



Report of the Trustees and Financial Statements

for the year ended 31 December 2008

***Founding patrons:* Julius K Nyerere, Most Rev. Trevor Huddleston CR, KCMG
Patrons: Archbishop Desmond Tutu, Susan George, Archbishop of York – John Sentamu**

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Company information for year ended 31 December 2008

Background

Tools for Self Reliance registered as charity number 280437 on 10 October 1980 and was established as a company limited by guarantee, number 1487630, on 26 March 1980. Tools for Self Reliance is an independent charity and is not affiliated to any other organisation.

Organisational structure

The charitable company is administered by a Board of Trustees. In company law, they are the Directors. They are elected from and by the Members of Tools for Self Reliance at their Annual General Meeting. There is a process in place for induction of new trustees. In addition to six full board meetings each year, there are sub-committees of trustees and staff to consider employment and finance. New members are nominated and ratified by the trustees.

Charitable objectives

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 charity's guiding document is its Memorandum and Articles of Association.

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.

Patrons

- Archbishop Desmond Tutu
- Dr Susan George
- Archbishop of York, John Sentamu

Trustees

- Rae Burbidge
- Alastair Christie
- Dr Cathy Dolbear (resigned 31 May 2008)

- Alison Fender-Brown
- John Griffin (elected 31 May 2008 resigned 21 September 2008)
- Alan Jenkins (resigned 31 May 2008)
- Bram Miller
- Dr Anthony Tyrrell (Chair)
- Grant Williams (elected 31 May 2008)

Secretary

Dr Eddie Grimble

Staff

- | | |
|------------------|-------------------------|
| • Jan Kidd | Chief Executive |
| • Ash Abili | Project Development |
| • Larry Boyd | Fundraising |
| • Jo Bush | Volunteers Coordinator |
| • Luke Caley | Partnership Development |
| • Jon Dunkley | Operations |
| • Sarah Ingleby | Partnership Development |
| • Ian Limbrick | Group Support |
| • Polly Read | Administration |
| • Lydia Stallard | Finance |
| • Rob Westcott | Group Support |

Bankers

- CafBank, a subsidiary of Charities Aid Foundation
- COIF Charities Deposit Fund, London
- HSBC, Totton, Hampshire

Solicitors

Eric Robinson & Co., Hythe

Auditors

Stone Osmond Limited
Accountants & Registered Auditors
75 Bournemouth Road
Chandlers Ford SO53 3AP

The company's auditors are willing to continue in office.

Registered office

Netley Marsh Workshops
Ringwood Road
Netley Marsh
Southampton SO40 7GY
Tel: 023 8086 9697 Fax: 023 8086 8544
Email: info@tfsr.org Web: www.tfsr.org
Registered company number: 1487630 (England & Wales)

Report of the trustees

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 the 2007–2011 Organisational Strategy and demonstrates how Tools for Self Reliance trustees and staff use the Strategy to measure the organisation's performance.

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 the year we worked on 35 projects with 31 partners in five African countries, whilst also working with other partners to develop their projects and developing new partnerships.

Ghana

In 2008 we carried out more projects than ever before in Ghana. These included vocational training programmes carried out with *Pro-Link, Girls Growth and Development, Ghana Young Artisans Movement, Simili Aid* and *Ghana Danish Community Programme*.

As a result of these projects more than 430 vulnerable young people learnt vocational, business and life skills as well as receiving a start-up kit of tools.

We worked successfully with long-time partner *TRAX* in the Upper East region on two projects: a tools and skills for improved livelihoods project involving 23 groups and a blacksmith project with 11 blacksmiths.

We continued to support *Centre for the Development of People* with two further sewing machine maintenance and refurbishing training courses for 65 young people.

We set up a partner network in Ghana and organised an initial network meeting at which we were present. The partners outlined their areas of work and experiences. There was a very positive response to the idea of collaborating together to share ideas and best practice, and to learn from each other. More meetings are planned.

We established new links with *Northern Sector Action on Awareness Centre* and *Basic Needs* and will be collaborating on projects in 2009.

Malawi

Our Scottish groups continue to link with the *Global Concerns Trust* initiative supporting vocational training. Luke Caley and Emma Duncan of Global Concerns visited Malawi in July to track the progress of our joint project. We met with potential partner organisations and intend to launch pilot projects with five organisations in 2009.

Sierra Leone

The visit of Jan Kidd and Sarah Ingleby in December 2008 coincided with the arrival of the first container of tools sent to Sierra Leone in several years. The tools supported two vocational training projects with *Youth in Action – Sierra Leone* and *International Youth Forum*, and a livelihoods project with *Action Aid – Sierra Leone*.

Two network meetings were held with partners in Freetown and Bo. The aim is to further collaboration and increase capacity among the partners.

In 2009 we will be working with five other partners on two projects that will enable 420 unemployed, marginalised young people to learn a trade and set up in a small business.

Tanzania

Our partnership with the *Small Industries Development Organisation* (SIDO) continues and we worked together on tools and skills training projects in nine regions: Rukwa, Mbeya, Iringa, Lindi, Kilimanjaro, Mtwara, Morogoro, Dar es Salaam and Pwani. These projects provided small entrepreneurial groups with top-up vocational skills, business skills and tools. We also worked with 30 blacksmiths groups in Rukwa on the SIDO Rukwa Blacksmith Training Project (Phase 2).

We supported two vocational training projects with *Trade Aid* and *Ndanda Training Centre*, and a tool library for refugee and local use with *REDESO* based in the Kigoma region.

Uganda

This year our main project in Uganda was the establishment of a training centre and workshops in Kilembe. The project, a joint initiative with the *South Rwenzori Diocese* in Uganda and the *Romsey Deanery* in Hampshire, trains young people in carpentry and tailoring. Students are also trained in business skills from the award winning *Five Talents* and life skills from the *Young and Powerful Initiative*. The project provides two workshops, so-called 'incubator units', that graduates can use at nominal rents for 18 months to get their business established and still receive mentoring from the trainers.

Recent feedback has indicated that the idea is working well and the Diocese plans to expand the idea to two other locations in the region.

In the north we worked with two organisations, *International Christian Gospel Ministries* and *British Consultancy Charitable Trust*, on vocational training projects to assist internally displaced unemployed youth. In the west we worked with *Rural People in Action for Development*. In total, 190 young people received training via these projects.

Our support of *Uganda Rural Development and Training Programme* continued with a training project for 80 artisans and the supply of a container of tools for the tool refurbishing centre set up in previous years.

We also continued to work with *Network of Local Artisans* in Kasese to supply tools and skills training to 20 groups.

Zambia

The *Kara Counselling* project, training people diagnosed with HIV/AIDS proved to be a great success with very positive outcomes. Testimony from graduates related not only how their living standards had improved but how their self esteem and standing within the community had grown.

Unfortunately the *Women for Change* livelihoods project was less successful. The project was intended to train and equip 144 vulnerable young people but whilst there had undoubtedly been some activities, and tools had been distributed, it was felt that the project had not been complied with.

We linked with the *Rotary Club of Ringwood* to supply a container and tools to *HEAL*, an organisation working with orphaned children.

The partnership with *Kara Counselling* will continue in 2009 and we will carry out projects in other regions. We are working with other possible partners to plan new projects.

Zimbabwe

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

Other

In addition to our main programme of work we have collaborated to get funding for *Kenya Widows and Orphans/Good News! Trust*, a Jersey based charity.

During the year we have given tools to projects run by other organisations including *Magina* and *ICFEM* in Kenya.

We have systemised monitoring and evaluation of projects and improved reporting to our supporters. As well as visiting Sierra Leone, Malawi and Ghana we made working visits to Uganda, Tanzania and Zambia and used the information gained to improve on project design and to inform our UK supporters via our web pages and other publications.

As part of our artisan support projects we sent a total of nine containers of tools: two to Uganda, three to Tanzania, two to Ghana, one to Sierra Leone and one to Zambia, plus smaller quantities of kits to Malawi and Kenya. Altogether we shipped 809 toolkits comprising 47,085 tools, valued at £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.

We continued to recruit more volunteers throughout the country. In 2008 we had

63 groups and 198 collectors (including groups that also collect), an increase of 38 since 2007. We also worked with five potential new groups.

At the year end there were 156 people on the volunteer register at Netley Marsh. Twenty-nine new volunteers started and are still attending with a further nine new volunteers starting but also leaving during the year. Thirty-four previous volunteers left.

Netley Marsh volunteers	2008	2007
total volunteers	156	161
male	127	128
female	29	33
age range 18–25	16	19
age range 25–60	72	82
age range 60+	68	60
ethnic origin white	147	158
ethnic origin other	9	3
with special needs	43	47

Elsewhere we estimate that about 15% of the group volunteers are women and around 17% have special needs.

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.

The addition of Ian Limbrick as a second group support worker enabled us to increase support to our tool refurbishers with personal visits to 35 groups and with several groups visiting the Netley Marsh headquarters.

We ran three summer workcamps with young volunteers from Europe and from the refugee community in the UK. We also ran a volunteer training scheme with asylum seekers from the *Haslar Immigration Removal Centre* in Gosport.

The dedication and commitment of our volunteers continues to amaze us. Volunteer certificates were awarded to three people for 25 years service, one for 20 years service, nine for 15 years service and five for 10 years service. Gary Hiscock and Len Pippard from the Netley Marsh special needs training workshop had an award party to celebrate their 15 and 10 years of volunteering respectively.

The appointment of Jo Bush as volunteer coordinator enabled us to expand volunteer training. We ran seven training days for volunteers around the UK and other training at Netley Marsh. This is now showing results in the improved refurbishment of tools sent.

Tools for Self Reliance patron Archbishop Desmond Tutu did a *Radio 4* appeal raising nearly £50,000. *BBC South* reporter Roger Finn opened the Tools for Self Reliance Open Day and the new Ringwood group workshop.

We were visited by His Excellency Melvin Chalobah, the Sierra Leonean High Commissioner, and Mr and Mrs Parnell, the Mayor and Mayoress of Southampton.

Staff and volunteers supported events all over the UK. Volunteers used our new publicity pack to promote Tools for Self Reliance in their areas. Forty-nine articles were printed in various magazines and newspapers around the country and we featured on local radio.

We continued to get good support from various Rotary clubs, and in particular were a lead charity for the Governor of London District 1130 attending their Eastbourne conference. Rotary clubs of Southampton also invited us to their conference and a group led by the *Rotary Club of Winchester* purchased a grit blaster for the training unit.

Founder Glyn Roberts and Mark Smith produced a book outlining the first 15

years of Tools for Self Reliance. *Keeping Something Alive* was officially launched in October.

Once again we had competitors running in the British 10K in London, as well as other races, raising funds for Tools for Self Reliance. Two separate fundraising groups took on the Kilimanjaro challenge and Gavin Daruvalla ran a 'Discothon' raising about £500.

We increased our range of Christmas cards, T-shirts and improved the range of items to sell at stalls to attract visitors.

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.

The main focus of this work were the one month and six month visits respectively of Japhet Kilangi from Tanzania and Victor Turyamureba from Uganda. Both Japhet and Victor visited several of our volunteer groups and gave talks about the work of their organisations to a variety of audiences. Such first-hand experiences prove to be both informative and encouraging to volunteers.

We also focused on increasing the materials available to our supporters. We produced a DVD highlighting the work of Tools for Self Reliance in Ghana and Uganda and this was distributed widely.

Rob Westcott changed roles to become staff member dedicated to publications and focused on improving and updating our web pages, and other web based media. We have some excellent feedback from Ghana posted on YouTube.

We had visits from, and gave talks to, a number of schools as a result of our partnership with the *Centre for Global Awareness* in Winchester.

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

Governance and administration

We appointed Luke Caley as Partnership Development Officer and Ian Limbrick as Group Support Officer. Florian Pajot volunteered on a six month internship and we also hosted six long-term volunteers, gap-year students from Europe.

All our overheads, apart from staff costs, are covered by income that we generate from our craftshop rents and sales of surplus tools and scrap. In order to maximise this we embarked on a project to build two new craftshops. We were able to make cost savings of £90,000 as a result of using the expertise of our Netley Marsh volunteers who did much of the building work. We were able to use them without disrupting our tool sending programme. Moreover 90% of the capital was raised through individual supporters via a loan scheme.

Finances

At the end of the financial year we had net current assets of £295,031 including £106,869 of restricted project funding and £1,453 of craft shop rents. 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 £704,101 compared to £609,955 in 2008, enabling us to support more projects than ever before.

Expenditure also increased to £742,797 compared to £572,358 in 2008, resulting in a deficit of income over expenditure of £38,696 for the year. The increased expenditure reflects the increase in furtherance of the charities objectives, in particular the amount of restricted expenditure spent on projects in Africa.

This increased from £228,208 in 2007 to £466,352 in 2008.

The value of tools shipped (donations in kind) was £710,057 an increase on 2007 accounted for by the increase in number of shipments sent and the increase in numbers of kits and tools sent.

Total reserves amount to £752,887 including fixed assets of £457,856. The fixed assets of Tools for Self Reliance are the Netley Marsh workshop site, including that used as investment property (craftshop rentals) and the value of workshop, warehouse and office equipment.

The future

Owing to the current economic climate the future is less predictable than previously but we are confident that we have strategies in place that will enable us to continue with our plans as outlined in our *Organisational Strategy*. In particular we intend to expand our Zambian and Malawian programme and to continue developing the Sierra Leone programme. We will ship our first container of tools to Malawi. We aim to support at least 35 projects in 2009.

We have plans to improve our profile raising within the UK to increase the numbers of our supporters. We will be trying new avenues for raising funds to make up for expected shortfalls, including working more closely with our existing supporters.

We will diversify how we communicate with these supporters and will be improving our web pages and electronic communications.

The Annual Review 2008, Organisational Strategy 2007–2011 and this Annual Report for 2008 are available free from Tools for Self Reliance.

Company information for the year ended 31 December 2008 (continued)

Tools for Self Reliance organisation

Dr Anthony Tyrrell remains as Chair and Alison Fender-Brown is Vice-Chair. Dr Cathy Dolbear and Alan Jenkins stepped down as trustees and Grant Williams and John Griffin were elected at the AGM. However John Griffin did not attend any meetings and resigned on 21 September 2008.

Tools for Self Reliance local volunteer groups in the UK are linked to the national organisation but are not legally accountable to or by Tools for Self Reliance. Tools for Self Reliance groups are not required to submit accounts for consolidation.

Three Tools for Self Reliance local groups are registered charities working closely with the national organisation. These are Tools for Self Reliance Cymru, Tools for Self Reliance Milton Keynes and Tools for Self Reliance Northampton. They are solely responsible for their finances and activities.

Constitution

The company has no share capital and is precluded by its Memorandum and Articles of Association from distributing any portion of its profits to the members.

Investment powers

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit. However any funds will be invested with careful consideration to risk and reflecting the ethical and environmental policies of the charity.

Exemptions

The trustees have taken advantage, in the preparation of the report, of the exemptions applicable to small companies.

Reserves and risk management

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.

The trustees and staff also examined the major strategic, business and operational risks which the charity faces and confirmed that systems had been established to mitigate these risks. Risks were grouped under the following categories: strategic, compliance, financial and operational. In each case the likelihood, impact and consequence of the risk was considered. A system of ongoing risk assessment is in place.

In response to the uncertainty in the banking system the trustees decided to divide the reserves between three financial establishments to lessen the effect should any one default.

The trustees are also mindful that the present economic downturn may affect our current income sources and staff have initiated plans to diversify giving such that income should remain constant.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare 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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees 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 trustees 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 1985. 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 trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The auditors, Stone Osmond Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On Behalf of the Board of Trustees:



Dr E Grumble – Secretary 21 March 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOOLS FOR SELF RELIANCE

We have audited the financial statements of Tools for Self Reliance for the year ended 31 December 2008 on pages 12 to 17. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page 10.

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 1985. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions is not disclosed.

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

Basis of audit opinion

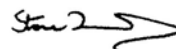
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the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

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 state of the company's affairs as at 31 December 2008 and of its surplus for the year then ended.
- The financial statements have been properly prepared in accordance with the Companies Act 1985.
- The information given in the Report of the Trustees is consistent with the financial statements.



Stone Osmond Limited Date: 23 March 2009

Accountants and Registered Auditors
75 Bournemouth Road, Chandlers Ford, Hampshire
SO53 3AP

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2008

	Unrestricted Funds £	Restricted Funds £	2008 Total £	2007 Total £
INCOME AND EXPENDITURE				
Incoming Resources				
Donations and grants	298,838	334,065	632,903	622,995
Donations in kind – tools sent (see note 1)	710,057		710,057	494,708
Rents receivable	39,111		39,111	40,365
Investment income	17,411		17,411	13,387
Other income	14,676		14,676	14,208
TOTAL INCOMING RESOURCES	1,080,093	334,065	1,414,158	1,185,663
Resources Expended				
Costs of activities in furtherance of the charity's objects	235,258	466,352	701,610	557,124
Donations in kind – tools sent (see note 1)	710,057		710,057	494,708
Fundraising and publicity	37,294		37,294	11,242
Governance costs	3,894		3,894	3,992
TOTAL RESOURCES EXPENDED	986,502	466,352	1,452,854	1,067,066
Net Incoming/(Outgoing) Resources Before Transfers	93,591	-132,287	-38,696	118,597
Transfers between funds	-5,885	5,885		
Net Incoming/(Outgoing) Resources For The Year	87,706	-126,402	-38,696	118,597
Gains/(Losses) on Investments	14,114		14,114	
NET MOVEMENT IN FUNDS	101,820	-126,402	-24,582	118,597
Balances brought forward as at 1 January 2008	542,745	234,724	777,469	658,872
BALANCES CARRIED FORWARD AS AT 31 DECEMBER 2008	644,565	108,322	752,887	777,469

Notes to the Statement of Financial Activities:

1. Donations in kind – tools sent

It is the policy of the charity to account only for the value of tools physically dispatched overseas.

The notes form part of these financial statements.

SUMMARY INCOME AND EXPENDITURE (including restricted projects)

For the year ended 31 December 2008

	2008		2007	
	£	£	£	£
INCOME				
Voluntary income				
Donations in kind		710,057		494,708
Grants and donations		632,903		622,995
		<u>1,342,960</u>		<u>1,117,703</u>
Activities for generating funds				
Rent from craftshops		39,111		40,365
Sales of tools and scrap		14,073		13,750
Sales of development education resources		603		458
		<u>53,787</u>		<u>54,573</u>
Investment income				
Bank interest		17,411		13,387
TOTAL INCOME		<u>1,414,158</u>		<u>1,185,663</u>
EXPENDITURE				
Charitable activities				
Refurbished tools dispatched	710,057		494,708	
Artisan support	491,006		389,921	
Awareness raising	50,306		65,925	
Groups support	64,962		18,448	
Administration	59,786		55,395	
Rates, insurance, site etc	35,550		27,435	
	<u>1,411,667</u>		<u>1,051,832</u>	
Costs of generating funds				
Fundraising	37,294		11,242	
Governance costs	3,894		3,992	
TOTAL EXPENDITURE		<u>1,452,854</u>		<u>1,067,066</u>
(DEFICIT) SURPLUS FOR THE YEAR		<u>-38,696</u>		<u>118,597</u>

All recognised gains and losses are included in the Income and Expenditure account.

The notes form part of these financial statements.

BALANCE SHEET

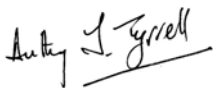
At 31 December 2008

		2008	2007
		£	£
FIXED ASSETS:	Notes		
Tangible assets	5	207,856	210,561
Investments	6	<u>250,000</u>	<u>200,000</u>
		457,856	410,561
CURRENT ASSETS:			
Stocks		3,206	1,053
Debtors	7	10,539	9,038
Cash at bank		<u>308,475</u>	<u>377,706</u>
		322,220	387,797
CREDITORS:			
Amounts falling due within one year	8	<u>27,189</u>	<u>20,889</u>
NET CURRENT ASSETS:		<u>295,031</u>	<u>366,908</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>752,887</u>	<u>777,469</u>
RESERVES:			
Revaluation reserve	9	214,114	200,000
Restricted funds		108,322	234,724
Retained reserves	9	<u>430,451</u>	<u>342,745</u>
		<u>752,887</u>	<u>777,469</u>

The notes form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Trustees on 21 March 2009 and were signed on its behalf by:



Dr A Tyrrell – Trustee

NOTES TO THE FINANCIAL STATEMENTS

For the year ending 31 December 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985.

INCOMING RESOURCES

Grants and donations

Income from donations and grants is included in incoming resources 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.

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.

Land and buildings	-2% on cost
Plant and machinery, etc	-33% on cost and 25% on reducing balance

Stock: Stock comprises development education resources, T-shirts and greetings cards and is valued at the lower of cost and net realisable value.

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 £23,071 with an employer's contribution of 10% of salary.

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 Trustees 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.

2. OPERATING SURPLUS

The operating surplus is stated after charging/(crediting):

	Year ended 31 Dec 2008	Year ended 31 Dec 2007
	£	£
Depreciation – owned assets	9,961	10,093
Surplus on disposal of fixed assets	–	–
Auditors’ remuneration	3,250	3,992
Pension costs	23,071	17,622

Trustees’ emoluments and other benefits: The trustees receive no remuneration and during the year the trustees were paid travel expenses amounting to £497 (2007 – £830).

3. TAXATION: Analysis of the tax charge – No liability to UK corporation tax arose for the year ended 31 December 2008 nor for the year ended 31 December 2007, as the company is a registered charity.

4. INCOMING RESOURCES AND RESOURCES EXPENDED

Income and expenditure for the year is analysed upon the Income and Expenditure Account on page 13.

5. TANGIBLE FIXED ASSETS

	Freehold property	Improvements to property	Plant and machinery	Computer equipment	Totals
COST:	£	£	£	£	
At 1 January 2008	106,091	130,813	48,284	12,219	297,407
Additions	–	–	2,787	4,470	7,257
At 31 December 2007	106,091	130,813	51,071	16,689	304,664
DEPRECIATION:					
At 1 January 2008	19,797	18,218	37,102	11,730	86,847
Charge for year	2,121	2,616	3,492	1,732	9,961
At 31 December 2008	21,918	20,834	40,594	13,462	96,808
NET BOOK VALUE:					
At 31 December 2008	84,173	109,979	10,477	3,227	207,856
At 31 December 2007	86,294	112,595	11,182	489	210,560

6. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2008	2007
	£	£
Netley Marsh craftshops	250,000	200,000

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

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Other debtors – VAT recoverable	6,693	3,753
Other debtors – Prepayments	3,846	5,285
Total	10,539	9,308

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade creditors	14,058	8,430
Taxation & Social security	6,389	5,430
Other creditors – Pensions contributions	3,110	2,969
Other creditors – accrued expenses	3,632	4,060
Total	27,189	20,889

9. RESERVES

	Retained reserve	Revaluation reserve	Totals
	£	£	£
At 1 January 2008	342,745	200,000	542,745
Surplus for year	87,706	14,114	65,394
At 31 December 2008	430,451	214,114	644,565

This represents the total assets of the charity, including the value of the charity's investment property, after taking account of current liabilities, but excluding Restricted Funds.

10. STAFF NUMBERS

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

	2008	2007
Direct charitable activities	11	9

11. STAFF COSTS

	2008	2007
	£	£
Salaries	251,830	206,012
Social security costs	27,470	20,106
Pension contributions	23,071	17,622
Total	302,371	243,740

The highest paid employee fell in the band between £35,000 and £45,000.

Thank you to all of our volunteers, supporters, Tools for Self Reliance groups and donors for your generous donations of tools, time and money. These are only a few of those who helped:

A B Charitable Trust	John Lewis Partnership
Advent Charitable Trust	Mrs Julia Jolly
Aim Foundation	Kenneth John Lee Trust
Mrs Jill Aitcheson	Landerfirst Ltd
All Saints' Guildford	Langdale Trust
ASDA, Totton	Janet Leakey
Aylesford Family Charitable Trust	Leonard Laity Stoate Charitable Trust
Baildon Churches One World Group	Mr R Lines
Mr & Mrs T J & G Beach	Lions Club of Harlow
Beatrice A V Cadman Charitable Trust	Mageni Trust
Beatrice Laing Trust	Marr-Munning Trust
D A Birkett	Marsh Christian Trust
Bisgood Charitable Trust	Mary Webb Trust
Bonhomie United Charity Society	Dr H M McDonald
Louise Briggs	Merstham Aid Project
Sir Neil Butterfield family & friends	Mr Jon Mills FCA
C B & H H Taylor 1984 Trust	Miss Mary Millyard Charitable Trust
C L & J S Cadbury Trust	MoneySavingExpert
Card Aid: Charities Advisory Trust	Mrs Eileen Moore-Blythe
Caterham Overseas Aid Trust	Morel Trust
Christadelphian Meal A Day Fund	Ms Sally Newcombe & Ms Claire Megovern
City Limits Employment	Mrs Betty Nias
Paul, Sue, Ella & Thomas Clementson	N Smith Charitable Settlement
Mr Paul Collins	Mr Ron O'Connor
Community First, New Forest	P & W Webster Trust
Cotton Trust	Parish of Sutton St James Nr Macclesfield
Mr & Mrs Nicholas & Brigid Crace	Patrick Frost Foundation
Cumber Family Charitable Trust	Paul Foundation
Mr Gavin Daruvalla	Peter Barker-Mill Memorial Charity
Mr Paul Davis	Peter Stebbings Memorial Charity
Dorfred Charitable Trust	Mr D C Pickering
Dr Richard Solomons' Charitable Trust	Rainford Trust
Dulverton Trust	Refugee Youth
EIL	Richard Kirkman Trust
E S G Robinson Charitable Trust	Miss Gillian Riley
Education Services	Roar Sextet
Edward Cadbury Charitable Trust (Incorporated)	Robert Kiln Charitable Trust
Ericson Trust	Roger Brooke Charitable Trust
Evan Cornish Foundation	Mr Timothy Shine
Mr Roger Finn	Shirley & Ian Watson Trust
Miss W Fitzsimons	Mr R J Sills
Francis and Eric Ford Charity Trust	SCA, Southampton University
Frays Charitable Trust	Sir Halley Stewart Trust
Frederick William Carter Trust	Southampton Voluntary Services
Fulmer Charitable Trust	St Andrews Fair Trade Shop
Furlongs Fund	St Julians Charitable Fund
Mrs Daphne Gabbertas	St Marys Charity
Gifford & Partners	Stephen Clark Charitable Settlement 1965
Eleanor Glover	Sydney E Franklin Deceased's New Second Charity
Mrs Sheila Goldsmith	Mr R Thomas
Good Gifts Catalogue	Thomas J Horne Memorial Trust
Mr Dave Gowlett	Thomas Sivewright Catto Charitable Settlement
H T & L B Cadbury Charitable Trust	Tibden Trust
Mr & Mrs Roland & Heather Hanbury	Tregenna Trust
Henhurst Charitable Trust	Mr Steven Turner
Mr Rob Hewison	Waterloo Foundation
HgO Consultancy Ltd	Miss Maureen Willis
Hillcote Trust	Mr Jim Wood
Mr F Ibbini	Zurich Community Trust
Inman Charity	
Mr John Innes	
Mrs B M Jackson	
Jane Hodge Foundation	
Jersey Overseas Aid Commission	
Dr Ian Jessiman	
John and Susan Bowers Fund	

