

Charity Registration No. 1125396

THE BREADSTICKS FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE PERIOD 31 JULY 2008 TO 30 SEPTEMBER 2009



Caladine

Chartered Certified Accountants

THE BREADSTICKS FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms Beatrix Payne Dr Paul Ballantyne Dr Yolande Knight Ms Beatrice Roberts Mr Trevor Macy
Secretary	Dr Yolande Knight
Charity number	1125396
Principal address	35 Canonbury Square London N1 2AN
Accountant	Peter Saltiel Church & Charity Accounts Service 69 Portland Place Ingress Park Greenhithe Kent DA9 9FE
Bankers	Cooperative Bank Plc 1 Balloon Street Manchester M60 4EP
Solicitors	M. A. Willey 27A Cross Street Ryde Isle of Wight PO33 2AA
Auditors	Caladine Stevens Limited 1 The Avenue Eastbourne East Sussex BN21 3YA

THE BREADSTICKS FOUNDATION

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THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

The trustees present their report and accounts for the period ended 30 September 2009.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Foundation's governing document, the Charities Act 1993 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The Foundation was established by a charitable trust deed signed on 31 July 2008.

The trustees who served during the period were:

Ms Beatrix Payne
Dr Paul Ballantyne
Dr Yolande Knight
Ms Beatrice Roberts
Mr Trevor Macy

The Breadsticks Foundation has a minimum of three Trustees appointed for various terms of at least two years. New Trustees are recruited by the existing Trustees on the basis of their experience, empathy with and knowledge of the Foundation's work. On appointment, new Trustees meet with the Chairwoman, Secretary and Treasurer and are given a welcome pack consisting of the governing document and latest report and statement of accounts and the Charity Commission's guidance booklet :The Essential Trustee: What you need to know.

The Foundation is funded by an annual grant from an individual who is known to the Trustees and wishes to remain anonymous. The funds are held on bank deposit and are expected to be allocated to grants within one year.

At half yearly meetings the Trustees agree the broad strategy and areas of activity for the foundation including consideration of grant making, reserves and risk management policies. Day-to-day management of grants and initial consideration of grant applications are delegated to the executive committee consisting of the Chairwoman, Secretary and Treasurer.

All Trustees give their time freely and no Trustee received remuneration during the year.

The Trustees have assessed the major risks to which the Foundation is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

Objectives and activities for the public benefit

The objectives of the Foundation are to advance education and protect and preserve good health with a particular focus on Africa and India, whilst also being mindful of areas of acute need within the local communities of the Trustees.

The Trustees confirm that they have referred to the guidance contained within the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. In doing so the Trustees have complied with the duty in section 4 of the Charities Act 1993.

The Foundation carries out these objectives by:

- funding community programmes whose efforts enable the provision of education or healthcare support.
- funding programmes that are both small-scale activities or embedded in local communities, or large-scale expansive programmes.
- funding programmes whose recipients are often marginalised
- funding programmes in our focus geographical areas

By focussing on these areas we achieve our strategic priorities of:

- helping communities to create sustainable futures through support for and provision of education and healthcare
- building long-term partnerships with the organisations we support.

Grant making policy

The Foundation invites applications for core funding activities or project grants. Applications are invited through the Foundation website. Applicants submit an initial summary application outlining key activities, existing funding and intended use for the funding. Initial applications are reviewed by the Executive Committee who then begin a second round of information gathering through telephone and face-to-face interview. Financial reports are scrutinized in the initial application. Grants are usually funded on an annual basis, with some grants nominally committed for up to five years subject to successful monitoring, evaluation and Trustee review. Progress reports are usually requested quarterly, with an additional annual report submission. After renewal, grant progress reports may be adjusted to biannual reporting. Funding agreements are mutually agreed and signed prior to commencement of the grant.

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

How our grants delivered public benefit: a review of our programme grants and their activities.

The beneficiaries of the Foundation's work are local communities, with children and adults benefitting from five programmes supported by Breadsticks Foundation in its first year of operation.

1) Grants in Africa

a. Hope and Homes for Children, Wiltshire, U.K. This large international organisation aims to support vulnerable children in Africa and Central and Eastern Europe. A grant from the Breadsticks Foundation funded its work in Sudan, South Africa and Rwanda where it helps orphaned and vulnerable children to live in supported and sustainable family units. Over 600 children have been supported through its work in these countries.

b. Christine Revell Children's Home, Cape Town, South Africa. This home cares for 49 abandoned, abused, neglected or orphaned children from birth to the age of five years. The Breadsticks Foundation funded operational costs and the installation of a smoke alarm and roof repairs so that the children's care could continue to be provided in a safe environment.

c. Class Act Educational Services, South Africa. This community-focussed organisation develops education and community programmes in villages in South Africa. The Breadsticks Foundation funded a loyalty voucher scheme to reward its adult learners in literacy programmes.

2) Grants in United Kingdom

a. The Medical Foundation, London. This organisation provides care and rehabilitation to survivors of torture and other forms of organised violence. The Breadsticks Foundation funds the activities of an adult assessment and therapy team, who work with almost 300 victims of torture.

b. Friends of the Rosebowl, London. The Rosebowl Youth Club in inner London tackles the problems of social exclusion of young people through a variety of innovative, targeted and effective programmes, including play, skill development and education. It aims to develop young people's sense of self worth and belief. The Breadsticks Foundation funds the activities of the equivalent of one full-time youth worker who leads on outreach work in a local ward. Over 300 children are registered users of the Rosebowl Youth Club.

The Trustees are pleased that the achievements and performance of the Trust in its first year have been well demonstrated in the grantees' early monitoring and evaluation process.

Financial review

In the period under review, the Foundation received £420,000 in funding, with a further £118,000 in Gift Aid Tax Reclaim received after the year end, and disbursed £409,044 to the five organisations described above. In addition, the Foundation received £1,925 in bank interest. In the course of disbursing these funds, the Foundation incurred expenses that amounted to 0.40% of funds received.

Investment policy and performance

The investment policy of the Foundation is that we aim to spend funds as soon as practicable and certainly within one year. Prior to disbursement, funds are kept on interest-bearing bank deposit.

Risk management

Any financial risk to which the Foundation is exposed is mitigated by the investment policy described above - whereby surplus fund balances are minimised and kept only as savings deposits and only with UK clearing banks. Operational risk we define as funding disbursed that gives rise to outcomes that are not in line with the Foundation's objectives. We look to mitigate this risk by thorough appraisal of the integrity, capacity, capability and governance of potential recipients of funding prior to disbursement of that funding.

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

Plans for the future

In 2009, after its first period of operation, The Breadsticks Foundation identified further strategic aims:

- a widening of its geographical focus, while remaining focussed on those geographical areas where the Trustees felt they had some direct knowledge
- a continued emphasis on relatively small, embedded, community-based organisations

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that period.

In preparing these accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 Foundation and enable them to ensure that the accounts comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations and the provisions of the 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.

Auditors

Caladine Stevens Ltd of 1 The Avenue, Eastbourne were appointed auditors during the period and they have indicated they will be prepared to continue in office.

On behalf of the board of trustees

Trustee

Dated:

THE BREADSTICKS FOUNDATION

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE BREADSTICKS FOUNDATION

We have audited the accounts of The Breadsticks Foundation for the period ended 30 September 2009 set out on pages 7 to 11. These accounts have been prepared in accordance with the accounting policies set out on page 9.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 4, the trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for satisfying themselves that the charity's accounts give a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the accounts 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 accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Charities Act 1993 and give a true and fair view.

In addition we report to you if, in our opinion, the charity has not kept sufficient accounting records, if the accounts do not accord with those records, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, 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 accounts 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 accounts.

THE BREADSTICKS FOUNDATION

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF THE BREADSTICKS FOUNDATION

Opinion

In our opinion the accounts:

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Charities Act 1993; and
- give a true and fair view of the state of the Foundation's affairs as at 30 September 2009 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended.

Mr J R Caladine FCCA CTA FCIE (Senior Statutory Auditor)

Caladine Stevens Limited

Chartered Certified Accountants

1 The Avenue

Eastbourne

East Sussex

BN21 3YA

Dated:

THE BREADSTICKS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

	Notes	2009 £	2008 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	538,462	-
Investment income	3	1,925	-
		<hr/>	<hr/>
Total incoming resources		540,387	-
		<hr/>	<hr/>
<u>Resources expended</u>			
Support costs	4	946	-
Costs of generating funds		172	-
Charitable activities		409,044	-
Governance costs		702	-
		<hr/>	<hr/>
Total resources expended		410,864	-
		<hr/>	<hr/>
Net income for the period/ Net movement in funds		129,523	-
		<hr/>	<hr/>
Fund balances at 31 July 2008		-	-
		<hr/>	<hr/>
Fund balances at 30 September 2009		129,523	-
		<hr/> <hr/>	<hr/> <hr/>

There are no comparative figures

THE BREADSTICKS FOUNDATION

BALANCE SHEET

AS AT 30 SEPTEMBER 2009

	Notes	2009 £	£	2008 £	£
Current assets					
Debtors	8	118,975		-	
Cash at bank and in hand		11,100		-	
		<u>130,075</u>		<u>-</u>	
Creditors: amounts falling due within one year	9	<u>(552)</u>		<u>-</u>	
Total assets less current liabilities		<u>129,523</u>		<u>-</u>	
Income funds					
Unrestricted funds		<u>129,523</u>		<u>-</u>	
		<u>129,523</u>		<u>-</u>	

There are no comparative figures.

The accounts were approved by the Trustees on

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Trustee

Trustee

THE BREADSTICKS FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

1.3 Resources expended

Resources expended are recognised in the period in which they are incurred and allocated to the particular cost centre to which they relate. These costs include irrecoverable VAT.

1.4 Tangible fixed assets

There are no fixed assets.

1.5 Unrestricted Funds

These include donations and other incoming resources receivable or generated for the objects of the Foundation without further specified purposes and are available as general funds.

1.6 Taxation

The Trust is not subject to tax on its incoming resources.

2 Voluntary Income

	2009	2008
	£	£
Donations and gifts	420,000	-
Gift Aid Claim	118,462	-
	<hr/> 538,462 <hr/>	<hr/> - <hr/>

3 Investment income

	2009	2008
	£	£
Interest receivable	1,925	-
	<hr/> 1,925 <hr/>	<hr/> - <hr/>

THE BREADSTICKS FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

4 Total resources expended

	Other costs £	Grant funding £	Total 2009 £	Total 2008 £
Support costs				
Website	810	-	810	-
Bank charges	136	-	136	-
	<u>946</u>	<u>-</u>	<u>946</u>	<u>-</u>
Costs of generating funds				
Subscriptions	172	-	172	-
	<u>172</u>	<u>-</u>	<u>172</u>	<u>-</u>
Charitable activities				
<u>Donations</u>				
Grant funding of activities	-	409,044	409,044	-
	<u>-</u>	<u>409,044</u>	<u>409,044</u>	<u>-</u>
Governance Costs				
Auditors remuneration	552	-	552	-
Accountancy	150	-	150	-
	<u>702</u>	<u>-</u>	<u>702</u>	<u>-</u>
	<u>1,820</u>	<u>409,044</u>	<u>410,864</u>	<u>-</u>

THE BREADSTICKS FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

5 Grants payable

	Total 2009 £	Total 2008 £
Grants to institutions:		
Class Act Educational Services	10,000	
Hope & Homes for Children	200,000	
Christine Revell Children's Home	19,044	
The Medical Foundation	150,000	
Friends of the Rose Bowl	30,000	
	<u>409,044</u>	<u>-</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the period.

7 Employees

There were no employees during the period.

8 Debtors

	2009 £	2008 £
HM Revenue and Customs (Gift Aid)	118,847	-
Prepayments and accrued income	128	-
	<u>118,975</u>	<u>-</u>

9 Creditors: amounts falling due within one year

	2009 £	2008 £
Accruals	552	-
	<u>552</u>	<u>-</u>