

**Friends of TREAD (Charity 1081400)**  
**Statement of Financial Activities for the year ended 31<sup>st</sup> March 2007**

	Notes	Unrestricted funds £	Restricted funds £	2007 Total £	2006 Total £
<b>INCOMING RESOURCES</b>					
<b>Voluntary Income</b>	<b>2</b>				
Individual giving		7,718	17,814	<b>25,532</b>	30,108
Income Tax recovered**		7,365	2,040	<b>9,405</b>	3,974
Churches & schools		3,687	851	<b>4,538</b>	4,771
Clubs & organisations		3,701	455	<b>4,156</b>	200
Legacies*		20,200	—	<b>20,200</b>	—
		<u>42,671</u>	<u>21,160</u>	<b>63,831</b>	<u>39,053</u>
<b>Activities for generating funds</b>					
Appeals and fund-raising events	<b>3</b>	1,368	75	<b>1,443</b>	5,913
		<u>44,039</u>	<u>21,235</u>	<b>65,274</b>	<u>44,966</u>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>	<b>5</b>	137	—	<b>137</b>	575
<b>Charitable activities</b>					
<b>Grants payable in furtherance of charity's objectives</b>					
Grants to partner organisation (TREAD India Trust)	<b>4</b>	300	36,701	<b>37,001</b>	32,147
<b>Activities in furtherance of charity's objectives</b>					
Core salaries to M Sounder Raj and M Ranjitha Raj		3,600	—	<b>3,600</b>	3,600
<b>Governance costs</b>	<b>5</b>	980	—	<b>980</b>	1,446
		<u>5,017</u>	<u>36,701</u>	<b>41,718</b>	<u>37,768</u>
Net incoming/(outgoing) resources before transfers		39,022	(15,466)	<b>23,556</b>	7,199
Transfers between funds		(13,798)	13,798	—	—
		<u>25,224</u>	<u>(1,668)</u>	<b>23,556</b>	<u>7,199</u>
BALANCE brought forward at 1 April 2006		7,045	2,053	<b>9,098</b>	1,899
<b>BALANCE carried forward at 31 March 2007</b>		<u>32,269</u>	<u>385</u>	<b>32,654</b>	<u>9,098</u>

\*\*We were grateful to receive legacies of £20,000 (received March 2007) and £200.

\*Three Gift Aid (income tax) claims running from October 2005 to January 2007 are included to bring the accounts into line with the recommendation of the External Examiner.

## Balance Sheet as at 31<sup>st</sup> March 2007

	2007	2006
	£	£
<b>Current assets</b>		
Cash at bank and in hand	<b>33,098</b>	9,098
<b>Current liabilities</b>		
Sundry creditors	<b>(444)</b>	—
<b>Net assets</b>	<b>32,654</b>	9,098
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<b>Represented by</b>		
<b>Funds</b>		
Unrestricted funds	<b>32,269</b>	7,045
Restricted funds (Note 6)	<b>385</b>	2,053
<b>Total funds</b>	<b>32,654</b>	9,098
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The financial statements on pages 1 to 4 were approved by the trustees on 1<sup>st</sup> June 2007 and signed on their behalf by:

Chairman

**Notes forming part of the financial statements  
for the year ended 31<sup>st</sup> March 2007**

**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	2007 Total	2006 Total
	£	£	£	£
Sponsored orphaned youngsters	—	5,999	<b>5,999</b>	5,460
Sarah Project, Podia	—	1,269	<b>1,269</b>	4,500
Girkinpali Day Care Centre	—	710	<b>710</b>	5,527
Dubatotha Day Care Centre	—	1,381	<b>1,381</b>	1,077
Grace Tailoring Institute, Podia	—	3,032	<b>3,032</b>	2,021
Trinity Day Care Centre, Kudunure	—	8,844	<b>8,844</b>	7,705
Other	44,039	—	<b>44,039</b>	12,763
	<u>44,039</u>	<u>21,235</u>	<b><u>65,274</u></b>	<u>39,053</u>

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

Barbecue	577	—	<b>577</b>	
Hastings Half Marathon	91	—	<b>91</b>	
Bristol Half Marathon	511	—	<b>511</b>	
Indian Cookery Demonstration	91	—	<b>91</b>	
Bristol Curry Class	—	75	<b>75</b>	
Easy Fundraising	77	—	<b>77</b>	
Other	21	—	<b>21</b>	5,913
	<u>1,368</u>	<u>75</u>	<b><u>1,443</u></b>	<u>5,913</u>

#### 4. Grants to TREAD India Trust

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2007 Total</b>	<i>2006 Total</i>
Orphan assistance programme	—	6,589	<b>6,589</b>	4,760
Sarah Project, Podia	—	2,655	<b>2,655</b>	5,618
Dubatotha Day Care Centre	—	3,088	<b>3,088</b>	706
Grace Tailoring Institute, Podia	—	4,825	<b>4,825</b>	4,690
Trinity Day Care Centre, Kudunure	—	12,060	<b>12,060</b>	9,610
Girkinpali Day Care Centre	—	7,484	<b>7,484</b>	6,163
Training	300	—	<b>300</b>	600
	<u>300</u>	<u>36,701</u>	<b><u>37,001</u></b>	<u>32,147</u>

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

	<b>Generating Funds</b>	<b>Governance Costs</b>	<b>2007 Total</b>	<i>2006 Total</i>
	£	£	£	£
Office premises	—	142	<b>142</b>	71
Stationery & postage	103	132	<b>235</b>	247
Computer support & software	62	89	<b>151</b>	65
Bank charges	—	194	<b>194</b>	198
Travel expenses	—	355	<b>355</b>	865
Other	40	—	<b>40</b>	575
	<u>205</u>	<u>912</u>	<b><u>1,117</u></b>	<u>2,021</u>

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

	Net Movement	<i>Balances brought forward</i>	<b>Balances carried forward</b>
	£	£	£
Orphan assistance programme	(590)	975	<b>385</b>
Dubatota Day Care Centre	(1,077)	1,077	—
	<u>(1,667)</u>	<u>2,052</u>	<b><u>385</u></b>

#### 7. Payments to Trustees

A sum of £355 was paid to Mr Tim Overton towards the costs of the Trustees' project inspection visit. 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 2007**

**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: