



Report of the Directors and Financial Statements

For the year ended 31 December 2009

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

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For The Year Ended 31 December 2009

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TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION
For The Year Ended 31 December 2009

PATRONS: Archbishop Desmond Tutu
Dr Susan George
Archbishop of York, John Sentamu

DIRECTORS: Mrs R Burbidge – resigned
Mr I Care
Mr A Christie – resigned
Ms A Fender-Brown
Mr B Miller
Mr J Schumacher
Dr A Tyrrell
Mr R Vann
Mr G Williams

SECRETARY: Dr E Grimble

REGISTERED OFFICE: Netley Marsh Workshop
Netley Marsh
Southampton
Hampshire
SO40 7GY

REGISTERED NUMBER: 1487630 (England and Wales)

CHARITY NO: 280437

SENIOR STATUTORY AUDITOR: C D Osmond

AUDITORS: Stone Osmond Limited
Statutory Auditors
75 Bournemouth Road
Chandlers Ford
Eastleigh
Hampshire
SO53 3AP

SOLICITORS: Eric Robinson & Co
Hythe

PRINCIPAL BANKERS: HSBC – Totton, Hampshire
COIF – London
CAF – West Malling, Kent

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

The directors present their report with the financial statements of the company for the year ended 31 December 2009.

GOVERNANCE

Tools for Self Reliance is a company limited by its Memorandum and Articles of Association dated 26 March 1980. It is registered as a charity with the Charity Commission. Anyone can become a member of the company and there were 170 Members at the year end. Member's liability is limited to £1. Tools for Self Reliance is an independent charity and not affiliated to any other organisation.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The charity is established to relieve poverty amongst the people of the under-developed areas in the world by the provision of hand and other tools and equipment. The principal activities undertaken to further this object form the basis of this report.

The directors confirm they have complied with the duty in Section 4 of the 2006 Charities Act having due regard to the guidance published by the Charity Commission, including public benefit guidance.

DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of Charity Law and throughout this report are collectively referred to as the directors.

The directors who have held office during the year of review and to the date of this report were:

Mrs R Burbidge – resigned
Mr I Care
Mr A Christie – resigned
Ms A Fender-Brown
Mr B Miller
Mr J Schumacher
Dr A Tyrrell
Mr R Vann
Mr G Williams

The company does not provide Directors Indemnity Insurance.

The directors are elected from and by the members at the Annual General Meeting. There is a policy for induction of new directors.

DIRECTORS REVIEW

Structure

The company has a structure based on three tiers. The first tier is the Board of Directors, who have overall control of the charity and meet at regular intervals to discuss the performance to date and future plans.

The second tier is the day to day operations. The operational responsibility is delegated to the Chief Executive Office – Janice Kidd. The Chief Executive Officer is assisted by the Administration staff based at Netley Marsh.

The third tier is the volunteers and groups around the country who are involved in the collection, refurbishment of tools, etc., and our partner organisations abroad.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

Objectives

Tools for Self Reliance works with African organisations to help people gain a sustainable income through productive activities. Our projects involve the provision of high-quality tools and equipment, alongside bespoke training. In this way we contribute to the Millennium Development Goal of eradicating extreme poverty and hunger. Increased income allows parents to send children to school, to pay for health care, to provide healthy diets for themselves and their children. Our focus on disadvantaged people helps those living with disabilities and/or HIV and AIDS live fuller, productive lives.

This report is structured by the objectives of our Organisational Strategy 2007–2011 and demonstrates how Tools for Self Reliance directors and staff use the Strategy to measure the organisation's performance.

Mission Statement

Tools for Self Reliance aims to empower artisans working in developing countries so that they can better participate in the development of themselves and their communities. To achieve this we work with partner organisations to provide tools and training, and we raise awareness of the causes of poverty.

Strategic Objectives

Objective One

We will continue to work in Africa, delivering a high-quality programme to facilitate the development of the artisan sector and its communities, according to local needs and priorities.

During 2009 we worked with 40 partner organisations through Ghana, Sierra Leone, Tanzania, Uganda, Zambia and Malawi, on 38 different projects. We continued to focus on developing strategies for working in each country, and in developing our partner networks. We now have networks in Ghana, Sierra Leone and Malawi.

