

Friends of TREAD (Charity 1081400)
Statement of Financial Activities for the year ended 31st March 2006

	Notes	Unrestricted funds £	Restricted funds £	2006 Total £	2005 Total £
INCOMING RESOURCES					
Donations					
Individual giving		7,574	22,534	30,108	19,231
Income Tax recovered		3,671	303	3,974	4,943
Churches & schools		1,318	3,453	4,771	6,256
Clubs & organisations		200	—	200	1,800
	2	<u>12,763</u>	<u>26,290</u>	39,053	<u>32,230</u>
Activities for generating funds					
Appeals and fund-raising events	3	5,913	—	5,913	911
LOAF		—	—	—	34
		<u>18,676</u>	<u>26,290</u>	44,966	<u>33,175</u>
RESOURCES EXPENDED					
Costs of generating funds	5	575		575	267
Charitable activities					
Grants payable in furtherance of charity's objectives					
Grants to partner organisation (TREAD India Trust)	4	—	32,147	32,147	28,758
Activities in furtherance of charity's objectives					
Core salaries to M Sounder Raj and M Ranjitha Raj		3,600	—	3,600	3,300
Governance costs	5	1,446	—	1,446	1,245
Repayment of loan		—	—	—	2,000
		<u>5,621</u>	<u>32,147</u>	37,768	<u>35,570</u>
Net incoming/(outgoing) resources before transfers		13,056	(5,857)	7,199	(2,395)
Transfers between funds		(6,735)	6,735	—	—
		<u>6,321</u>	<u>878</u>	7,199	<u>(2,395)</u>
BALANCE brought forward at 1 April 2005		724	1,174	1,898	4,294
		<u>7,045</u>	<u>2,052</u>	9,097	<u>1,898</u>
BALANCE carried forward at 31 March 2006					

Balance Sheet as at 31st March 2006

	2006	2005
	£	£
Current assets		
Cash at bank and in hand	9,097	1,898
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Net assets	9,097	1,898
	<hr/> <hr/>	
Funds		
Unrestricted funds	7,045	724
Restricted funds (Note 6)	2,052	1,174
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Total funds	9,097	1,898
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The financial statements on pages 1 to 4 were approved by the trustees on 15th June 2006 and signed on their behalf by:

David Owen
Chairman

**Notes forming part of the financial statements
for the year ended 31st March 2006**

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. Donations

	Unrestricted funds	Restricted funds	2006 Total	<i>2005 Total</i>
	£	£	£	£
Sponsored orphaned youngsters	—	5,460	5,460	3,600
Sarah Project, Podia	—	4,500	4,500	—
Girkinpali Day Care Centre	—	5,527	5,527	5,823
Dubatotha Day Care Centre	—	1,077	1,077	5,587
Grace Tailoring Institute, Podia	—	2,021	2,021	1,094
Trinity Day Care Centre, Kudunure	—	7,705	7,705	5,211
Other	12,763	—	12,763	6,046
	<hr/> 12,763	26,290	<hr/> 39,053	<hr/> 27,361

3. Appeals and fund-raising events

Joffe Charitable Trust	5,000	—	5,000	—
Card Aid Business Initiative	122	—	122	—
Sponsored Walk	145	—	145	—
Christmas Drinks	65	—	65	436
Afternoon Teas	548	—	548	433
Sale of goods	33	—	33	8
	<hr/> 5,913	—	<hr/> 5,913	<hr/> 877

4. Grants to TREAD India Trust

	Unrestricted funds	Restricted funds	2006 Total	2005 Total
Orphan assistance programme	—	4,760	4,760	3,585
Sarah Project, Podia	—	5,618	5,618	—
Dubatotha Day Care Centre	—	706	706	6,581
Grace Tailoring Institute, Podia	—	4,690	4,690	4,460
Trinity Day Care Centre, Kudunure	—	9,610	9,610	8,377
Girkinpali Day Care Centre	—	6,163	6,163	5,735
Special grant - motorbike	—	600	600	20
	—	32,147	32,147	28,758

5. Generating Funds & Governance (Unrestricted Fund)

	Generating Funds	Governance Costs	2006 Total	2005 Total
	£	£	£	£
Stand at Revival Fire Conference	353	—	353	—
Display stand & leaflet holders	222	—	222	—
Office premises	—	71	71	71
Bank charges	—	198	198	194
Travel expenses	—	865	865	515
Stationery and postage	—	247	247	732
Computer software	—	65	65	—
	575	1,446	2,021	1,512

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

	Net Movement	<i>Balances brought forward</i>	Balances carried forward
	£	£	£
Orphan assistance programme	701	275	975
Sarah Project, Podia	(34)	34	—
Dubatota Day Care Centre	371	706	1,077
Girkinpali Day Care Centre	(159)	159	—
	879	1,174	2,052

7. Payments to Trustees

The annual project inspection visit to India was made by three trustees this year, incurring a total personal cost of £2,595. Friends of TREAD pays expenses for one trustee per year so the sum of £865 was equally divided between Mr David Owen, Mrs Patricia Owen and Mr Jeremy Dart 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 31st March 2006**

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: