

Charity no: 803697
Company no: 2513757

THE LIFETRAN TRUST

A company limited by guarantee

Reports and Financial Statements

For the year ended

31st March 2006



KIMBERS

Chartered Accountants

THE LIFETRAN TRUST

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The Lifetrain Trust

Directors' and Trustees' Report and Financial Statements For the year ending 31st March 2006

REPORT OF THE TRUSTEES

The Directors and Trustees present their report together with the audited financial statements of the Company and Group for the year ending 31st March 2006. The Board have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000, in preparing the annual report and financial statements of the charity.

Reference and administrative details

Charity Number:	803697
Company Number:	2513757
Principal office:	Felbury House, Holmbury St Mary, Dorking, Surrey RH5 6NL
Auditors:	Kimbers Chartered Accountants, 25 Cardwells Keep, Guildford, Surrey GU2 9PD
Bankers:	Barclays Bank plc, PO Box 4, 19 North Street, Guildford, Surrey GU1 4AG
Solicitors:	Thomas Eggar, Belmont House, Station Way, Crawley, W. Sussex RH10 1JA

Directors and Trustees

The Directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end were as follows.

P. D. McIlwraith	Chairman
A. R. Baird	Treasurer
P Drysdale	Retired 14 th September 2005
S Furness	Deceased 3 rd March 2006
Mrs. K Hammond	
I. O. H. Macleod	
S. F. Parker	

Company Secretary:	R. G. J. Bowden
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Chief Executive:	R. G. J. Bowden
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Structure, Governance, and Management

The Lifetrain Trust is an independent charity originally established in 1950. Up until 31st March 2002 the Charity was known as Surrey Association of Youth Clubs and Surrey Phab Limited. It registered with the Charity Commission in July 1990 having been incorporated as a Company, limited by guarantee, in June of that year.

Board of Trustees

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As set out in the Articles of Association there shall be a minimum of 5 and maximum of 20 Trustees; up to three may be co-opted by the elected Trustees. The Trustees have powers to make appointments to the Executive Committee (Board of Trustees). These are ratified by a vote of the Membership at the Annual General Meeting. Directors retire by rotation with one third of the Board retiring each year in the order of those who have served longest since last being voted onto the Board. Andrew Baird and Mrs. K. Hammond will be retiring at the forthcoming Annual General Meeting and being eligible offer themselves for re-election.

New Trustees are provided with a comprehensive induction pack and are invited to attend a number of Board of Trustee meetings prior to agreeing to their appointment. Trustees are encouraged to attend the work of the charity to increase their knowledge of that work.

The Board of Trustees meets six times each year, and at other times as may be considered appropriate. The Board delegates responsibility for the day to day operation of the Charity through the Chairman to the Chief Executive and the Management Team.

The Charity is organised into five operating units:

1. Youth Work Services is the county arm of the country's largest non-uniformed youth organisation UKYouth, and provides support to affiliated youth groups across Surrey through fieldworkers and a number of nationally accredited training courses for both the young people and their youth workers.
2. Disability Services similarly supports a number of disability groups across the county through fieldworker visits, a number of accredited training courses, and through residentials in this country and abroad. The team provides training for disabled and non-disabled people in disability and inclusion issues.
3. The Felbury Centre is the charity's residential centre at Holmbury St. Mary with modern accommodation for 45 people and day visitors, which is used for a variety of training courses by ourselves and many other community groups from the UK and abroad. The facilities specialise in outdoor activities as a means of training life skills.
4. Fundraising and Marketing is charged with raising unrestricted funds for the core operations of the charity and restricted funds for the charity's various projects and programmes. It runs a series of events during the year to raise funds as well as the profile of the charity. It also prepares and produces a number of informative leaflets and newsletters each year and maintains the charity's web sites.
5. Central Services undertakes the administrative and accounts functions of the charity.

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REPORT OF THE TRUSTEES - continued

Employee Involvement and Staffing Policies

The Lifetrain Trust is an equal opportunities employer, which welcomes applications from all sections of the community. Since 1998 Lifetrain has been an *Investor In People* certified employer and acknowledges the value of having well trained staff to achieve its charitable objectives effectively.

The Charity has a number of documented policies in relation to personnel matters including:

- Equal Opportunities
- Volunteers
- Health and Safety
- Child & Vulnerable People Protection
- Recruitment and Selection
- Employment of Ex-offenders

Working with young people and vulnerable adults, the charity meets the requirements of section 4 (2) of the Rehabilitation of Offenders Act 1974 in respect of exempt questions.

The Charity is a Registered Body with the Criminal Records Bureau and is able to facilitate the obtaining of Disclosures of its own staff, and the workers and volunteers of our affiliated clubs.

The Lifetrain Trust seeks the staff's involvement in the running and future of the Charity. The management team meets on a monthly basis and all the staff meet together six times each year.

Volunteers

The charity is ever grateful for the unstinting, and usually unsung, efforts of the hundreds of volunteers that week by week manage and run the clubs that are our Members. Without their hard work there would be no clubs and very little non-uniformed youth work in the county and thus no platform for our work.

We are also grateful for all those marvellous volunteers that support us more directly, either as committee members or who help in our fundraising efforts.

We are fortunate that many local businesses support their employees volunteering for charities. During the last year teams from Unum Provident and Philips Electronics UK Limited have spent time at Felbury House undertaking a range of maintenance jobs.