Ghana

In Ghana we are focusing on the poorer northern areas. We have developed a number of training projects with Girls Growth and Development (GIGDEV), Ghana Young Artisans Movement (GYAM), Simli Aid, Ghanaian Danish Community Programme (GDGP) and Northern Sector Action on Awareness Centre (NORSAAC), and we have completed a project with Pro Link. The GYAM, NORSAAC and GDGP projects involve the development of master crafts peoples' skills with workshop upgrades so that they are capable of taking on apprentices from the formal training offered by the partners. In total around 164 trainees benefited from this scheme. We also carried out two livelihood projects with long-standing partner TRAX and with Basic Needs. These projects enable existing artisans to upgrade their vocational skills, learn business skills and receive tool kits to help them carry out their trade. In all 53 groups benefited from these projects.

The Ghanaian network is beginning to thrive and several collaborative projects, drawing on the strengths of each partner, are being developed.

Malawi

Our programme in Malawi is still in its infancy and at the moment is focusing on vocational training. We have started five vocational training projects with Samaritans Trust, Project Malawi, Development Aid from People to People (DAPP), Foundation for Education and Social Development (FESODEV), and Malawi against Physical Disabilities (MAP). Project Malawi was carried out in partnership with Sussex University and Rotary Clubs.

We are keen to expand our programme and have plans to collaborate with Action Aid Malawi on a project in the coming year.

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REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

Our Scottish groups continue to link with the Global Concerns Trust initiative supporting vocational training for people with disabilities.

Sierra Leone

Our strategy in Sierra Leone involves working with at risk young people outside the capital city. Our training projects with Youth in Action Sierra Leone (YASAL) and Independent Youth Forum (IYF) are coming to an end and we are pleased with their outcomes. YASAL have been working in Kono in the East of the country, an area devastated by the war. Youth in this area have very little choices available but the training and tools received should help them find employment.

We also worked with a consortium of partners on a Jersey Overseas Aid funded project. This involved both institutional and apprenticeship training for young people who had missed out on education owing to the civil war and other factors. Reports indicate that the project will have successfully trained and equipped 320 young people.

We also had a starter project with Christian Aid for Under Assisted Societies Everywhere (CAUSE) but we are less positive about the efficacy of this project and will not be continuing our partnership.

We have continued to develop the Sierra Leone networks despite many logistical problems.

Tanzania

Our strategy in Tanzania is to work on improving the livelihood opportunities of people living in rural areas so that they are able to produce goods that are available and affordable in their local communities.

We continue to work with our first partner the Small Industries Development Organisation (SIDO). We worked together on tools and skills training projects in six regions: Kigoma, Rukwa, Tabora, Arusha, Manyara and Kilimanjaro. These projects provided small entrepreneurial groups with top-up vocational skills, business skills and tools. These groups report how after they receive the business training they realise how necessary it is, and say how their incomes have now increased. They cite examples of paying for education for their children, building homes and recruiting more trainees as ways of using their new found wealth.

Uganda

In Uganda we are focusing on developing the non governmental vocational training sector. Together with long-standing partner Uganda Rural Development and Training Programme (URDT) we have made an alliance with Uganda Association of Private Vocational Institutions national secretariat (UGAPRIVI) and hope to work on a programme of skills training and start up tool kits. The tools will be refurbished at the URDT refurbishing workshop where we have just completed a training project with 80 participants.

Meanwhile in the north we have collaborated with the International Christian Gospel Ministries (ICGM) and British Consultancy Charitable Trust (BCCT) on vocational training projects to assist internally displaced unemployed youth affected by the recent conflict. We also supported Apoolo Na Angor ('Development of Women') in the east and the Foundation for Development of Needy Communities (FDNC) on training projects supporting women, young mothers and other vulnerable groups.

We continue to monitor the Kilembe training centre, and its 'incubator' units set up as a joint initiative with the South Rwenzori Diocese in Uganda and the Romsey Deanery, and depending on the sustainability of the model we will replicate it at a different locality at a later date.

We have also supported two livelihood projects with Open Arms and the Single Parenthood Association of Uganda (SPAU).

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REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

Zambia

In Zambia we are focusing on working with vulnerable people, such as those living with HIV/AIDS, street children and people with disabilities.

We sold 'shares' to our members in support of the Kara Counselling project, which trains people diagnosed with HIV/AIDS. This has proved to be a very popular initiative and the project continues to be a great success with very positive outcomes. Testimony from graduates related not only how their living standards have improved but also how their self esteem and standing within the community have grown.

We also started five vocational training projects with the Umoyo centre of Kara Counselling, Friends of the Street Children, Kabushi Entrepreneurship and Vocational Training Centre (KEVTC), Integrated Health Programme (IHP) and the Good Samaritans Centre. These projects supported more than 100 young adults in gaining skills and tools that will equip them to face future life challenges.

We also sent tools in support of a livelihoods project carried out by HODI.

Zimbabwe

Logistical problems have prevented any further work in Zimbabwe and this programme will be on hold until conditions are more favourable.

We visited Uganda, Tanzania, Ghana, Sierra Leone and Zambia producing reports on the visits and evaluations of the projects we have been working on.

Networks

As mentioned earlier, we have begun the process of forming networks in our focus countries. Where appropriate, this will lead to capacity building exercise in monitoring and evaluation (M&E), impact assessment, micro finance, life skills and vocational training over the coming years. In Sierra Leone we established two networks in Freetown and Bo, and there has been some activity over the year. We also initiated a network in Malawi. In Ghana the network is flourishing and there have been meetings organised by partners themselves and with Tools for Self Reliance staff.

Other

In addition we collaborated to get funding for Good News Trust!/Kenya Widows and Orphans, a Jersey based charity, and we visited Kenya to evaluate their previous project.

During the year we have given tools to projects run by other organisations including Mercy Ships and to Uganda via a Bournemouth based scout group.

Tool Sending

As part of our artisan support programme we sent seven shipments of tools, containing 765 kits. This is a decrease over previous years. The main reason was the longer time taken to raise the funds needed for projects in the current economic climate, resulting in delays in starting projects, coupled with more vocational projects that require smaller kits.

However we believe that training is a vital element of the projects we deliver and to this end we are co-operating with other organisations whose training programmes could benefit from our tools.'

The statistics for 2009 are as shown below.

TOOLS FOR SELF RELIANCE
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REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

Country	Number of tools	Number of kits
Zambia	4,956	87
Tanzania	11,251	242
Ghana	3,577	146
Uganda	6,592	65
Sierra Leone	4,354	120
Malawi	4,524	105
Totals	35,254	765

In 2008, 47,085 tools were sent in 809 kits.

Altogether we shipped 765 toolkits comprising 35,254 tools, valued at £505,459 (2008 – £710,057). This value is based on the average new purchase price of tools. It reflects the work of Tools for Self Reliance volunteers in refurbishing good-quality used tools to a high standard.

Objective Two

We will continue to work with a diverse group of people within the UK who support us in our work by collecting and refurbishing tools, and who help us in promoting and raising funds for the organisation.

In 2009 we produced a group strategy to define how we will work with our supporters and produced a new group agreement. All volunteer groups were asked to ratify this agreement which defines the responsibilities of the volunteers and the charity. We currently have 55 groups (excluding Netley Marsh groups). This is a decrease of 10 over 2008 but in actual fact most of these groups have not been active as refurbishing groups for some years although they had remained on our database.

Five new groups started in 2009. These were in Northallerton, Morpeth, Luddenden and District, Exeter ('Men in Sheds') and Eastbourne (Sussex Downs College). And we are currently working with three other potential new groups in Calderdale and Kirklees ('Men in Sheds'), HMP Bullwood Hall and Age Concern Isle of Wight.

We have an estimated 800 volunteers throughout the country, 178 of whom are based at Netley Marsh. Of these approximately 16% are female and 18% are people with special needs.

Volunteer certificates were awarded to 5 people for 20 years service, 18 for 15 years service and 18 for 10 years service.

We hosted two work camps involving young people from Refugee Youth in London and students from Madrid. We also had day-long working visits from students at Taunton's College and other local schools. A number of young people have been to Netley Marsh on day visits or work placements.

We continue to work on improving all aspects of what we do and throughout the year we ran a number of network and training days for volunteers at Bristol (30 attendees), Liverpool (12 attendees), Wakefield (25 attendees) and Southwell (24 attendees), as well as continuing with the one off training sessions for our Netley Marsh volunteers. In addition we produced our Groups Bulletin and sent out 24 email bulletins containing news and information about how we work.

Group Support Officer Ian Limbrick made visits to 41 groups and several more groups visited the Netley Marsh headquarters to learn more about how we work and the tool quality we require.

Whilst most of our volunteers refurbish and pack tools, volunteers also work in fundraising, administration, research, database development, event organising and publicity. The Netley Marsh Training Workshop for people with special needs is operated with the Southampton support agency City Limits. This facility at the Netley Marsh site allows for one-on-one training for people with special needs as well as the social interaction of volunteers of all abilities.

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REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

Our profile raising events continued and undoubtedly the highlight of the year was the visit by Archbishop Desmond Tutu to Netley Marsh in February. Our patron spent more than one hour touring the premises and meeting with volunteers.

Later in the year we hosted 30 mayors from around the Netley Marsh region at the request of the Chair of New Forest District Council.

Our small events programme increased and we have expanded our speakers programme, refreshing our material and training new volunteers as speakers, with more than 50 talks taking place in the year. We formed a new group of volunteers dedicated to making craft work and selling it at craft events to raise money and raise our profile.

We featured on local TV and our Carlisle and Glasgow groups were also on local TV in their regions. Our volunteer reporter Patrick Brookes has sent out on average one press release per month.

We continued to get good support from various Rotary Clubs. We produced a new information pack, attended the London District 1130 Eastbourne conference and the Southampton District conference in Torquay, and we hosted a garden party attended by several Rotary Clubs. Rotarians took part in the British 10K, raising funds for Tools for Self Reliance. We have also had more clubs sponsoring our overseas projects.

We also held a successful Funders Day, which was an opportunity to thank our existing donors and raise our profile among new ones. Thirty representatives of charitable trusts and donors attended.

Objective Three

Working primarily with our existing supporter base we will continue to raise awareness in the UK of the causes of poverty in developing countries, and to lobby appropriately to support our partners and the artisans they work with.

Our usual practice of bringing one of our partners to the UK was thwarted when Eriab Bwambale from Uganda was refused a visa, but we were fortunate to receive a visit from Jacqueline Akello of URDT who was here to receive her Open University masters degree.

We have focused on updating and maintaining our website and have included many new items including video clips of artisans that were posted on You Tube. We also began a documentary film on the journey of a sewing machine to Malawi.

Publications included two Forging Links, the Annual Review, Group and email bulletins and the website.

We continued to support Fairtrade by using and promoting the use of Fairtrade goods.

Administration

At the beginning of the year Nicky Heather was appointed as our Project Development Officer, and in December Administration Officer, Polly Read, retired after nine years of working with the charity. We hosted seven long-term volunteers (gap-year students from Europe).

We began using our new contact database and despite quite a few hiccups we think we will be in a better position to manage our contacts and projects once all staff are trained in its use.

All our overheads, apart from staff costs, are covered by income that we generate from our craft shop rents and sales of surplus tools and scrap. In order to maximise this we embarked on a project to build two new craft shops. £70,000 for this was raised by asking for loans from our supporters, repayable over ten years. We were oversubscribed with offers. Costs were kept to a minimum by using volunteer labour, and we estimate we saved around £60,000 on previous quotes. Long-time supporter Mrs Betty Nias opened the craft shops before an audience of local dignitaries including the Mayor of Southampton, the Chair of Hampshire County Council and the Chair of New Forest Council.

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REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

Finances

At the end of the financial year we had net current assets of £381,967 (2008 – £295,031) including £95,681 (2008 – £106,869) of restricted project funding and £2,511 (2008 – £1,453) of craft shop deposits. This is within the reserves policy of maintaining free reserves at the level of between four and six months direct running costs.

Our fundraising efforts increased and we had income of £720,504 (2008 – £704,101), enabling us to support more projects than ever before. The majority of funds are from donations and grants from businesses, the public and other charitable bodies.

Expenditure was held to £682,184 (2008 – £742,797). This reflects the continued expenditure in furtherance of the charity's objectives, in particular the amount spent on projects in Africa.

The value of tools shipped (donations in kind) was £505,459 (2008 – £710,057).

Total reserves amount of £791,207 including fixed assets of £472,240. The fixed assets of Tools for Self Reliance are the Netley Marsh workshop site, including that used as investment property (craft shop rentals) and the value of workshop, warehouse and office equipment.

The Future

2010 will be a very important year for us as not only will we be celebrating our 30th birthday but we will also be developing our next Organisational Strategy. We will have a programme of meetings to consult with supporters in both the UK and Africa. The strategy will define how we operate from 2012 to 2016.

More immediately we hope to consolidate our programmes in Zambia, Malawi and Sierra Leone. We aim to support at least 35 projects in 2010.

We will launch 'Join Our Celebration' inviting all our supporters to hold events to fundraise and celebrate our 30th birthday. We will have lots of other birthday events including an Africa Day, Tea on the Terrace at the House of Commons and in the autumn, an Auction of Promises.

We will continue to diversify our funding base.

We will continue to look at improving all areas of feedback to our stakeholders both in terms of contact and method of delivery.

The Annual Review 2009, Organisational Strategy 2007–2011 and this Annual Report for 2009 are available free from Tools for Self Reliance.

RISK MANAGEMENT

The directors have examined the potential risks which the charitable company faces and confirm that measures to minimise these risks have been put in place.

RESERVES POLICY

It is Tools for Self Reliance policy to manage the organisation such that free reserves are held at the level of between four and six months direct running costs.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the

TOOLS FOR SELF RELIANCE
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REPORT OF THE DIRECTORS
For the Year Ended 31 December 2009

company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

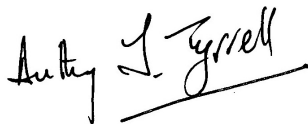
AUDITORS

The auditors, Stone Osmond Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed

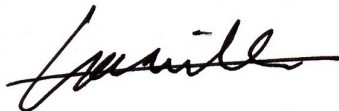
Dated: 11 May 2010



A TYRRELL

Signed

Dated: 11 May 2010



B MILLER

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITORS REPORT TO THE DIRECTORS OF TOOLS FOR SELF RELIANCE
YEAR ENDED 31 DECEMBER 2009

This report is issued in respect of an audit carried out under Section 43 of the Charities Act 1993 as amended.

We have audited the financial statements of Tools for Self Reliance for the year ended 31 December 2009 which comprises the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity's directors, as a body, in accordance with Section 43 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's directors those matters we are required to state to them in an auditor's 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's financial statements give a true and fair view.

The directors have elected for the financial statements to be audited in accordance with the Charities Act 1993 instead of the Companies Act 2006. Accordingly we have been appointed as auditors under Section 43 of the Charities Act, and report in accordance with regulations made under Section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Directors Annual Report is not consistent with those financial statements, the charity has not kept sufficient accounting records, if the charity's financial statements are not in agreement with the accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Directors Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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INDEPENDENT AUDITORS REPORT TO THE DIRECTORS OF TOOLS FOR SELF RELIANCE
YEAR ENDED 31 DECEMBER 2009

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to Smaller Entities) of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources in the year then ended; and
- have been prepared in accordance with the Companies Act 2006.



C D Osmond (Senior Statutory Auditor)
For and on behalf of Stone Osmond Ltd
Statutory Auditor
75 Bournemouth Road
Chandlers Ford
Eastleigh
Hants
SO53 3AP

Date: 12/5/10.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
For The Year ended 31 December 2009

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u>	<u>2008</u> <u>Total</u> <u>Funds</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
INCOME AND EXPENDITURE					
Incoming Resources	1				
Donations and grants	10	311,667	341,150	652,817	632,903
Donations in kind		505,459		505,459	710,057
Rents receivable		42,558	-	42,558	39,111
Investment income		1,706	-	1,706	17,411
Other income	11	23,423	-	23,423	14,676
TOTAL INCOMING RESOURCES		<u>884,813</u>	<u>341,150</u>	<u>1,225,963</u>	<u>1,414,158</u>
Resources Expended					
Direct charitable expenditure	12	295,657	341,312	636,969	701,610
Direct charitable expenditure in kind	12	505,459		505,459	710,057
Fundraising and publicity		40,456	-	40,456	37,293
Governance	13	4,759	-	4,759	3,894
TOTAL RESOURCES EXPENDED		<u>846,331</u>	<u>341,312</u>	<u>1,187,643</u>	<u>1,452,854</u>
Net Incoming/(Outgoing) Resources Before Transfers		38,482	(162)	38,320	(38,696)
Transfers between funds		9,968	(9,968)	-	-
Net Incoming/(Outgoing) Resources For The Year		48,450	(10,130)	38,320	(38,696)
Gains/(Losses) on Investment		-	-	-	14,114
BALANCES BROUGHT FORWARD AS AT 1 JANUARY 2009		<u>644,565</u>	<u>108,322</u>	<u>752,887</u>	<u>777,469</u>
BALANCES CARRIED FORWARD AS AT 31 DECEMBER 2009		<u>693,015</u>	<u>98,192</u>	<u>791,207</u>	<u>752,887</u>

The notes form part of these financial statements.

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INCOME AND EXPENDITURE ACCOUNT
For The Year Ended 31 December 2009

	<u>Notes</u>	<u>2009</u> <u>£</u>	<u>2008</u> <u>£</u>
TURNOVER	1	1,224,257	1,396,747
Administrative expenses		<u>1,187,643</u>	<u>1,452,854</u>
OPERATING SURPLUS	2	36,614	(56,107)
Interest receivable and similar income		<u>1,706</u>	<u>17,411</u>
		38,320	(38,696)
Interest payable and similar charges		<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		38,320	(38,696)
Tax on surplus on ordinary activities	3	<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR AFTER TAXATION		<u>38,320</u>	<u>(38,696)</u>

The notes form part of these financial statements.

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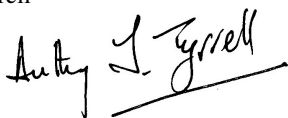
BALANCE SHEET
31 December 2009

	Notes	<u>2009</u>		<u>2008</u>	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		202,809		207,856
Investments	5		<u>269,431</u>		<u>250,000</u>
			472,240		457,856
CURRENT ASSETS					
Stocks		2,420		3,206	
Debtors	6	6,099		10,539	
Bank balances and funds in hand		<u>401,184</u>		<u>308,475</u>	
		409,703		322,220	
CREDITORS					
Amounts falling due within one year	7	<u>27,736</u>		<u>27,189</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>381,967</u>	<u>295,031</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			854,207	752,887	
CREDITORS					
Amounts falling due after more than one year	8		<u>63,000</u>		<u>-</u>
NET ASSETS			<u>791,207</u>	<u>752,887</u>	
RESERVES					
Unrestricted reserves	9		478,901		430,451
Restricted reserves			98,192		108,322
Revaluation reserve			<u>214,114</u>		<u>214,114</u>
			<u>791,207</u>		<u>752,887</u>

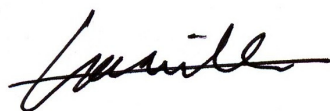
These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to Small Companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

ON BEHALF OF THE BOARD

Director – A Tyrrell



Director – B Miller



Approved by the Board on 11 May 2010.

The notes form part of these financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2009

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and in accordance with the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued in March 2005 and applicable UK Accounting Standards.

Turnover

Turnover represents refurbishment of tools, donations, grants and other income excluding value added tax.

INCOMING RESOURCES

Grants and donations

Income from grants and donations is included in the Statement of Financial Activities when these are receivable except as follows:

- When donors specify that grants and donations given to the charity must be used in future accounting periods, the income is deferred until these periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular purposes which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Other income

Other income is included in the Statement of Financial Activities on an accruals basis.

RESOURCES EXPENDED

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Certain expenditure is directly attributable to specific activities and has been included in these cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff upon those activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	-2% straight line
Plant and machinery	-25% reducing balance
Computer equipment	-33% on cost

These notes form part of the financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2009

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the income and expenditure account.

The assets of the scheme are held separately from those of the Charity by the Pensions Trust. The employer's contributions made to the scheme during the year were £27,326 (2008 – £23,071).

Investment properties

In accordance with Statement of Standard Accounting Practice No. 19, some of the charitable company's property is held for long-term investment and is included in the balance sheet at its open market value. The surplus on revaluation is transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment property. This represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may have a true and fair view because current values and changes in these are of a prime importance rather than the calculation of systematic annual depreciation.

The craft shops were valued at open market value, by the directors, on 31 December 2006 at £200,000. It is the policy of the charity to revalue the asset every 5 years. During the year work continued on new building to be used for investment purposes, the cost in the year has been added, together with a proportion of volunteer time and will be subject to revaluation at the appropriate time.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. **OPERATING SURPLUS**

The operating surplus is stated after charging:

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Depreciation – owned assets	11,109	9,961
Audit fee	3,317	2,690
Non audit fee	560	560
Pension costs	<u>27,326</u>	<u>23,071</u>
Directors emoluments and other benefits, etc. (see note 15)	<u>-</u>	<u>-</u>

3. **TAXATION**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2009 or for the year to 31 December 2008 due to its charitable status.

