

**ITHEMBA AIDS FOUNDATION
FINANCIAL STATEMENTS**

31 DECEMBER 2003

Charity Number 1092574

ITHEMBA AIDS FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

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ITHEMBA AIDS FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2003

Status

Ithemba Aids Foundation is formed under a Declaration of Trust dated 4 March 2002. It is a registered charity, with charity number 1092574.

Trustees

The Trustees have the power to appoint new or additional trustees and to remove any trustee provided the number of Trustees does not fall below a minimum of three. The Trustees who served during the year and since the year end were as follows:

A Davisson
M Davisson
K N Pearson (resigned 28 April 2004)
S Wilsher
E A Ling (resigned 30 April 2003)

Principal Address

Widcombe Manor, Church Street, Bath, BA2 6AZ

Independent Examiner

David Biddel, Chartered Accountant, Thornton House, Richmond Hill, Clifton, Bristol BS8 1AT

Bankers

Natwest, PO Box 7, 1 Prospect Hill, Douglas, Isle of Man IM99 1AQ

ITHEMBA AIDS FOUNDATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2003

The Trustees have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 December 2003.

Objects of the charity

The objects of the charity are:

- To promote and advance the Christian religion
- The relief of financial hardship of orphans due to HIV/AIDS
- The relief of sickness due to AIDS
- To advance the sexual education of persons living in communities affected by HIV/AIDS

Investment powers

The Declaration of Trust places no restrictions on the investment powers of the Trustees.

Review of activities and future developments

This year iThemba AIDS Foundation received donations of £145,853 from various individuals.

iThemba made grants totalling £68,050 to organisations involved in HIV/AIDS projects providing orphan care, home-based care or HIV/AIDS education.

iThemba supports local church-based, community-oriented initiatives in developing countries and as these responses develop we anticipate our grant level to increase dramatically over the coming years.

The board of trustees meet about 6 times a year to analyse current projects and consider new applications for funding. Andrew Davisson acts as treasurer for the charity and is responsible for investing the assets. The assets are kept on deposit in Pound Sterling.

Reserves policy

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be equivalent to at least 3 months of resources expended, which equates to £22,000. At this level the board of Trustees feels that it would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed accordingly should such an event occur. At the balance sheet date free reserves amounted to £64,737

Investment policy

It is envisaged that the assets will remain on short- term deposit until the charity experiences a significant increase in funding..

Members of the board of Trustees

The Trustees who served during the year and up to the date of this report are set out on page 1.

ITHEMBA AIDS FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2003

Responsibilities of the Trustees

In accordance with charity law, the Trustees are responsible for preparing statements of accounts for each financial year.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to both ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law, regulations and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities".

Registered office:

Widcombe Manor
Church Street
Bath
Avon
BA2 6AZ

Signed by order of the Trustees

M Davisson
Secretary

Approved by the Trustees on 26 October 2004.

ITHEMBA AIDS FOUNDATION

REPORT OF THE INDEPENDENT EXAMINER

YEAR ENDED 31 DECEMBER 2003

I report on the unaudited accounts of the charity for the year ended 31 December 2003 set out on pages 5 to 10.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE EXAMINER

As the charity's Trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 does not apply. It is my responsibility to state, on the basis of the procedures specified in the General Directions given by the Charities Commissioners under section 43(7)(b) of the Act, whether particular matters have come to our attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general directions given by the Charities Commissioners. An independent examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - (a) to keep accounting records in accordance with section 41 of the Act; and
 - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave 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.

Thornton House
Richmond Hill
Clifton Bristol
BS8 1AT

David Biddel
Chartered Accountant

28 October 2004

ITHEMBA AIDS FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2003

	Note	Year to 2003 £	Year to 2002 £
Incoming resources			
Donations	2	145,853	25,925
<i>Activities in furtherance of charity's objects</i>			
Interest receivable		2	12
Total incoming resources		<u>145,855</u>	<u>25,937</u>
Resources expended			
<i>Charitable expenditure</i>			
Cost of activities in support of charity's objects	3	80,627	17,218
Support costs	4	3,425	2,263
Management and administration	5	3,369	153
Total resources expended		<u>87,421</u>	<u>19,634</u>
Net incoming/(outgoing) resources		58,434	6,303
Total funds at 1 January 2003		6,303	-
Total funds at 31 December 2003		<u>64,737</u>	<u>6,303</u>

The Charity has no recognised gains or losses other than the results for the year as set out above.

All movements are in unrestricted funds.

All of the activities of the charity are classed as continuing.

The notes on pages 7 to 10 form part of these financial statements

ITHEMBA AIDS FOUNDATION

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2003

	Note	2003 £	2002 £
Current Assets			
Debtors	9	35,702	-
Cash at bank		<u>29,622</u>	<u>6,303</u>
		65,324	6,303
Creditors : Amounts falling due within one year	10	<u>(587)</u>	<u>-</u>
Net Current Assets		64,737	6,303
Net assets		<u><u>64,737</u></u>	<u><u>6,303</u></u>
Unrestricted funds			
General funds	11	<u><u>64,737</u></u>	<u><u>6,303</u></u>

These financial statements were approved by the Trustees on 26 October 2004 , and are signed on their behalf by:

A Davisson

The notes on pages 7 to 10 form part of these financial statements

ITHEMBA AIDS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting and reporting by Charities, issued in October 2000.
- b) Income from donations is included in incoming resources when these are receivable, except as follows:
 - I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;
 - II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.
- c) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered
- d) Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.
- e) Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Management and administration costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.
- f) Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- g) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the management committee.

2 Donations

	Year to 2003 £	Year to 2002 £
Donations	145,853	25,925
	<u>145,853</u>	<u>25,925</u>

ITHEMBA AIDS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2003

3 Cost of activities in furtherance of the charity's objects

	Year to 2003 £	Year to 2002 £
Grants	68,050	17,218
Wages and Salaries	9,876	-
Leaflets promoting awareness	2,701	-
	<u>80,627</u>	<u>17,218</u>

4 Support costs

	Year to 2003 £	Year to 2002 £
Education	-	289
Accommodation and Travel	3,425	1,974
	<u>3,425</u>	<u>2,263</u>

5 Management and administration

	Year to 2003 £	Year to 2002 £
Office Costs	87	87
Bank Charges	368	66
Stationery	989	-
Website Design	750	-
Accountancy fees	1,175	-
	<u>3,369</u>	<u>153</u>

ITHEMBA AIDS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

6 Net incoming resources for the year

This is stated after charging:

	Year to 2003 £	Year to 2002 £
Independent Examiner's fee	1,175	-
Trustees' remuneration	-	-
Reimbursement of trustees' expenses	1,728	1,974
	<u>1,728</u>	<u>1,974</u>

Travel and accommodation expenses of £1,728 were reimbursed to two Trustees.

7 Staff costs and numbers

No salaries or wages have been paid to trustees, during the year.

8 Taxation

The charity is exempt from corporation tax on its charitable activities.

9 Debtors

	Year to 2003 £	Year to 2002 £
Prepaid donations made	35,392	-
Gift aid debtor	310	-
	<u>35,702</u>	<u>-</u>

ITHEMBA AIDS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2003

10 Creditors: amounts falling due within one year

	Year to 2003 £	Year to 2002 £
Accruals	587	-
	<u>587</u>	<u>-</u>
	<u><u>587</u></u>	<u><u>-</u></u>

11 Movement in funds

	At 01-Jan 2003 £	Incoming resources £	Outgoing resources £	Transfers £	At 31-Dec 2003 £
Unrestricted funds					
General funds	6,303	145,855	(87,421)	-	64,737
	<u>6,303</u>	<u>145,855</u>	<u>(87,421)</u>	<u>-</u>	<u>64,737</u>
	<u><u>6,303</u></u>	<u><u>145,855</u></u>	<u><u>(87,421)</u></u>	<u><u>-</u></u>	<u><u>64,737</u></u>

12 Analysis of net assets between funds

	Tangible Fixed assets £	Other Net assets £	Total £
Unrestricted funds	-	64,737	64,737
	<u>-</u>	<u>64,737</u>	<u>64,737</u>
	<u><u>-</u></u>	<u><u>64,737</u></u>	<u><u>64,737</u></u>