Trading Company

The Charity's trading company was set up to enable the charity to maximise the use of the residential centre with groups outside the charity's remit at times when it is not being used by core groups. The trading company Holmbury Enterprise Limited was incorporated in April 1995 as Felbury House Limited. It changed its name in February 2000.

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Risk Management and Internal Control

The Board is aware of its Third Party responsibilities and maintains insurance at a level of £5,000,000 per annum and Employers Liability at £10,000,000 per annum.

The Board acknowledges the high regard that the charity's Staff and training projects have within the voluntary and statutory sectors and it highly values the work that the staff have put in to achieve this status. It therefore takes steps to ensure that its staff are adequately rewarded and trained to ensure continuity and a high level of professionalism.

The Board recognises the physical risks associated with much of its work to staff and clients and has in place appropriate Health and Safety Policies. Risk assessments have been undertaken in all areas of its work to minimise risk

Primary Objectives of the Charity

Mission Statement

Empowering young people and disabled people to make positive changes for themselves and the community through learning, equality of opportunity and inclusion, and to offer opportunities to those who wish to support them.

Objectives

At the AGM in 2002 the Membership agreed to a redrafting of the Memorandum and Articles of Association subject to the agreement of Companies House and The Charity Commissioners. It was considered that this change was necessary as both our work with young people and disabled people had moved on in the decades since the objects were first drafted. The language had also changed significantly.

The Charity Commissioners agreed to the changes in December 2003. The new document was put to the 2002-2003 AGM on 17th December 2003 and received the membership's agreement. Thus the primary objectives of the charity are:-

- (a) To help young people especially but not exclusively through their leisure-time activities to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and fully contributing members of society.
- (b) To relieve the needs of disabled persons by bringing such persons into closer association with non-disabled people and the provision of facilities for recreation or other leisure-time occupation, to advance education by bringing disabled people into closer association and integration with non-disabled people.
- (c) In the interests of social welfare to provide, or assist in the provision of, facilities for recreation or other leisure-time occupation with the objects of improving the

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REPORT OF THE TRUSTEES - continued

conditions of life for the persons for whom such facilities are primarily intended being persons who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, provided nevertheless that such facilities shall be available to members of the public at large.

In June 2004 the Charity had a review visit by the Charity Commission as part of their ongoing support of medium sized charities. In November 2004 we received the report of their findings of the meeting based on their booklet *Hallmarks of a well run Charity*. They made three recommendations that require changes to our Articles of Association. The Charity Commission agreed in June 2005 to our proposed detail changes and a Resolution was passed by the 2005 AGM by the membership. These changes do not affect our primary objectives.

Review of Activities and Performance

The Charity's core work of supporting its affiliated clubs and groups, both for young people and disabled people continues with our Field Workers visiting the clubs and advising on local issues, as requested. 34 Clubs affiliated in 2005-2006. During the year we created a Basic Youth Work Training programme for Volunteers which we ran in two of our affiliated clubs

We continue to facilitate 'police checks' on club workers as part of our affiliation package which has put an added load on our staff as we act as an Umbrella Body for the Criminal Records Bureau. We have also been undertaking a similar role for members of Surrey CVYS where they have no other source for obtaining checks. Regrettably we may be forced to stop this service in the near future as the Bureau have decided to de-register all the Bodies whose annual throughput is less than 100. This is unfortunate as many of the larger Umbrella Bodies appear to be processing some checks by cutting corners in the process.

The main work of the Youth Work Team continues to be the training of young people and their youth workers which is undertaken in a variety of situations across the county and beyond.

Lifetrain continues to be the Operating Authority for the **Youth Achievement Awards** (YAA) programme in Surrey which we use to great effect to accredit young people's skills in informal settings. We registered 20 operating units over the year, training the local workers to carry on facilitating the programme within their club. Some 300 plus young people committed themselves to the scheme during the year with over 66 achieving accreditation at Bronze to Gold standard and one at Platinum level. We ran two intensive YAA residential courses during the year each for 14 young people. During the second, staff from Philips Electronics UK Limited Ltd assisted in interviewing skills and CV writing.

The **Right Trax** project, working in three particular schools in Surrey, also uses Youth Achievement Awards as well as other training approaches to work with disaffected and

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REPORT OF THE TRUSTEES - continued

'at risk' young people and those with low self esteem. 120 young people worked on their individual self-development projects. Whilst 'hard' outcomes are very difficult to measure with such work it is clear that attitudes are changed and there has been a dramatic reduction of exclusions, and significant improvements in behaviour and self esteem.

We were contracted in partnership with the Surrey's Youth Development Service to train Surrey County Council's youth workers in the **National Vocational Qualification (NVQ) in Youth Work** at level 3. Thirteen youth workers joined the course and during the year we presented certificates to 9 students who had started in the previous year. Also during the year a member of our own staff received accreditation at level 3 and another, their NVQ at level 4 in Training & Development.

During the year we drafted the programme for the new **Vocationally Related Qualification (VRQ)** at level 2 for which we achieved scheme approval by Awarding Body Consortium (ABC). This programme is now being used in the new year (2006-2007). We also achieved scheme approval for the **Training the Trainer** course with ABC. This will enable us to train more trainers so to develop further our NVQ and VRQ courses.

We continued to support the **Coldingley Prison Crime Diversion Scheme** by training offenders in youth work skills so that they can effectively work with the 'at risk' young people who come into the prison to take part in the scheme. We worked with 32 inmates using 2 units of our VRQ level 2 programme. Also 9 inmates trained at NVQ level 3. As certain offenders moved to lower category prisons we continued to support them at HMP Latchmere and HMP Ford. The diversion programme is seen as a very effective deterrent to young people's risk of offending. Due to its success HMP Latchmere is investigating running a similar programme and are seeking our support in a similar training role.

The Disability Services Team has run numerous accredited training courses during the year, including Inclusive Practice, Pathways, The Personal Assistant Programme and the Disability Equality Education programme accredited via the University of Surrey. We were also contracted to provide Disability Equality and Inclusive Practice training to various organisations, including UK Youth, Coventry Youth Service, Dorset Youth Service and the national charity, Scope.

We moved into the second year of our **Pathways to Independence** programme with 24 students, 21 of whom achieved accreditation through the Open College during the year. In addition we piloted the Youth Achievement Award programme within Pathways thus providing an additional pathway to accreditation with 20 young disabled people achieving accreditation at Bronze level.

Following a very successful pilot with Scope in the previous year we have been working during 2005 to research how best to market our **Personal Assistant (PA) Programme**. This programme provides the necessary skills for young disabled people to become successful employers of their PAs under the Direct Payments Scheme. Despite the fact that Social Services are committed to every disabled person being on the Direct Payment

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Scheme, we have had difficulty moving the programme forward due to the lack of their funding. However with the funding from Henry Smiths Charity we delivered the programme to 6 people, 2 of whom have achieved accreditation through the Open College within the year.

We contracted to provide training for Treloars College who provide education and care for young disabled people. The **Moving on Project** provided 2 individual day's training for Treloar's staff in inclusive practice – an accredited programme through the Open College – 10 people participated in the course and 4 achieved their qualification at Level 2. We provided 2 weekends' of training for 20 physically disabled young people, all recruited through Treloars. The training programme was developed as part of our empowerment-training course and accredited through the Open College at Levels 1 and 2. 20 students participated, and are still completing their workbooks, which will be evidence for accreditation if they wish to achieve that.

Our **Disability Equality in Education** course at the University of Surrey continued to be successful and in the year, one group of students completed their module 3 of the programme – 6 people achieved the standard to enable them to gain 60 credits through the University of Surrey School of Management. In addition, in October 2005 we recommenced to deliver this programme to a group of 8 people mainly from Disability Hackney who employed us through the University of Surrey. This will be completed by the end of July 2006.

The third year of our **Sustainability Project** contracted by Surrey County Council has continued to be difficult. However we have continued to work with the Council's administration to get an inclusive County youth provision, and to encourage the County at worker level to adopt the inclusive practice statement that Surrey County Council developed with us some years ago. This has proved extremely difficult, and despite considerable time and effort on our part the results have been very unsatisfactory. With agreement of our client we have changed the project's direction and are now working on this project with schools' youth worker, with the intention to fulfil our brief within this setting.

Continuing our philosophy of providing a range of everyday experiences not normally available to disabled people we took a group of 24 people, including 16 disabled people and 8 support people to **Cyprus** for 10 days in September. We took a group of 34 people to **Chichester** for our usual pre Christmas weekend – enabling disabled people in the group to get gifts for their parents and carers, and enjoy an early Christmas party and dinner.

Following our substantial involvement in the creation of the residential home **Diana Francis House** at Caterham, which is a stepping stone for disabled young people to independence, we have provided support managerial and personal advice to the staff and the Management Committee. We have also provided a supervision and Performance Appraisal service for the staff. We have continued to provide managerial

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support and advice to the **Bletchingley Skills Centre**, a training centre for young disabled people.

In the wider voluntary sector we have continued to be involved in **Regional Action and Involvement South East (RAISE)**, and their role in representing the voluntary and community sector within regional government and the Assembly. We have also been involved in the **Compact Working Group** and the Communications Code being developed as part of the series of Codes required to establish a robust Compact environment.

The Felbury Centre continued to provide an excellent facility for residential work as well as day conferences. A large range of groups took advantage of the facility and its training opportunities. Schools and The Prince's Trust Volunteer programme were our most frequent visitors. The Centre achieved a total of 4560 'bednights', just short of its target, although its surplus on an income of £175,335 was just over budget. The Challenge course on land opposite Felbury House, by kind permission of Patrick Evelyn and Monika Saunders, continues to be a firm favourite; with our other outdoor activities it is an essential training tool for many groups.

Through volunteering days from staff at Unum Provident, and Philips Electronics UK Limited together with the efforts of our own staff, we have been able to maintain the properties and facilities to a reasonable standard. The planned replacement of the heating oil tank and alterations to our fire alarm system to keep within current legislation was completed within the year.

Financial Activities

Following an extremely difficult financial year in 2003-2004, we have been able to build on the small surplus of 2004-2005. The group made a surplus of £36,161 with income up some £90,000 on the previous year (2004-2005: £ 536,872, 2005-2006: £627,876). The Budget had been set at a higher surplus (£41,452) but unfortunately due to a bad debt, higher than expected un-reclaimable VAT, and some projects moving slower than expected (with funds moving forward into 2006-2007), we did not achieve this figure. During the year continuation funding was also secured (£220,000) with actual cash advances of £80,685 for many of our longer-term projects.

We were especially grateful for the continued significant financial support of Philips Electronics UK Limited who made us their 'Charity Partner of the Year'.

Fundraising & Marketing

Fundraising for unrestricted funds to cover core costs continues to be one of major concern as funders, understandably, continue to be more interested in project funding rather than supporting the intrinsic need to cover the vital core costs such as

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accommodation, administration and insurance's etc. Without these none of the project work would be possible. However, we have been extremely fortunate over the last 18 months to have Philips Electronics UK Limited as our corporate partner. They have not only donated a significant unrestricted sum but have also supported us by hosting two presentation ceremonies and have provided volunteers to undertake maintenance work at our residential centre and on courses.

We continue to make it a policy to seek longer term project funding where we can. This has continued to be successful, such that at the year-end we had over £220,000 of funding committed to our future and are in discussion with other Trusts and organisations. This will enable us to start projects with a greater level of security for the staff and participants. This is particularly important where the young people will find it difficult to complete a course within a single year.

Income from events, which could cover core costs, has become a much less efficient income stream as the numbers of volunteers with the time to support charities has reduced, the number charities increased, and events have to be organised by staff. However such events have a considerable value in terms of public relations and marketing the worth of the Charity and thus often, as well as producing unfettered income, have an important secondary function of introducing us to potential supporters.

Sponsors

Significant supporters during the year included:

- Abinger Fair
- Assured Indemnities Ltd
- Awards for All
- Bellais Trust
- Bellway
- Biwater Group plc
- Bonhams
- Brook Charitable Trust
- Clifford Charity
- Connexions Surrey
- Equitable Trust
- Evelyn Charitable Trust
- Felbury Golf Society
- Gatwick Airport Community Trust
- Gerald Bentall Charitable Trust
- Goulburn Charitable Trust
- Hale Trust
- Hart Brown, Solicitors
- Henry Smith's Charity
- O'Hea Charitable Trust
- Paragon Sports & Social Club
- Peacock Trust
- Peter Harrison Foundation
- Pfizer Pharmaceutical
- Philip Hancock Foundation
- Philips Electronics UK Limited
- R S Brownless Charitable Trust
- Rank Foundation
- Sanofi Aventis
- Sheikh Ahmed Zaki Yamani
- Sir Cliff Richards Charitable Trust
- Sir Edward Lewis Foundation
- Stella Symons Trust
- Strutt and Parker
- Surrey County Council
- Surrey Police
- Sydney Black Charitable Trust
- Thales Charitable Trust

The Lifetrain Trust

Directors' and Trustees' Report and Financial Statements For the year ending 31st March 2006

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|---------------------------------------|------------------------|
| • HSBC | • The Big Lottery |
| • Ingram Trust | • Thompson Corporation |
| • Learning and Skills Council | • Tomkins |
| • Legal & General | • Triangle Trust |
| • Linklaters | • Tudor Trust |
| • Longley Trust | • Unum Provident |
| • Loseley & Guildway Charitable Trust | • Wates Foundation |
| • M J Gleeson Group plc | • Watson Wyatt |
| • Major Coleman Charitable Trust | • Wilkinsons |
| • Morgan Stanley Quilter | • Wines Select |

We are most grateful to the many friends and volunteers who help our staff organise fundraising events throughout the year. They are very much key to our success. We would particularly thank Rod Sewell and his committee who ran the Annual Golf Tournament and who again produced a substantial donation for the charity. We are grateful to the new owners of Gatton Manor Golf Club, Patrick and Belinda Kiely for continuing the tradition of our using their golf course for the tournament. Having decided to have a Dinner Dance this year after a break of several years we are most grateful to Strutt and Parker, Hart Brown, Bonhams and Wines Select who sponsored the event. Virginia and Richard Lloyd and friends kindly allowed the use of their tennis courts for our Tennis Tournament.

We are indebted to the Media Department of Hurtwood House and also to Delux Media Services who made and then produced 5000 copies of our promotional DVD which has been an excellent tool in demonstrating the variety of vital work undertaken by the charity.

Some of the events in the past year were:

- Tennis Tournament
- Golf Tournament & Felbury Golf Society
- Dinner Dance
- Quizzical Quandary
- London Marathon
- Race night

Changes in Reserves

The Board of Trustees continues to be concerned at the problems related to cash flow occasioned in an organisation that relies for much of its income on fund raising, and remain mindful of the urgent need to create a reserve fund to ensure the financial stability and future of the charity. The long-term objective is to create a reserve equivalent to three months' total expenditure.

Fixed Assets - These are set out in note 7 of the Financial Statements.

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REPORT OF THE TRUSTEES - continued

Statement of Trustees' Responsibilities

The Trustees are required by law to prepare financial statements for each financial year, which give a true and fair view of the state of affairs to the Charity and of the profit and loss of the Charity for that year. 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 assume that the Charity will continue in operation.
- Keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity, and enable them to ensure that the financial statements comply with the Companies Act, 1985.
- Safeguarding the assets of the Charity and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

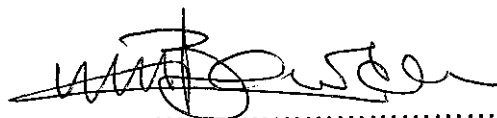
So far as the Trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the Charity's auditors are unaware, and each Trustee has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

The auditors, KIMBERS Chartered Accountants, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985, at the forthcoming Annual General Meeting.

Approval

This report was approved by the board of directors and trustees on 17th July 2006 and signed on its behalf.



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R.G.J. Bowden
(Company Secretary)

THE LIFETRAN TRUST

Independent Auditors' Report

To the members of The Lifetrain Trust

We have audited the financial statements of The Lifetrain Trust for the year ended 31st March 2006 on pages 14 to 26 which have been prepared under the historical cost convention and the accounting policies set out on pages 16 and 17.

This report, including the opinion, 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 Directors and Auditors

As described on page 11, the company's directors, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 if, in our opinion the Report of the Trustees is consistent with the financial statements, if 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 directors' remuneration and other 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 directors in 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available to Small Entities, in the circumstances set out in note twenty two to the financial statements.

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Independent Auditors' Report

To the members of The Lifetrain Trust - continued

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 charitable company and group affairs as at 31st March 2006 and of the group's incoming resources and resources expended, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



KIMBERS
Chartered Accountants and
Registered Auditor
25 Cardwells Keep
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Surrey
GU2 9PD

Date: 17th July, 2006

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Consolidated Statement of Financial Activities (Incorporating a group income and expenditure account)

For the year ended 31st March 2006

Notes	Endowment & Restricted Funds £	Unrestricted Funds £	Total 2006 £	Total 2005 £
Incoming Resources				
2 Voluntary income	---	167,330	167,330	119,231
4 Activities for generating funds	---	21,156	21,156	18,299
5 Investment income	120	1,461	1,581	908
Incoming resources from generated funds	120	189,946	190,066	138,438
3 Incoming resources from charitable activities	208,888	228,921	437,809	398,435
Total incoming resources	209,008	418,868	627,876	536,873
Resources expended				
Cost of generating voluntary income	---	18,533	18,533	17,075
4 Trading activities	---	53,732	53,732	38,867
6 Fund-raising & marketing activities	---	72,265	72,265	55,942
Charitable expenditure:				
6 Costs of charitable activities	---	152,273	152,273	133,594
The Felbury Centre	---	75,937	158,974	138,633
Disability Services	83,037	44,130	172,174	176,275
Youth Work Services	128,044	---	---	---
Governance Costs	---	36,030	36,030	29,448
Total resources expended	211,080	380,635	591,716	533,893
Net incoming resources/(resources expended) before transfers	(2,072)	38,233	36,161	2,980
Transfers between funds	1,333	(1,333)	---	---
Net incoming/(outgoing) resources for the year	(739)	36,900	36,161	2,980
Other recognised gains and losses				
Revaluation of tangible fixed assets	---	---	---	---
Net movement in funds	(739)	36,900	36,161	2,980
Funds brought forward at 1st April 2005	1,900	271,007	272,907	269,927
Funds carried forward at 31st March 2006	£ 1,161	£ 307,907	£ 309,068	£ 272,907

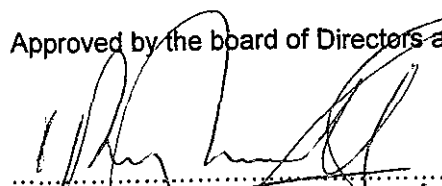
The above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net incoming resources for the year of £36,161 (2005: £2,980).

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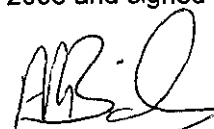
Balance Sheets at 31st March 2006

Notes	Group		Charitable Company	
	2006 £	2005 £	2006 £	2005 £
	Fixed Assets			
7	Tangible Fixed Assets	404,530	406,427	401,386
8	Investments	971	971	973
		<u>405,501</u>	<u>407,398</u>	<u>402,359</u>
	Current Assets			
	Stocks	1,769	979	1,769
9	Debtors	39,829	63,837	39,748
	Cash at Bank and in hand	79,675	23,142	76,125
		<u>121,273</u>	<u>87,958</u>	<u>117,643</u>
10	Creditors: Amounts falling due within one year	153,076	147,543	148,417
		<u>(31,803)</u>	<u>(59,585)</u>	<u>(30,775)</u>
	Net Current Assets/(Liabilities)			
		<u>(31,803)</u>	<u>(59,585)</u>	<u>(30,775)</u>
	Total Assets Less Current Liabilities	373,698	347,813	371,585
11	Creditors: Amounts falling due after more than one year	64,629	74,904	62,753
		<u>£ 309,068</u>	<u>£ 272,907</u>	<u>£ 308,831</u>
14	Funds			
	Endowment Fund	1,000	1,000	1,000
	Restricted Funds	161	900	161
	Unrestricted Funds			
	- revaluation reserve	97,000	98,000	97,000
	- other unrestricted funds	210,907	173,007	210,670
		<u>£ 309,068</u>	<u>£ 272,907</u>	<u>£ 308,831</u>

Approved by the board of Directors and Trustees on 17th July, 2006 and signed on its behalf.



P.D. McIlwraith - Chairman
Director and Trustee



A.R. Baird - Treasurer
Director and Trustee

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

1 Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with applicable UK accounting standards, the Companies Act 1985 and in compliance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005.

The Statement of Financial Affairs (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary company, Holmbury Enterprise Limited. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of paragraph 3(3) of Schedule 4 of the Companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the charity's activities. A separate Statement of Financial Activities and income and expenditure account are not presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the Charity qualifies as a small company.

Company Status

The charity is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. All the directors of the company are also members.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for any other purpose.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

The cost of raising and administering such funds are charged against the specific fund.

Incoming resources

Incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind and donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Fund raising and marketing costs are those incurred in seeking voluntary contributions, grants, arranging events and the preparation of marketing and publicity material in support of the charity's activities.

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

1 Accounting policies continued

Support costs include central functions and have been allocated to charitable activity cost categories on a basis consistent with the use of resources.

Governance costs are those incurred in connection with the governance of the charity and compliance with constitutional and statutory requirements.

Tangible Fixed Assets

Items with an initial value or cost of less than £750 each are written off as an expense in the year of purchase.

Depreciation is provided on all assets, other than freehold land, at the following annual rates calculated to write off the cost of each asset over its estimated useful life, or if held under a finance lease, over the lease term, whichever is the shorter. Freehold land is not depreciated.

Freehold buildings	- 2% - straight line
Equipment	- 25% - reducing balance and - 33 $\frac{1}{3}$ % - straight line
Motor Vehicles	- 25% - reducing balance basis

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost represents the expenditure of purchase.

Investments

Investments are stated at cost. Recognised realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities.

Hire Purchase and Leasing Commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the SOFA over the relevant period. The capital element of the future payments is treated as a liability.

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

Incoming Resources

Voluntary income:

2 Donations & gifts

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Individuals	36,788	38,600
Companies	101,914	17,475
Charitable Trusts	32,500	64,781
Gifts in kind	2,803	3,715
	<u>174,005</u>	<u>124,571</u>
Less: Donations received in advance of events	<u>6,675</u>	<u>5,340</u>
	<u>167,330</u>	<u>119,231</u>

3 Incoming Resources

Incoming resources from charitable activities

	<u>Restricted</u>	<u>Unrestricted</u>
	<u>£</u>	<u>£</u>
The Felbury Centre	<u>---</u>	<u>160,512</u>
Disability Services		
Principal activities	46,143	43,739
Grant - Big Lottery Fund	55,794	---
	<u>101,937</u>	<u>43,739</u>
Less: Funds received in respect of future periods	<u>18,860</u>	<u>2,500</u>
	<u>83,077</u>	<u>41,239</u>
Youth Work Services		
Core activities	159,811	45,821
Grant - Big Lottery Fund	---	---
	<u>159,811</u>	<u>45,821</u>
Less: Funds received in respect of future periods	<u>34,000</u>	<u>18,650</u>
	<u>125,811</u>	<u>27,171</u>

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

4 Trading activities

	Donated Goods & Services for resale £	Holmbury Enterprise Limited £	Total 2006 £	Total 2005 £
Income	---	21,156	21,156	18,299
Cost of sales	---	11,111	11,111	9,385
Administrative expenses	---	7,422	7,422	7,690
Trading expenses	---	18,533	18,533	17,075
Surplus/(Deficit)	---	£2,623	£2,623	£1,224

5 Investment income

	2006 £	2005 £
Income from listed investments	120	120
Interest received	1,461	787
	<u>£ 1,581</u>	<u>£ 907</u>

6 Total resources expended

	Staff Costs £	Other Direct Costs £	Support costs allocated to activities £	Total 2006 £	Total 2005 £
Fund raising & marketing costs	7,503	34,211	12,019	53,732	38,867
The Felbury Centre	43,897	48,812	59,564	152,273	133,594
Disability Services	51,818	81,347	25,809	158,974	138,633
Youth Work Services	102,770	68,194	1,210	172,174	176,275
Trading costs	435	10,676	7,422	18,533	17,075
Governance costs	13,768	22,262	---	36,030	29,448
Total resources expended	<u>£ 220,191</u>	<u>£ 265,501</u>	<u>£ 106,023</u>	<u>£ 591,716</u>	<u>£ 533,892</u>

	2006 £	2005 £
Governance costs comprise:		
Auditors' remuneration:		
Audit fees	3,000	3,500
Accountancy, taxation and other services	3,000	1,500
Depreciation	7,166	7,526
Finance charges and loan interest	5,861	5,177
Legal and professional fees	633	1,141
General office	<u>16,369</u>	<u>6,287</u>

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

7 Tangible Fixed Assets - Group

	Freehold Property £	Equipment £	Motor Vehicles £	Total £
Cost or valuation				
At 1st April 2005	400,000	55,004	31,138	486,142
Additions	---	8,330	---	8,330
Disposals	---	(4,098)	---	(4,098)
Revaluation	---	---	---	---
At 31st March 2006	<u>400,000</u>	<u>59,236</u>	<u>31,138</u>	<u>490,374</u>
Depreciation				
At 1st April 2005	8,000	43,416	28,299	79,715
Charge for year	4,000	4,732	710	9,442
On disposals	---	(3,312)	---	(3,312)
On revaluation	---	---	---	---
At 31st March 2006	<u>12,000</u>	<u>44,835</u>	<u>29,009</u>	<u>85,844</u>
Net Book Value 31st March 2006	<u>£ 388,000</u>	<u>£ 14,401</u>	<u>£ 2,129</u>	<u>£ 404,530</u>
Net Book Value 31st March 2005	<u>£ 392,000</u>	<u>£ 11,588</u>	<u>£ 2,839</u>	<u>£ 406,427</u>

Tangible Fixed Assets - Charitable Company

	Freehold Property £	Equipment £	Motor Vehicles £	Total £
Cost or valuation				
At 1st April 2005	400,000	43,326	31,138	474,464
Additions	---	8,330	---	8,330
Disposals	---	(4,098)	---	(4,098)
Revaluation	---	---	---	---
At 31st March 2006	<u>400,000</u>	<u>47,558</u>	<u>31,138</u>	<u>478,696</u>
Depreciation				
At 1st April 2005	8,000	37,156	28,299	73,455
Charge for year	4,000	2,457	710	7,167
On disposals	---	(3,312)	---	(3,312)
On revaluation	---	---	---	---
At 31st March 2006	<u>12,000</u>	<u>36,301</u>	<u>29,009</u>	<u>77,310</u>
Net Book Value 31st March 2006	<u>£ 388,000</u>	<u>£ 11,257</u>	<u>£ 2,129</u>	<u>£401,386</u>
Net Book Value 31st March 2005	<u>£ 392,000</u>	<u>£ 6,170</u>	<u>£ 2,839</u>	<u>£401,009</u>

Freehold property was valued in May, 2005 by Messrs. Robinsons, Chartered Surveyors, of Reigate at an open market value of £400,000, as at 31st March 2005.
The trustees do not consider the market value at 31st March 2006 to be materially different from that at 31st March 2005.

Historical cost information	Freehold Property £
Historical cost at 31st March 2006	300,000
Accumulated historical depreciation	8,000
Net historical cost at 31st March 2006	<u>£ 292,000</u>

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

7 Tangible Fixed Assets continued

The following fixed assets, included in the above, are held under finance leases:

	Equipment	
	Group £	Charitable Company £
Cost or valuation		
At 1st April 2005	15,776	4,098
Additions	---	8,330
Disposals	---	(4,098)
At 31st March 2006	<u>15,776</u>	<u>8,330</u>
Depreciation		
At 1st April 2005	9,572	3,312
Charge for year	3,386	1,111
On disposals	---	(3,312)
At 31st March 2006	<u>12,958</u>	<u>1,111</u>
Net Book Value 31st March 2006	<u>£ 2,818</u>	<u>£ 7,219</u>
Net Book Value 31st March 2005	<u>£ 6,204</u>	<u>£ 785</u>

8 Fixed Asset Investments

	£	
Cost or valuation		
At 1st April 2005 and 31st March 2006		<u>973</u>
Net Book Value 31st March 2006		<u>£ 973</u>
Net Book Value 31st March 2005		<u>£ 973</u>
	2006	2005
	£	£
Investments listed on a recognised stock exchange	971	971
Unlisted investment	2	2
	<u>£ 973</u>	<u>£ 973</u>

The listed investment comprises £1,000 of 12% Exchequer Stock 2013-2017. The middle market value of which at 31st March 2006 was £1,507 (2005: £1,534).

The unlisted investment represents the cost of two £1 Ordinary shares in the wholly owned subsidiary company Holmbury Enterprise Limited; the trading company of the charity. The aggregate capital and reserves of Holmbury Enterprise Limited at 31st March 2006 was £237 (2005: negative £ 3,293).

THE LIFETRAIN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

9 Debtors

	Group		Charitable Company	
	2006	2005	2006	2005
	£	£	£	£
Trade debtors	31,808	54,993	30,353	52,604
Other debtors	1,344	515	769	515
Holmbury Enterprise Limited	---	---	1,950	1,018
Value added tax	6,677	2,280	6,677	2,280
Prepayments	---	6,049	---	6,049
	<u>£ 39,829</u>	<u>£ 63,837</u>	<u>£ 39,748</u>	<u>£ 62,466</u>

10 Creditors: Amounts falling due within one year

	Group		Charitable Company	
	2006	2005	2006	2005
	£	£	£	£
Bank Loans and Overdrafts (Note 12)	16,788	39,973	16,788	39,973
Finance leases (Note 13)	3,348	3,044	1,666	820
Trade creditors	11,128	12,424	11,128	11,846
Other creditors	9,442	9,812	8,525	8,464
Funds received in advance	80,685	58,018	80,685	58,018
Holmbury Enterprise Limited	---	---	---	---
Deposits received	25,185	17,364	24,625	16,433
Corporation & income tax	---	908	---	---
Accrued expenses	6,500	6,000	5,000	4,500
	<u>£ 153,076</u>	<u>£ 147,543</u>	<u>£ 148,417</u>	<u>£ 140,053</u>

Funds received in advance include £9,357 unspent funds from Big Lottery Fund.

11 Creditors: Amounts falling due after more than one year

	Group		Charitable Company	
	2006	2005	2006	2005
	£	£	£	£
Bank Loans (Note 12)	57,339	71,347	57,339	71,347
Finance leases (Note 13)	7,290	3,557	5,414	---
	<u>£ 64,629</u>	<u>£ 74,904</u>	<u>£ 62,753</u>	<u>£ 71,347</u>

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

12 Loans and overdrafts

An analysis of the maturity of loans and overdrafts is given below:

	Group		Charitable Company	
	2006	2005	2006	2005
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	2,288	26,473	2,288	26,473
Bank loan	14,500	13,500	14,500	13,500
	<u>£ 16,788</u>	<u>£ 39,973</u>	<u>£ 16,788</u>	<u>£ 39,973</u>
Amounts falling due between one and two years:				
Bank loan	<u>£ 14,000</u>	<u>£ 16,000</u>	<u>£ 14,000</u>	<u>£ 16,000</u>
Amounts falling due between two and five years:				
Bank loan	<u>£ 43,339</u>	<u>£ 47,500</u>	<u>£ 43,339</u>	<u>£ 47,500</u>
Amounts falling due in more than five years:				
Bank loan	<u>£ ---</u>	<u>£ 7,847</u>	<u>£ ---</u>	<u>£ 7,847</u>

The bank loan is secured on the charity's freehold property

13 Obligations under leasing arrangements

	Finance Leases		Charitable Company	
	Group			
	2006	2005	2006	2005
	£	£	£	£
Gross obligations payable:				
Within one year	4,337	4,222	2,205	1,408
Between one and five years	9,546	4,511	7,166	---
	<u>£ 13,883</u>	<u>£ 8,733</u>	<u>£ 9,371</u>	<u>£ 1,408</u>
Finance charges payable:				
Within one year	989	1,178	539	588
Between one and five years	2,256	954	1,752	---
	<u>£ 3,245</u>	<u>£ 2,132</u>	<u>£ 2,291</u>	<u>£ 588</u>
Net obligations payable:				
Within one year	3,348	3,044	1,666	820
Between one and five years	7,290	3,557	5,414	---
	<u>£ 10,638</u>	<u>£ 6,601</u>	<u>£ 7,080</u>	<u>£ 820</u>

THE LIFETRAIN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

14 Statement of funds

	At 1st April 2005	Income	Expenditure	Transfers	At 31st March 2006
	£	£	£	£	£
Endowment Fund					
Cass Sewell Fund	1,000	120	120	---	1,000
Restricted Funds					
The Felbury Centre	---	---	---	---	---
Disability Services	900	27,283	28,022	---	161
Youth Work	---	125,811	125,811	---	---
Big Lottery Fund	---	55,794	55,794	---	---
Unrestricted Funds					
General	173,007	418,868	379,635	---	210,907
Property revaluation	98,000	---	1,000	---	97,000
Total Funds	<u>£272,907</u>	<u>£627,876</u>	<u>£590,381</u>	<u>£ ---</u>	<u>£309,068</u>

The Cass Sewell fund represents a legacy from the estate of Cass Sewell, the income from which is to be spent on the work of Disability Services.

The General Fund represents the free funds of the charity which are not designated for particular purposes.

15 Analysis of funds between group net assets

	Restricted Funds £	Designated Funds £	General Funds £	Total £
Tangible fixed assets	---	---	404,530	404,530
Investments	971	---	---	971
Current Assets	190	---	121,083	121,273
Current Liabilities	---	---	(153,077)	(153,077)
Long term liabilities	---	---	(64,629)	(64,629)
	<u>£1,161</u>	<u>---</u>	<u>£307,907</u>	<u>£309,068</u>

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

16 Subsidiary company

The charity owns the whole of the issued share capital of Holmbury Enterprise Limited, a company registered in England. The subsidiary is used for non primary purpose trading activities, namely the provision of residential and non-residential training courses. It also operates the village Post Office, incorporating a small shop selling stationery and cards, as a service to the local community. All activities have been consolidated on a line by line basis in the SOFA. The whole of the annual net profit is gifted to the charity; losses remain with the subsidiary. A summary of the results of the subsidiary is shown below:

Holmbury Enterprise Limited

	Residential Centre £	Post Office & Shop £	Total 2006 £	Total 2005 £
Turnover	20,858	298	21,156	18,299
Cost of sales	10,392	719	11,111	9,385
Gross profit/(loss)	10,466	(421)	10,045	8,914
Administrative expenses	7,318	104	7,422	7,690
Taxation	---	---	---	---
Net profit/(loss)	<u>3,149</u>	<u>(525)</u>	<u>£ 2,623</u>	<u>£ 1,224</u>

The aggregate of the assets, liabilities and funds was:

Assets	8,722	8,770
Liabilities	(8,485)	(12,064)
Net Funds	<u>£ 237</u>	<u>£(3,294)</u>

17 Staff costs

	2006 £	2005 £
Wages and salaries	273,981	287,477
Social security costs	25,700	27,117
	<u>£ 299,680</u>	<u>£ 314,594</u>

No employee earned in excess of £49,999.

The average number of employees, calculated on a full time equivalent basis, analysed by function was:

	2,006 Number	2,005 Number
Charitable activities	11	11
Cost of generating funds	2	2
Management and administration of the charity	3	3
	<u>16</u>	<u>16</u>

THE LIFETRAN TRUST

Notes to the Financial Statements for the year ended 31st March 2006

18 Trustees' remuneration

Except as shown in Note 21, the trustees neither received nor waived any emoluments during the year (2005: £Nil). Trustees expenses are only reimbursed exceptionally, and with the prior approval of the Chairman. No expenses were paid to Trustees in the year (2005: £Nil).

19 Voluntary help and donations in kind

The trustees are especially grateful for the substantial benefits received from the many voluntary hours contributed by the voluntary supporters. They are also most appreciative of the kind generosity of many local businesses and individuals who donate goods and services.

The value of donated goods and services in the year was £2,803 (2005: £3,725).

Only the value of donated goods and services has been included as incoming resources in the SOFA.

20 "Big Lottery Fund"

The charity has received £55,794 of funding during the year from the Big Lottery Fund towards the cost of employing a project co-ordinator, project workers, training and running costs in respect of the Disability Services "Pathways" project.

21 Related party transactions

Mrs. Catherine McIlwraith, the wife of the Chairman of Trustees, is employed, part time, as a fundraiser for the charity. Her employment costs to the Charity for this work were £7,503 (2005: £7,318).

22 APB Ethical standard - provisions available for small entities

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.