These notes form part of the financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2009

4. **TANGIBLE FIXED ASSETS**

	<u>Freehold</u> <u>Property</u>	<u>Improvements</u> <u>To Property</u>	<u>Plant and</u> <u>Machinery</u>	<u>Computer</u> <u>Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
COST:					
At 1 January 2009	106,091	130,813	51,071	16,689	304,664
Additions	-	-	-	6,062	6,062
Disposals	-	-	-	-	-
At 31 December 2009	<u>106,091</u>	<u>130,813</u>	<u>51,071</u>	<u>22,751</u>	<u>310,726</u>
DEPRECIATION:					
At 1 January 2009	21,918	20,834	40,594	13,462	96,808
Charge for year	2,121	2,616	2,620	3,752	11,109
Eliminated on disposals	-	-	-	-	-
At 31 December 2009	<u>24,039</u>	<u>23,450</u>	<u>43,214</u>	<u>17,214</u>	<u>107,917</u>
NET BOOK VALUE:					
At 31 December 2009	<u>82,052</u>	<u>107,363</u>	<u>7,857</u>	<u>5,537</u>	<u>202,809</u>
At 31 December 2008	<u>84,173</u>	<u>109,979</u>	<u>10,477</u>	<u>3,227</u>	<u>207,856</u>

5. **FIXED ASSET INVESTMENTS**

	<u>2009</u> <u>£</u>	<u>2008</u> <u>£</u>
Netley Marsh craft shops		
Valuation brought forward	250,000	200,000
Additions in year	19,431	35,886
Revaluation	-	14,114
Valuation carried forward	<u>269,431</u>	<u>250,000</u>

The craft shops were valued at open market value, by the directors, on 31 December 2006 at £200,000. It is the policy of the charity to revalue the asset every 5 years. During the year work continued on new building to be used for investment purposes, the cost in the year has been added, together with a proportion of volunteer time and will be subject to revaluation at the appropriate time.

The craft shops are rented out, at market rent, to local small businesses and artisans.

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2009</u> <u>£</u>	<u>2008</u> <u>£</u>
Other debtors – VAT	6,099	6,693
Other debtors	-	3,846
	<u>6,099</u>	<u>10,539</u>

These notes form part of the financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2009

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2009</u>	<u>2008</u>
	£	£
Trade creditors	7,755	14,058
Taxation and Social Security	6,389	6,389
Pension Contributions	2,992	3,110
Accruals	3,600	3,632
Loans – new workshop	7,000	-
	<u>27,736</u>	<u>27,189</u>

During the year loans totalling £70,000 were raised for the construction of a new workshop. These loans are repayable in equal instalments over ten years.

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<u>2009</u>	<u>2008</u>
	£	£
Loans repayable by instalments:		
Loans - one to two years	7,000	-
Loans - two to five years	21,000	-
Loans - over five years	35,000	-
	<u>63,000</u>	<u>-</u>

9. **RESERVES**

	<u>2009</u>	<u>2008</u>
	£	£
Restricted Funds:		
At 1 January 2009	108,322	234,724
Net incoming/outgoing resources for the year	(10,130)	(126,402)
At 31 December 2009	<u>98,192</u>	<u>108,322</u>
Unrestricted Funds:		
At 1 January 2009	430,451	342,745
Net incoming/outgoing resources for the year	48,450	87,706
At 31 December 2009	<u>478,901</u>	<u>430,451</u>
Revaluation Reserve:		
At 1 January 2009	214,114	200,000
Gain/Loss for year	-	14,114
At 31 December 2009	<u>214,114</u>	<u>214,114</u>

These notes form part of the financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2009

Analysis of Total Net Asset by Fund

	<u>Unrestricted</u> <u>Capital</u> £	<u>Restricted</u> <u>Income</u> £	<u>Total</u> <u>Funds</u> £
Fixed assets	472,240	-	472,240
Cash at bank and in hand	302,992	98,192	401,184
Other net current assets/liabilities	(19,217)	-	(19,217)
Other long term liabilities	(63,000)	-	(63,000)
	<u>693,015</u>	<u>98,192</u>	<u>791,207</u>

10. **DONATIONS AND GRANTS**

Donations and grants of tools, time and money have been gratefully received from numerous sources. A list of the major contributors is annexed.

11. **OTHER INCOME**

Other income includes the sale of tools £18,140 (2008 – £10,922), sale of scrap £1,436 (2008 – £1,067), and ebay and other sales £3,847 (2008 – £2,687).

12. **DIRECT CHARITABLE EXPENDITURE AND DONATIONS IN KIND**

	<u>2009</u> £	<u>2008</u> £
Artisan support	423,528	491,006
Awareness support	52,287	50,306
Group support	73,591	64,962
Administration	53,014	54,562
Rates, insurance, site, etc.	23,440	30,813
Depreciation	11,109	9,961
	<u>636,969</u>	<u>701,610</u>

All direct charitable costs are allocated to the relevant areas and the support costs are allocated on the basis of an estimate of time spent by staff upon those activities.

The charity makes donations in kind of refurbished tools, etc. The donations are valued at the average of new purchase price of tools £505,459 (2008 – £710,057).

13. **GOVERNANCE**

	<u>2009</u> £	<u>2008</u> £
Audit and accountancy	3,877	3,250
Directors benefits/reimbursements	863	497
AGM	19	147
	<u>4,759</u>	<u>3,894</u>

These notes form part of the financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2009

14. **EMPLOYEES**

The average number of full time equivalent employees (including part time staff) during the year was as follows.

	<u>2009</u>	<u>2008</u>
Direct charitable activities	12	11

Employee costs

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Salaries	288,138	251,830
Social security costs	28,525	27,470
Pension contributions	<u>27,326</u>	<u>23,071</u>
	<u>343,989</u>	<u>302,371</u>

There are no employees earning at a rate over £60,000.

15. **DIRECTORS BENEFIT/REMUNERATION**

The company does not provide directors indemnity insurance. The company also reimbursed expenses and travel costs of £863 (2008 – £497). The number of directors at the year end is seven. The Memorandum and Articles preclude the payment of any remuneration.

16. **AUDITOR LIABILITY LIMITATION AGREEMENT**

The liability of the auditor is limited to ten times the fee, per agreement dated 10 December 2007.

These notes form part of the financial statements.

TOOLS FOR SELF RELIANCE
COMPANY LIMITED BY GUARANTEE

ANNEX

We would like to say a huge 'thank you' to all our volunteers and supporters for their generous donations of time, money and tools. There's not room to mention them all here.

Asda (Totton)	Lewis Family Charitable Settlement
Awards for All	Mageni Trust
Beatrice Laing Trust	Marr-Munning Trust
Bisgood Charitable Trust	Marsh-Christian Trust
Bonhomie United Charity Trust	Michael and Anna Wix Charitable Trust
Bower Trust	Morrisons (Totton)
Braishfield United Reform Church	Mr Bill Orr
CB & HH Taylor 1984 Trust	Mr Roger Finn
CL & JS Cadbury Trust	Mr Ron O'Connor
Caterham Overseas Aid Trust	Mrs Betty Nias
Christadelphian Meal A Day Fund	Open Gate
City Limits Employment	Ordnance Survey Southampton
Co-operative (Fordingbridge)	P&G Bird Charitable Trust
Cotton Trust	P&W Webster Trust
DP World	Patrick Frost Foundation
E Alec Colman Charitable Fund	Paul Foundation
Edward Cadbury Charitable Trust (Incorporated)	Peter Stebbings Memorial Charity
EIL	RH Scholes Charitable Trust
Eleanor Rathbone Charitable Trust	Refugee Youth
Ericson Trust	Richard Kirkman Trust
ESG Robinson Charitable Trust	Roar Sextet
Evan Cornish Foundation	Robert Kiln Charitable Trust
Francis and Eric Ford Charity Trust	Rolfe Charitable Trust
Frays Charitable Trust	Rowan Charitable Trust
Frederick William Carter Trust	Rufford Maurice Laing Foundation
Fulmer Charitable Trust	Sir Halley Stewart Trust
Furlongs Fund	Sir James Scott Memorial Fund
Gifford & partners	SMB Charitable Trust
Goldsmiths Company	Southampton Voluntary Services
Good Gifts Catalogue	St Marys Charity
Gordian Strapping Ltd	Stephen Clarke Charitable Settlement 1965
Haramead Trust	Taunton's College
Headway	Thomas J Horne Memorial Trust
Henhurst Charitable Trust	Triodos Foundation
Jane Hodge Foundation	TW Metals
Jersey Overseas Aid Commission	Waterloo Foundation
John and Susan Bowers Fund	West Country Fires Ltd
Kenneth John Lee Trust	Westcroft Trust
Langdale Trust	William A Cadbury Charitable Trust
Leonard Laity Stoate Charitable Trust	Zurich Community Trust

Finally, thank you to all the Rotary and Inner Wheel Clubs who supported us during the year.

