<u>5,174</u>	<u>—</u>	<b><u>5,174</u></b>	<u>1,443</u>

#### 4. Grants to TREAD India Trust

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2008 Total</b>	<i>2007 Total</i>
Orphan assistance programme	—	6,787	<b>6,787</b>	6,589
Sarah Project, Podia	—	840	<b>840</b>	2,655
Dubatotha Day Care Centre	—	840	<b>840</b>	3,088
Grace Tailoring Institute, Podia	—	4,855	<b>4,855</b>	4,825
Trinity Day Care Centre, Kudunure	—	10,660	<b>10,660</b>	12,060
Girkinpali Day Care Centre	—	3,840	<b>3,840</b>	7,484
Purchase of vehicle	8,200	—	<b>8,200</b>	—
Other	325	—	<b>325</b>	300
	<u>8,525</u>	<u>27,822</u>	<b><u>36,347</u></b>	<u>37,001</u>

#### 5. Support Costs (Unrestricted Fund)

	<b>Generating Funds</b>	<b>Governance Costs</b>	<b>2008 Total</b>	<i>2007 Total</i>
	£	£	£	£
Office premises	—	—	—	142
Stationery & postage	60	12	<b>72</b>	235
Computer support & software	20	21	<b>41</b>	151
Bank charges	—	180	<b>180</b>	194
Travel expenses	—	767	<b>767</b>	355
Other	—	—	—	40
	<u>80</u>	<u>980</u>	<b><u>1,060</u></b>	<u>1,117</u>

#### 6. Restricted Fund Balances after transfers from General (Unrestricted) Fund

	Net Movement	<i>Balances brought forward</i>	<b>Balances carried forward</b>
	£	£	£
Dubatotha Day Care Centre	—	140	<b>140</b>
Orphan assistance programme	(30)	577	<b>547</b>
Kothagudem Project	100	—	<b>100</b>
	<u>70</u>	<u>717</u>	<b><u>787</u></b>

#### 7. Payments to Trustees

The annual project inspection visit to India was made by two trustees this year, incurring a total personal cost of £1,535. Friends of TREAD pays expenses for one trustee per year so the sum of £767 was divided between Mr Jerry Dart (£647) and Mr Doug Robertson (£120) as a contribution towards their expenses. Apart from that, no trustee received any reimbursement of expenses or remuneration.

**Independent Examiner's Report on the Accounts  
for Friends of TREAD for the year ended 31<sup>st</sup> March 2008**

**Respective responsibilities of trustees and examiner**

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirements of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination of the accounts set out on pages 1 to 4 was carried out in accordance with the General Directions given by the Charity Commissioners. 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 I do not express an audit opinion on the view given by the accounts.

**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 41 of the Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have 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.

Signed:

Date:

Name:

Qualification:

Address: