

The Libra Foundation

(A company limited by guarantee)

Report and Financial Statements

For the 11 months from 1 November 2010 to 30 September 2011

**Charity number 1123200
Company number 06061947**

The Libra Foundation
(a company limited by guarantee)

Financial Statements
For the period from 1 November 2010 to 30 September 2011

Contents	Page
Legal and Administrative Information	3
Trustees Report	4 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes forming part of the financial statements	11 to 14

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(a company limited by guarantee)

Report of the Trustees for the 11 months ended 30 September 2011

The Trustees are pleased to present their Report and Accounts for the 11 months to 30 September 2011. The Trustees have decided to bring the year-end forward by a month to better reflect the end of the annual cycle of activity. This means that the cost of the annual evaluation visit which takes place in October of each year is not reflected in this period's accounts and the reserves are about £3,000 higher to reflect the imminent costs of this necessary visit.

Reference and Administrative Information

Charity Name: The Libra Foundation

Charity registration number: 1123200

Company registration number: 6061947

Registered Office and principal operational address: 20 George Road,
Milford-on-Sea,
Lymington
Hampshire.
SO41 0RS

Trustees

Mrs Diana Heatly (Chairman)
Mr William Darley (Finance Trustee)
Mr Timothy Tofts (Schools Trustee)
Miss Olivia Darley (Youth Trustee)

Project Director

Mrs Virginia Darley

Reviewing Accountants

Westlake Clark, 7 Lynwood Court, Priestlands Place, Lymington, HANTS SO41 9GA

Bankers

HSBC, 102 High Street, Lymington, HANTS SO41 9ZP

Charity number 1123200
Company number 06061947

The Libra Foundation
(a company limited by guarantee)

Structure, Governance and Management

Governing Document

The Libra Foundation is a charitable company limited by guarantee, incorporated on 23 January 2007 and registered as a charity on 14 March 2008 with effect from 23 January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the Trustees are appointed for a period of 3 years, with one third retiring at each AGM. The directors welcome expressions of interest from any person who would be interested in bringing specialist skills to the Trustee body. Trustees will be given a full induction and training as necessary. The skills currently available to the existing trustees include education practice, child development skills, paediatric physiotherapy and business, strategic and financial skills.

Management of the Charity

The Trustees have appointed Mrs Virginia Darley as the Project Director to ensure that the day-to-day management of the charity functions effectively. The directors of the charity hold periodic Trustee meetings at least quarterly at which progress on the achievement of the charitable objectives is reviewed.

Objectives

- (1) To relieve persons who are suffering hardship or who, by reasons of disability or their social or economic circumstances, are disadvantaged or in need of assistance in Romania or elsewhere;
- (2) To broaden the education and skills of young people by working with or living with the people referred to in (1) above,
- (3) To educate and improve the skill of carers of persons referred to in (1) above;
- (4) To encourage local volunteers to support the persons referred to in (1) above to enable Libra's efforts to be locally sustainable.

Charity number 1123200
Company number 06061947

The Libra Foundation

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Activities

The Libra Foundation takes UK students aged 16 – 18 years old to Romania to work with disadvantaged children. The project has been running since 1999. Libra works with and through Romanian partner organisations which either run children's residential centres for mentally, physically and/or developmentally delayed children, or run schools or day centre organisations that work with Roma children. The students commit to the Foundation for 2 years and engage in fund-raising activities before and after they travel, learning organisational skills and are involved in the risk assessment and planning of the trips. Thereafter, some of the students are invited to join Libra's Leadership Training Scheme.

Libra provides resources and experiences to the children in the Romanian centres and schools which the local management cannot otherwise afford.

In addition, Libra provides specialist support to the carers of the children to enhance the local carers' skill base. In 2010/11 Libra provided a physiotherapist, an occupational therapist and a speech and language therapist to visit the projects and to run workshops with the staff, parents and carers. We were also delighted to be able to provide the services of Andy Blake through his generosity, who serviced a large number of wheelchairs for the Alexandra Centre and the hospital in Comanesti and presented to the staff in the Daniel Centre in Bacau on optimal wheelchair positioning.

Libra also runs a programme to recruit local Romanian volunteers to provide year-round help in the children's centres and schools when the Libra team are not there, and to assist with the accommodation of, and translation for, the UK students.

Libra's work is arranged through local individuals and local partner organisations who well understand the local context and assist in ensuring that the youthful energy provided by Libra is targeted to be as effective as possible.

In July 2011, Libra took out 48 students and 16 adults to work on 6 different projects in 4 different locations. One was in the Alexandra Centre in Onesti in Romania which the Libra staff have been supporting for 10 years with the help of the Inclusion Association. The second was a cultural integration project run in the Tristan Tzara School in Moinesti with the support of the Town Hall and the Director of the Lucacesti High School. The third location in Sacele saw a project run again in the Bradet Special School, plus an integration project run in the George Moroianu School with disabled, mainstream and disadvantaged children all working together. Two projects were again run in conjunction with the FSC and saw Libra's students working in the remote rural regions of both Podu Turcului and Motoseni, each project running with around 100 local children.

In all, Libra again brought a little hope, joy and fun in learning to around 500 children in the Summer of 2011.

In addition, thanks to the generosity of all who support us, we were able to continue with the provision of therapy services to the Alexandra Centre in Onesti, and we were able to ship over ½ a tonne of therapeutic, art, sport and music equipment worth over £4,500 out to our various projects in Romania.

Charity number 1123200
Company number 06061947

The Libra Foundation

(a company limited by guarantee)

Public Benefit

In the evaluation and planning of our projects each year we have regard to both the Charity Commission's general guidance on public benefit and the relief of poverty and the development of education for the public benefit. The trustees always ensure that the projects we undertake are in line with our charitable objects and aims. Our ambitious twin aims are to broaden the education and life experience of those students, both British and Romanian, who choose to participate in our programmes, both for their benefit and for the benefit of all of those who subsequently come into contact with them, and also to relieve the poverty of those disadvantaged children in the areas where we work, through working with them and raising the profile of their predicament within the local area.

Financial Review

Students and adult participants are asked to pay fees which are intended to cover the cost of administration, travel and accommodation. These amounted to £48,300 in 2010/11. Donations and fund-raising events raised another £8,800 and £18,000 respectively, giving a total income for the period of £75,300 as shown on the Statement of Financial Activities on page 9. Expenditure in the period amounted to £63,600, some £11,600 less than the income, so that reserves rose from £8,800 to £20,400 as shown on the Balance Sheet on page 10.

Reserves Policy

Libra aims to retain a level of reserves that is sufficient to protect any ongoing legal and moral commitments without unduly depriving current year activities of funding. The trustees took the decision to build reserves this year to enable the recruitment of a salaried member of staff to assist with the further growth and development of Libra, given the strong demand for our services that we now see from our Romanian partners.

Responsibilities of the Trustees

The trustees, who are also directors of The Libra Foundation for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees have due regard to guidance published by the Charity Commission on public benefit and believe that Libra provides significant benefit both in the UK and in Romania.

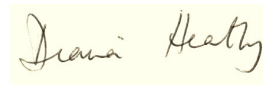
The Libra Foundation
(a company limited by guarantee)

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

Approved by the Trustees on 8 December 2011
and signed on their behalf by:



Diana Heatly
Chairman of Trustees

The Libra Foundation
(a company limited by guarantee)

Independent Examiner's Report to the Trustees:

I report on the accounts of the company for the 11 months ended 30 September 2011 which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended); and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

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 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave 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.



Zoe Redmill ACA
WESTLAKE CLARK
Chartered Accountants
14 December 2011

7 Lynwood Court
Priestlands Place
Lymington
Hampshire
SO41 9GA

Charity number 1123200
Company number 06061947

The Libra Foundation
(a company limited by guarantee)

Statement of Financial Activities (including Summary Income & Expenditure Account) for the 11 month period ended 30 September 2011

	Note	11 months ended 30 Sep 2011 £	12 months ended 31 Oct 2010 £
Incoming Resources			
Incoming resources from generated funds			
Voluntary Income			
Donations	2	8,797	16,660
Activities for generating funds			
Events and items sold	3	18,007	16,028
Investment income			
Bank interest and foreign exchange gain		154	64
Incoming resources from charitable activities			
Fees from project participants	3	48,303	42,487
Total incoming Resources		75,261	75,239
Resources expended			
Costs of generating Funds			
Costs of generating voluntary income		10,796	17,990
Fundraising trading: cost of goods sold and other costs			
Events and sold item costs		3,540	3,199
Costs of Charitable activities			
Cost of travel, accommodation and admin	4	35,878	32,837
Cost of charitable activity in-country	4	12,243	21,639
Governance costs		1,166	981
Total resources expended		63,623	76,646
Net (outgoing)/incoming resources		11,638	(1,407)
Total funds brought forward		8,804	10,211
Total funds carried forward		20,442	8,804

The statement of financial activities includes all gains and losses in the period. All incoming resources and resources expended derive from continuing activities.

The notes on pages 11 to 14 form an integral part of these statements.

The Libra Foundation
(a company limited by guarantee)

Balance Sheet as at 30 September 2011

	30 Sep 2011 £	31 Oct 2010 £
Current Assets		
Cash at bank	23,079	10,849
Current Liabilities		
Accruals	(2,637)	(2,045)
Net Assets	<u>20,442</u>	<u>8,804</u>
 Funds of the Charity		
Unrestricted funds	20,442	8,804
Total Funds	<u>20,442</u>	<u>8,804</u>

For the period ending 30 September 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Trustees on 8 December 2011
and signed on their behalf by:



William Darley
Finance Trustee

The notes on pages 11 to 14 form an integral part of these statements.

Charity number 1123200
Company number 06061947

The Libra Foundation

(a company limited by guarantee)

Notes forming part of the Financial Statements for the period ended 30 September 2011:

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period and in the preceding period.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Charities Act 2006, the Financial Reporting Standard for Smaller Enterprises (FRSSE) and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Where incoming resources have related expenditure which is incurred by the charity, the income and related expenditure are shown gross. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities (SoFA) when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts. Clothing and other items donated are included as incoming resources within activities for generating funds when they are sold.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of purchasing items sold for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees, public liability insurance and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. time spent.
- Total funds carried forward are stated after charging the Independent Examiner's fee of £400 and a premium for Public Liability insurance of £666 for the period.

Charity number 1123200
Company number 06061947

The Libra Foundation
(a company limited by guarantee)

(e) Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

2. Donations

	2011	2010
	£	£
Winchester College	2,596	0
William Brake Charitable Trust	1,000	0
Donated by Amilake Southern Ltd	1,000	6,000
Donated by The Constance Green Foundation	0	5,000
Donated through Tim Kelly	619	1,000
Other private and corporate donations ≤ £500	3,582	4,660
Total donations	8,797	16,660

3. Incoming Resources from Activities to further the Charity's Objects

	2011	2010
	£	£
Centrally organised events	8,393	4,354
Student organised events	9,034	10,616
Other events and items sold	580	1,058
Total fundraising	18,007	16,028

The other principal source of income to the charity is the fee charged to participants to cover the cost of their travel in getting to the children's centre in Romania. Students were charged £800 each in 2011, and team leaders and responsible adults were charged £400 each. These fees amounted to £48,303 in 2011 (2010: £42,487). The Libra Foundation is acutely aware that there are many students who struggle to find these fees and consequently has a bursary scheme to assist students who would otherwise find the experience impossible to fund. In addition, the Foundation has a scholarship scheme offering a reduction to students who have shown outstandingly high quality of service to the children in Romania.

The Libra Foundation
(a company limited by guarantee)

4. Resources expended on Charitable Activities

	2011	2010
	£	£
Cost of travel, accommodation and admin		
Participants' travel costs	24,056	19,182
Cost of project director allocated to charitable work	6,370	7,560
Cost of October planning and development	0	1,307
Cost of Easter risk assessments	2,163	2,608
Team building and training costs	1,318	597
Central office costs	1,970	1,583
Total travel, accommodation and admin	35,877	32,837
Cost of charitable activity in-country		
Equipment donated	4,542	10,056
Haulage on equipment	1,182	750
Camps, food and accommodation	5,471	8,091
Therapy support	1,048	2,742
Total cost of charitable activity in-country	12,243	21,639
Total cost of Charitable Activities	£ 48,120	£ 54,476

Note: Costs have been reduced in 2011 as follows: 2010 saw a single donation of £6,000 of therapy equipment, which was a one-off and therefore not repeatable in 2011. The Trustees and Project Director have worked hard, and successfully, to bring the cost of accommodation of our students down from 2010 levels. This has been achieved by encouraging more Romanian volunteers who are willing to accommodate Libra students in their own homes during the 2 week projects. Whilst less has been spent on therapy salaries in Romania, more therapists from the UK have been willing to visit the Romanian centres and share best practice with the Romanian carers.

The Libra Foundation

(a company limited by guarantee)

5. Staff Costs and Numbers

The Libra Foundation had two employees during the period to 30 September 2011 who earned £6,539 (2010: £11,636). In addition, Mrs Virginia Darley, who had been organising the project for 7 years before the creation of the charity, is a crucial part of the operational team and is the wife of a Trustee, Mr William Darley. She is paid a fee of £200 per student that travels to Romania under an agreement to provide her services as a Project Director. Mrs Darley was paid £9,100 (2010: £10,800) under this agreement in 2011. The Trustees consider this to be good value for money. This cost is allocated 30% to the cost of generating funds, and 70% to the cost of the administration of the charitable activities.

6. Trustee Remuneration & Related Party Transactions

The wife of one of the Trustee's received remuneration as identified in Note 5 above. No Trustees received any remuneration during the period. The charity re-imbursed two Trustees for costs amounting to £2,248, (2010: £2,629). In addition, Mrs Virginia Darley was re-imbursed costs incurred on the charity's behalf of £2,552, (2010: £3,029). Except as mentioned, no trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period.

7. Taxation

As a charity, the Libra Foundation is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

8. Members Liability

The charity is a private limited company, limited by guarantee and consequently does not have any share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of a liquidation.

9. Controlling Party

The charity is controlled by the Trustees who are all directors of the company.