

Company Number 3016170
Registered Charity Number 1052817

COMMUNITY HEALTH EDUCATION
AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

REPORT AND

UNAUDITED

FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2004

Percy Westhead & Company
Chartered Accountants
Greg's Buildings
1 Booth Street
Manchester
M2 4AD



COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COMPANY INFORMATION
for the YEAR ended 30th APRIL 2004

STATUS	The organisation is a charitable company limited by guarantee, incorporated on 31 January 1995 and registered as a charity on 12 February 1996.
GOVERNING DOCUMENT	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.
COMPANY NUMBER	3016170
CHARITY NUMBER	1052817
REGISTERED OFFICE	3-5 St John Street Manchester M3 4DN
PRESIDENT	Denis Goldberg
SECRETARY	Isobel McVicar
BANKERS	HSBC Plc 25 Islington High Street London N1 9LJ
ACCOUNTANTS	Percy Westhead & Company Chartered Accountants Greg's Buildings 1 Booth Street Manchester M2 4AD

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2004

The Council Members present their report with the financial statements of the company for the year ended 30th April 2004.

Charitable Objectives

To preserve and protect the mental and physical health and assist with the education of people in what used to be called the Front Line States of Southern Africa to help with the alleviation of poverty in those countries. Effectively, at this moment we are helping to overcome the legacy of deprivation in the aftermath of apartheid in South Africa.

To achieve our objectives we have formed relationships with organisations in South Africa that carry out such activities. We have decided that we shall not open an office in South Africa, but give support to selected organisations there and thus save the enormous overheads involved. We shall carry out or commission evaluations of projects where necessary.

Introduction

Though the work of Community H.E.A.R.T. continued, the income of the organisation decreased during this period by £16,563 to £80,363. This has been mainly due to the end of the Comic Relief grant. In the last financial year, 2002/3, we received the last instalment (£48,234) of the three-year grant to Rape Crisis Cape Town Trust. Excluding the final Comic Relief grant made in the last financial year and intangible income we have been able to increase our income from other sources by £5,621. The intangible donation of free office space is taken into consideration in the accounts to give a true reflection of donations. This donation was not taken into consideration in the past accounts. The total intangible donations in the financial year were £26,050. These donations include shipping subsidy, office and storage space, paid staff secondment and donation of a laptop computer for the use of the organisation.

The expenditure of the organisation has decreased by £63,563 to £68,900. This substantial drop is mainly due to the end of the Comic Relief grant being made in 2002/3. Intangible expenditure has increased by over £20,000 in this year. Smaller direct grants to projects have increased from just over £3,300 to over £8,500.

Work undertaken over the year includes the project work detailed below. Over and above this, we have continued to work with other organisations such as ACTSA Scotland and the Ikezi Project to access and send material aid in the form of books for schools and medical equipment for UNITRA. Medical journals donated by Jansen Cilag have been transported to South Africa and to MEDUNSA and UNITRA. We have also given advice to organisations wishing to send material aid in some of the processes.

We have also have continued to work with Richmond ACTSA, Waltham Forrest ACTSA, Minorities of Europe and Local Authorities in the UK.

Projects

Book and 10 Pence

This campaign has gone from strength to strength. Since the launch of the campaign 1.65 million books have been collected to set up school libraries in South Africa. In this financial year 150,000 books were shipped. These books were distributed in three South African provinces, the Eastern Cape, Gauteng (the most densely populated) and through Gauteng to Mpumalanga. The organisation has tried to ensure that all provinces of South Africa have been recipients of books over the period of the campaign. As the campaign has become known in South Africa the enormous need has become all too apparent. In many areas there are now waiting lists of schools wishing to access the next container of books to come to their area.

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We continue to look for organisations in each of the provinces that are able to handle the quantity of books. In different provinces these types of organisations are at different stages of development, however we have been able to use well-established partners in Gauteng and KwaZulu Natal, for example, to help with distribution to some provinces. We have also started to develop on the model set up last year with St. John's School Outreach programme. *In this model a more advantaged school acts as the recipient, distributes the books to the disadvantaged schools and supports staff and pupils in developing their library and its use.*

This work would not be possible without the help of those receiving the containers and distributing the books. Thanks must be given again to Gauteng Education Libraries Service, St Margaret's School Outreach Service in Johannesburg, Amatole Local Authority in the Eastern Cape and E.R.I.C. (Education Resource Information Centre) in KwaZulu Natal for their dedicated work.

The campaign would also not be possible without all those who have donated books and 10 p's. Many tens of thousands of individuals have donated books and a number of organisations have shown unstinting support. Local ACTSA organisations, Woodcraft Folk have been collecting books for the campaign for many years and have given tens of thousands of books. Over the last few years we have also received books from local Oxfam shops. Many Local Authorities have supported the campaign, in this year we had amazing support from Warwickshire Council with the collection of 50,000 books from Warwickshire Council schools and Leicester Councils also took up the campaign aiming to collect a container load of books early in the next financial year. Our successful work with organisations like Minorities of Europe and the West Midlands Probation Service based in Coventry also continued. This led to another container of books being sent from the Coventry area. Minorities of Europe have also encouraged others in the Midlands to get involved, which resulted in the participation of Warwickshire and Leicester in the campaign. Manchester Probation Service has also supported the campaign, young people on Community Service helping to pack and sort books and pack one of the containers. One of the young men commented this was the most rewarding of the projects he had been involved in because he could see the result of his work would be benefiting children in South Africa.

Amba Forwarding, our shipping agent in the UK, has been invaluable to the campaign. The subsidised shipping costs over many years have greatly contributed to the campaign. Without this generous donation it would not have been possible to send as many as 1.65 million books. The help and support of Kris and Kirti of Amba Forwarding has also ensured the shipping aspect of the campaign has gone smoothly.

There have been a number of people involved in volunteering for this campaign (see Volunteer heading).

Discussions with the Co-operative Group over the course of this year resulted in their support for the campaign from April 2004. Their support is in the form of stores being used as collection points and the distribution service collecting the boxes of books. This support in the past led to the collection of 350,000 books. As with their support in the past a number of independent societies, Anglia, Ipswich & Norwich, Plymouth & South West, Midlands, West Midlands and Leeds, have also joined in with their support. *This support is invaluable to the campaign.*

Rape Crisis Cape Town

The largest financial contribution we have made in the past has been to Rape Crisis Cape Town having obtained a £357,000 grant from Comic Relief over three and a half years in 1999. The grant allowed RCCT to develop into the leading organisation in this particular field and enabled the organisation to continue and expand their work in the areas of counselling, external public awareness and training and advocacy. This grant ended in March 2003. A final evaluation of the work covering

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the period of the grant was embarked on by CASE and was completed in May 2003. The evaluation is comprehensive and includes recommendations for the future. On the basis of this and a strategy plan for 2004/7, Community H.E.A.R.T. has applied to Comic Relief for another grant for the period 2004/7. Community H.E.A.R.T. also received a donation of over £400 from an individual wishing to contribute to work being undertaken on the issue of rape in South Africa. This will be donated to Rape Crisis Cape Town.

The Community H.E.A.R.T. Board of Trustees believes it is important that our donors and supporters be informed about the organisations and projects we support and therefore have included a report on the work of Rape Crisis Cape Town.

Background information on rape in South Africa

In South Africa there has long been a macho culture among all sections of society. Though the rights of women are enshrined in the constitution of the new South Africa, changing social attitudes is necessary to deliver real change on the ground. In 2002/3 there were 52,425 rapes reported in South Africa equal to 115.34 rapes per 100,000 of the population, of this figure 6,530 were in the Western Cape (the area where RCCT work) giving an incidence of 151.1 per 100,000. The police station with the highest number of reported rapes is Khayelitsha, Cape Town. (All are official figures from the South African Police Service) Added to this 45% of those arrested for rape tested HIV positive, 60% of cases are withdrawn by the survivor and 90% of rapists are known to the survivor (Star:Oct 2003). Furthermore it is estimated that only 1 in 15 rapes are reported.

In this context of this all aspects of the work undertaken by Rape Crisis Cape Town is extremely important, meeting the needs of survivors and their families both in terms of counselling and advocacy, raising public awareness of the issues surrounding rape and lobbying for changes in the law.

The work of Rape Crisis Cape Town

During the period of the grant RCCT the organisation expanded and now has three offices in Observatory, Khayelitsha and Heideveld. Each area has its own community dynamics and the work and the projects in these areas are implemented according to the community needs and dynamics.

The campaign involves developing policies and carrying out work in the following:

- **Counselling** - provides for survivors' immediate needs through support groups, long-term, short-term, HIV counselling and treatment groups for child sexual abuse survivors
- **Training** - Members in counselling and public speaking provides immediate needs of survivors and empowers women, training health and criminal justice professionals reduces secondary victimisation and raises awareness of the issues
- **Public Awareness** - raising issues in communities in schools, churches, CBOs and others
- **Lobbying** - address relevant legislation and policy; monitors implementation with network partners and advance women's rights, empower women
- **Advocacy** - pre-trial consultation with survivors enhances their control over the court process, reduces secondary victimisation and develops and maintains relationships with identified police stations and trauma room volunteers

The main objectives:

- Work towards eradicating rape and challenge and confront violence with a focus on rape
- Operate through an integrated approach
- Understand and work towards addressing identified community needs, address socio-economic conditions within the community and understand and endeavour to address and meet the needs of survivors
- Challenge gender, sexual, race, cultural, religious and gender-cultural norms and stereotypes
- Get the community to recognise the prevalence of rape and empower the women in the community

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- Identify general and specific needs of rape survivors and the resources available in the surrounding areas through research
- Improve access to justice and state services
- target the youth in particular, around issues of gender equality and violence against women.
- stimulate debates in media about the position of women in South African society

External Public Awareness and Training Activities

For their external public affairs activities they provide training for police officers, prosecutors, police, doctors and nurses. They help to train medical students and student nurses, social workers, etc. Training is also offered to members of similar organisations. Public awareness work includes public lectures, meetings at schools, colleges and universities as well as media campaigns to raise the issue of the desperate need to ensure women's rights to live free of harassment and violence are respected. In the year 2003/4 RCCTT aim to train 375 pupils in local schools.

Advocacy

RCCT makes an important contribution in lobbying the government at every level for the provision of facilities to assist survivors of sexual assault and rape. The organisation is recognised by the government for the expertise it provides in its area of work and is noted for the contributions made in the formulation and implementation of laws. During 2004/7, RCCT plans to make submissions and share information on the following legislation Sexual Offences, Trafficking, Victims Charter, Child Justice Bill, Firearms Control Act, Liquor Bill, CEDAW shadow report

Advocacy also takes the form of working with women and supporting them through cases brought against the perpetrators of violent sexual crime. Over 2004/7, RCCT plan to support 30 survivors per annum through the process pre-trial consultations.

Counselling

RCCT has continued the counselling service. Counselling is provided in the short term based on a maximum of 12 sessions, telephone counselling is also provided. During 2004/7, RCCT plan to counsel 240 survivors per annum in each of the three offices.

In 2002 RCCT set up a support group for survivors who have experienced multiple or continuous traumas and long term counselling sessions were also initiated at this time. These are new services introduced for survivors requiring on-going support due to lack of availability of services in the area.

Abject poverty is a major issue Khayelitsha and Heideveld areas and in these specific areas, economic empowerment projects have been implemented to address this issue. This has been in response to the needs of the community, members and clients in these particular areas. Members and volunteers also gain work experience through sessional employment with RCCT. The experience of this sessional work has led to full time employment with other organisations for some members and volunteers.

During this financial year, Leslie Liddle (Director) left the organisation; Chantel Cooper replaced her. Community H.E.A.R.T. has continued to work with the organisation and has found the new Director very committed and enthusiastic about the work.

Abadala

We have continued our work with Abadala. The Friends of Abadala have continued to pursue donations and paid the money to Community H.E.A.R.T. Abadala support an old people's home in a Cape Town township, which is a part of the Ikamva la Bantu group of projects. Abadala is a small organisation and so administering the donations would not be cost effective. Working in this way allows all the money donated to go to the project and allows us to be informed of work being done which could help inform some of our other projects. As with many projects in South Africa AIDS is becoming a major issue. Many of the senior citizens are finding they have to help support their families that are being devastated by the pandemic.

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We are kept informed of the work through comprehensive annual and financial reports from Ikamva la Bantu.

During the period, £4,699 was transferred to Ikamva Labantu, this included Gift Aid on the donations made.

Nurses Project

The South African Nurses Association was set up by Mmapula Tladi-Small under the umbrella of Community H.E.A.R.T.. Mmapula has worked on a part-time voluntary basis for us and has been invaluable not least because of her health sector expertise. The organisation not only supports and brings together South African nurses working in the UK but also allows them to support their colleagues in South Africa. Donations made in the previous year were earmarked for the purchase of equipment for a simulation laboratory in the Nursing Department of the MEDUNSA (Medical University of South Africa). During the last financial year the laboratory was set up with the earmarked funds. Mmapula Tladi-Small has also visited the university and has seen the laboratory in use, talked to staff and students and is impressed by the difference this has made to teaching that can be carried out within the department. There were no projects identified during this financial year however, Community H.E.A.R.T. will continue to work with the organisation with a view to doing work in the future. Mmapula became a member of Community H.E.A.R.T. Board of Trustees in November 2002.

Siyazenzela

Southern Africa is the worst affected area by the HIV/AIDS pandemic. Though much has been publicised about the level of the incidence in the area, the repercussions of the pandemic on development work and the lives of people within local communities is less well known. The vastly growing number of children orphaned by AIDS related deaths is having a devastating effect on local communities unless work is undertaken to ensure these children, some of the potential doctors, nurses, teachers and engineers of the future, are cared for and kept within the education system.

The extended family in South Africa has, in the past, cared for orphaned children, but in the circumstances of vastly increasing numbers of orphans, the extended family has become overburdened. Older children are increasingly being left to take care of siblings and, in some cases, children have to fend for themselves. In this situation local people are starting to set up projects to resolve this situation.

This HIV/AIDS project is trying to address the issue of AIDS orphans in a new and innovative way. A Crisis Centre, based at Siyazenzela, has been set up to care for children on a short-term basis until they can be settled back into the community. The Centre provides a warm and loving environment for the children at a very distressing time. Cluster foster homes staffed by foster mothers from the community become the children's home when they leave the Crisis Centre.

The project provides the training and outreach support for the foster mothers and the families. Community development outreach workshops about HIV/AIDS are provided to start to educate local people about the issues and challenge the prejudice and discrimination against those affected.

People in the local communities put the project, in rural KwaZulu Natal, together. The area has very little in the way of infrastructure; people live in small clusters of houses far from the urban centres which makes accessing their rights, amenities and information extremely difficult, the project also provides advice on accessing right, amenities and information.

Community H.E.A.R.T. donated £2000 to the project in this financial year. A direct appeal to donors at the end of the last financial year raised the donation, a further £467.00 been donated which will be transferred to Siyazenzela in the next financial year. We hope to continue to support Siyazenzela in the future through direct donations and accessing grants.

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Walter and Albertina Sisulu Documentary

Community H.E.A.R.T. was approached to access funds for a documentary about Walter and Albertina Sisulu documentary. The makers of the documentary envisage it being used as an educational tool in South Africa and other parts of the world community. As an important player in the struggle against apartheid and an avid anti-racist, it is important that the life, actions and thoughts of Walter Sisulu are recorded and reach a broad base of people. Community H.E.A.R.T. raised donations through the trade union movement. At the end of the financial year we had raised £2,500. This will be transferred in the early part of the next financial year. The documentary is due to be ready in October.

Water for Food Movement

The organisation works with local women to increase irrigation of crops through gathering rainwater. The project is innovative in terms of water conservation, enabling women and economic empowerment. Water containers are dug in the ground, lined and rainwater is collected. Women already involved in the project have been able to treble their crop and during periods of drought, they are able to irrigate crops. The project has also been able to benefit others in the local community, as the containers have enough to help irrigate neighbours crops in times of drought.

Community H.E.A.R.T. was approached by the organisation with an endorsement by our President, Denis Goldberg. The Board of Trustees decided after consideration of all the information provided and further discussion with Denis Goldberg to donate £2000.00 to the project. We hope we may be able to access further funds for this project.

Fundraising

1 Trade Unions and Payroll Giving

We have received donations in a number of forms from trade unions. We receive regular donations from a number of trade unions branches and regions. These regular donations are very important to ensure the projects supported and Community H.E.A.R.T. can plan for the future. Thanks to all those trade union branches, regions and members who have made these regular contributions over a number of years.

During this year, 2003/4, the organisation looked to broaden the support within the trade unions already supporting Community H.E.A.R.T. and look at the wider trade union movement. Community H.E.A.R.T. approached UNISON to help with this activity. UNISON agreed to second a member of staff from the 1st May 2003. The secondee, Phil Elliott, has been active over the years in the anti-apartheid movement, is an avid supporter of Community H.E.A.R.T. and had vast experience of the trade union movement and therefore a great asset to the organisation in this activity. Sadly during the period of Phil's secondment he tragically died. Phil had been six months into his secondment when he was suddenly taken ill. Phil was totally committed to the struggle to overcome the legacy of apartheid and this was evident in his work while seconded. His death has been a great loss to the organisation in terms of work and support. Just before his death, Phil asked that any donations in memory of Phil should be made to Community H.E.A.R.T. At the end of the financial year his family, friends and colleagues had donated, in his memory, more than £5,500.00. His family asked all the contributions are put into the Book and 10 Pence campaign, Phil believed this campaign would make a difference, a positive legacy for the future of a free South Africa.

The consortium, Interact for Change, involving three other charities UNISON Welfare, Terence Higgins Trust and Shelter in a payroll giving scheme, has not had the success that was initially envisaged. It was agreed a review of the consortium and its effectiveness was necessary. Following the review, it was agreed by all parties that those already giving donations will be able to continue but there will be no further pursuance of donors through this organisation. Community H.E.A.R.T. received £5,800.00 from this fund in the year 2003/4. It is expected there will continue to be funds from this area on a gradually decreasing basis.

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UNISON Welfare (also a registered charity) organised a Bike Ride fundraiser in New Zealand during this financial year. Along with UNISON members, Community H.E.A.R.T. Board member Nat Perez also took part in the event. The organisation of the event was undertaken by UNISON Welfare and Community H.E.A.R.T. and the Deaf Children's Society shared equally 25% of the proceeds. Costs, administration and management of the event were undertaken by UNISON Welfare. There were no overheads for DCS or Community H.E.A.R.T. The event raised £8,350.00 for Community H.E.A.R.T., further money through Gift Aid will be realised in the next financial year. Thanks must be given to Brian Jones, Julie Grant and all the staff involved from UNISON Welfare, and the work carried out for this event.

2 Individual Donations

We have a number of individuals that give regular donations and have done so over a number of years. These donations and one-off individual donations brought funding of over £22,000 into the organisation. We also increased the amount we could claim back from the Inland Revenue by just under £2000. Further work was carried out to ensure that as many individuals as possible completed gift aid forms. Further work will be carried out in the next financial year to increase regular individual donations.

3 Direct Mail

We are still working with JAMM Print and Production. This organisation does direct mail appeals for us. An account is held jointly with them from which they cannot draw without our signature. There is now a database of donors of around 1800. Due to pressure of work Community H.E.A.R.T. has not carried out a direct mail in this year, however we intend to in the next financial year. Community H.E.A.R.T. will keep under review this way of doing direct mail shots and look at other more cost effective methods of contacting supporters and raising donations through appeals.

4 Large Donations

Community H.E.A.R.T. has not received any large donations from grant making bodies in this financial year, however are in the process of applying for a further grant from Comic Relief for Rape Crisis Cape Town.

Volunteers

The work undertaken by Nat and Elsa Perez in packing and sorting books and organising the packing of the containers had been invaluable in the past. This work and expertise is truly invaluable and they have continued to give help in the book campaign. Others have also given freely of their time and energy including many of the UNISON Manchester Branch Officers and staff who have helped with deliveries of books, driving vans and loading containers, in particular, Pete Banks, Brian Stangoe, Tony Caffrey and Jim Mackrell. Kate (also a Branch Officer) and Gerry Farrell have also regularly picked up books from Rochdale Oxfam.

Many people have given of their time and energy to support Community H.E.A.R.T. not least the teachers, parents, staff and members in schools, the churches, young peoples' organisations and others who have collected books. Many ACTSA members around the country who have supported the book campaign for many years including ACTSA Waltham Forrest, Richmond and Leicester.

ACTSA Scotland members and supporters who worked on the books collected in Scotland. Trade union branches have also been active in supporting the Book and 10 Pence campaign.

It is not possible to name the many individuals however two Community H.E.A.R.T. active supporters died. Ronnie Shankland was an avid supporter and volunteer for Community H.E.A.R.T. He worked quietly in the background, willing to take on anything that had to be done big or small giving his help and support freely. Ronnie died suddenly in December 2002. Ronnie's family asked donations in his memory be made to Community H.E.A.R.T. He will be sorely missed by Community H.E.A.R.T. for his invaluable support. Pat McCrory, a member of ACTSA in Leicester, worked tirelessly for the Book and 10 Pence campaign collecting books and funds in the local area and delivering thousands of books to the London office. His energy, support and commitment were invaluable to Community H.E.A.R.T. Pat died suddenly in June 2003. He will also be sorely missed by Community H.E.A.R.T.

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Mmapula Tladi-Small has also been of great help to the organisation both in her work with the South African Nurses Association but also for her willingness to help in the office in whatever could be most helpful. As a Board Member her expertise and enthusiasm will enable the organisation to develop in the future.

Staffing

Jamie Colgan, clerical/administrative worker, left the organisation in August 2003. We would like to record our thanks to Jamie for his work for the organisation. As stated earlier in the report, Phil Elliott was seconded to Community H.E.A.R.T. in May 2003. Phil was working on building further links and donations from the Trade Union movement but he was also willing to help in all tasks requiring to be carried out. This commitment is very important to a small organisation like Community H.E.A.R.T. Phil's death nearly half way through his secondment was a great shock to everyone. His death was a great loss to Community H.E.A.R.T. as a worker, supporter and a good friend. In March 2004, Community H.E.A.R.T. employed Terri Fanning as a clerical/administrative worker on a part-time basis. Terri is showing herself to be a valuable member of staff.

Premises

The office space is donated by the UNISON Manchester Branch and therefore reduces the overheads of the organisation. The Manchester Branch and Manchester Markets donated storage space. All these donations are accounted for as intangible donations. Our thanks go to the Manchester Branch activists and members and Manchester Markets for this valuable contribution to the organisation.

Grant Making Policy

The previous Director was authorised to make grants within the aims and objectives of the organisation in consultation with the chair and members of the Board of Directors. Grants directly from Community H.E.A.R.T. funds are a small percentage of the total grants paid. We ask that financial and annual reports are made available to us. We do not make grants for individuals.

The major grant during previous years has been to Rape Crisis Cape Town given under the agreed criteria with Comic Relief (the grant making body).

Due to the increasing number of requests for support, it is intended the new Director will table a formal policy for consideration at a future Board meeting.

Risk Assessment

The organisation has relied to large extent on a relatively small number of regular donations, occasional donations and major contributions from a very small number of organisations. The work that has been undertaken in fundraising has been concentrated on a narrow base. The risk is that one major donor pulling out will make a major difference to the funds of the organisation and our ability to continue with all our projects.

As the reputation of the organisation has grown in Southern Africa, the number of requests for material and financial support has risen. The organisation therefore needs to look at broadening the funding base of the organisation and ensuring regular donations.

Reserves Policy

We seek to have sufficient funds in hand to be able to function for 3 months. It is difficult to mention a specific sum because the amount we need is determined not only by fixed overheads, rent etc and salaries but by variable timing of gifts of books and pc's and therefore the amount of shipping we shall need to undertake.

Responsibilities of Directors

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2004

In preparing those financial statements that give a true and fair view, the directors should follow best practice and:

- select suitable accounting policies and then apply them consistently
- 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 financial statements
- prepare financial statements on the going concern basis unless it is appropriate to assume that the company will continue on that basis

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors are also responsible for safeguarding the assets of the charitable company and hence for taking any reasonable steps for the prevention and detection of fraud and other irregularities.

Organisational Structure

The board of directors shall be made up of not less than 4 and no more than 10 members. The board will be able to appoint any member to the board to fill a casual vacancy or by way of addition to the board in accordance with the memorandum and articles of association.

The Directors (Council Members)

Directors, who are also trustees under charity law, who served during the year and up to the date of this report were as follows:

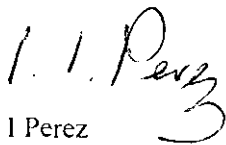
Mr B F Filling
Mr R Bruce
Mr I I Perez
Mr J McFadden
Mr J McGhee
Mr M Malik
Ms M Tladi-Small
Ms J Sawyer (from 20th September 2003)
Ms L Richards (from 20th September 2003)

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30th April 2004 was nine. The directors have no beneficial interest in the charitable company.

Approved by the board on

6th December 2004

and signed on its behalf



Mr I I Perez
Director

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Accountants' report to the members on the unaudited accounts of Community Health Education and Reconstruction Training

We report on the accounts for the year ended 30th April 2004 set out on pages 12 to 19.

Respective responsibilities of the directors and reporting accountants

As described on pages 9 and 10 the directors are responsible for the preparation of the accounts, and they consider that the charitable company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the charitable company, and making such limited enquiries of the officers of the charitable company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- (a) the accounts are in agreement with the accounting records kept by the charitable company under section 221 of the Companies Act 1985; and
- (b) having regard only to, and on the basis of, the information in those accounting records:
 - (i) those accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) The charitable company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249(5) and did not, at any time within that year, fall within any of the categories not entitled to the exemption specified in section 249B(1).

Percy Westhead & Company

Percy Westhead & Company
Chartered Accountants
Greg's Buildings
1 Booth Street
Manchester
M2 4AD

Date: 16.12.2004

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account) for the YEAR ended 30th APRIL 2004

	Notes	2004 <u>Restricted</u> <u>Funds</u> £	2004 <u>Unrestricted</u> <u>Funds</u> £	2004 <u>Total</u> <u>Funds</u> £	2003 <u>Total</u> <u>Funds</u> £
Incoming resources					
Donations, legacies and similar incoming resources		7,256	36,353	43,609	32,806
Activities in furtherance of the charity's objects:					
Grant giving	2	-	-	-	50,672
Book and 10 pence appeal		10,335	-	10,335	3,453
Activities to generate funds:					
Mailshot		-	-	-	5,252
Investment income		-	369	369	162
Intangible income		<u>8,050</u>	<u>18,000</u>	<u>26,050</u>	<u>4,581</u>
Total incoming resources		<u>25,641</u>	<u>54,722</u>	<u>80,363</u>	<u>96,926</u>
Resources expended					
Cost of generating funds:					
Fundraising and publicity		-	8,606	8,606	1,846
Direct charitable expenditure:					
Grants payable		6,699	2,000	8,699	90,231
Book and 10 pence appeal		30,414	-	30,414	20,924
Other projects		400	6,095	6,495	7,478
Support costs		-	6,814	6,814	8,838
Management and administration		-	<u>7,872</u>	<u>7,872</u>	<u>3,146</u>
Total resources expended	6	<u>37,513</u>	<u>31,387</u>	<u>68,900</u>	<u>132,463</u>
Net income/(expenditure) for the year	8	(11,872)	23,335	11,463	(35,537)
Other recognised gains and losses					
Unrealised gains/(losses) on exchange		-	(147)	(147)	694
Net income/(expenditure) for the year before transfers		(11,872)	23,188	11,316	(34,843)
Transfers between funds	13	<u>12,054</u>	<u>(12,054)</u>	-	-
Net movement in funds		182	11,134	11,316	(34,843)
Funds at 1st May 2003		<u>5,505</u>	<u>21,305</u>	<u>26,810</u>	<u>61,653</u>
Funds at 30th April 2004		<u>5,687</u>	<u>32,439</u>	<u>38,126</u>	<u>26,810</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

BALANCE SHEET As at 30th APRIL 2004

	<u>Notes</u>	£	<u>2004</u> £	<u>2003</u> £
Tangible fixed assets	9		1,480	910
Current assets				
Debtors	10	5,579		2,413
Cash at bank and in hand		<u>33,005</u>		<u>25,274</u>
		38,584		27,687
Creditors amounts falling due within one year	11	<u>1,938</u>		<u>1,787</u>
Net current assets			<u>36,646</u>	<u>25,900</u>
Net assets	12		<u>38,126</u>	<u>26,810</u>
Funds				
Restricted funds			5,687	5,505
Unrestricted funds:				
General funds			<u>32,439</u>	<u>21,305</u>
Total funds	13		<u>38,126</u>	<u>26,810</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies act 1985 for the year ended 30th April 2004.

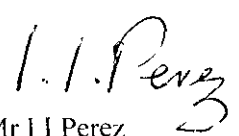
The members have not required the company to obtain an audit of its financial statements for the year ended 30th April 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the board on 6th December 2004 and signed on its behalf by


Mr I I Perez
Director

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2004

1. Accounting policies

- (a) The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in October 2000) and the Companies Act 1985.
- (b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- (c) Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable, unless they relate to a specific future period, in which case they are deferred.
- (d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- (e) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- (f) Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.
- (g) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- (h) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered. Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Management and administration costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

- (i) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:-

Office equipment	15% reducing balance basis
Computer equipment	25% reducing balance basis

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

- (j) Grants payable are made in accordance with the stated objectives of the charitable company.
- (k) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange for the year. Exchange differences are taken into account in arising at the net incoming resources for the year.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2004

2. Grants

	<u>2004</u> <u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2004</u> <u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>2004</u> <u>Total</u> <u>Funds</u> <u>£</u>	<u>2003</u> <u>Total</u> <u>Funds</u> <u>£</u>
Comic Relief	-	-	-	48,234
Other grants	-	-	-	2,438
	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,672</u>

3 Intangible income

The cost of shipping books and computers to South Africa is subsidised and consequently Community HEART only pays one half of the actual cost. The company occupies premises donated by the UNISON Manchester Branch and has also had staff seconded to them and a laptop was donated during the year. Since these are expenses which would otherwise be incurred they have been brought into the financial statements in full, and have been shown as intangible income and expenditure as follows:

	<u>2004</u> <u>£</u>
Shipping/Storage	8,050
Premises	4,000
Staff secondment	13,000
Laptop	1,000
	<u>26,050</u>

4. Staff costs and numbers

Staff costs were as follows:-

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Salaries and wages	17,749	17,640
Social security costs	1,359	1,145
	<u>19,108</u>	<u>18,785</u>

No employee earned more than £50,000 during the year (2003 – none).

The average weekly number of employees (full-time equivalent) during the year was as follows:-

	<u>2004</u> <u>No.</u>	<u>2003</u> <u>No.</u>
Projects	0.25	0.50
Book and 10 pence appeal	0.75	0.75
Support	0.50	0.25
	<u>1.50</u>	<u>1.50</u>

5. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2004

6. Total resources expended

	Fundraising and Publicity £	Grants Payable £	Book & 10 pence Appeal £	Other Projects £	Support £	Management and Administration £	2004 Total £	2003 Total £
Grants payable	-	8,699	-	-	-	-	8,699	90,231
Staff costs	3,185	-	9,554	3,185	3,184	-	19,108	18,785
Staff secondment (UNISON)	3,900	-	3,900	2,600	-	2,600	13,000	-
Freelance workers	-	-	-	-	-	-	-	750
Publications	124	-	-	-	18	-	142	-
Travelling expenses	10	-	271	272	171	620	1,344	929
Events	-	-	-	-	-	125	125	535
Fundraising	980	-	-	-	395	-	1,375	2,596
Mailshots	-	-	-	-	-	-	-	1,785
Printing, postage and stationery	407	-	204	11	442	10	1,074	384
Premises	-	-	1,334	-	1,333	1,333	4,000	510
Telephone, E-mail and fax	-	-	34	8	785	-	827	903
Volunteers' expenses	-	-	-	-	61	-	61	293
Shipping, storing and package	-	-	14,953	300	-	-	15,253	9,537
Accountancy	-	-	-	-	-	1,457	1,457	2,514
Bank charges	-	-	-	60	35	-	95	685
Sundries	-	-	-	-	3	-	3	17
Computer costs, web & IT	-	-	-	-	387	-	387	225
Legal and professional	-	-	-	-	-	755	755	-
Council members' expenses	-	-	164	59	-	542	765	534
Relocation	-	-	-	-	-	-	-	1,021
Depreciation	-	-	-	-	-	430	430	229
Total resources expended	8,606	8,699	30,414	6,495	6,814	7,872	68,900	132,463

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2004

7. Grants payable	<u>2004</u>	<u>2003</u>
	£	£
Rape Crisis	-	86,887
Abadala (Ikamva Labantu)	4,699	2,067
Siyazenzela	2,000	-
Nurses Project	-	1,277
Others	<u>2,000</u>	<u>-</u>
	<u>8,699</u>	<u>90,231</u>
8. Net incoming/(outgoing) resources for the year	<u>2004</u>	<u>2003</u>
	£	£
<i>This is stated after charging:</i>		
Council members' remuneration	-	-
Council members' expenses	765	534
Depreciation	430	229
Reporting accountants' remuneration		
• Current year	1,457	1,410
• Under/(over)-provision in previous year	<u>-</u>	<u>(167)</u>

Three council members received reimbursed expenses in the year to cover travel costs incurred in carrying out work towards the objects of the charity and travel to and from council meetings.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS for the YEAR ended 30th APRIL 2004

9. Tangible fixed assets

	<u>Computer Equipment</u> £	<u>Office Equipment</u> £	<u>Total</u> £
COST			
At 1 st May 2003	4,004	1,626	5,630
Additions	<u>1,000</u>	<u>-</u>	<u>1,000</u>
At 30 th April 2004	<u>5,004</u>	<u>1,626</u>	<u>6,630</u>
DEPRECIATION			
At 1 st May 2003	3,574	1,146	4,720
Charge for the year	<u>358</u>	<u>72</u>	<u>430</u>
At 30 th April 2004	<u>3,932</u>	<u>1,218</u>	<u>5,150</u>
NET BOOK VALUE			
At 30 th April 2004	<u>1,072</u>	<u>408</u>	<u>1,480</u>
At 30 th April 2003	<u>430</u>	<u>480</u>	<u>910</u>

All tangible fixed assets are used for direct charitable purposes.

10. Debtors

	<u>2004</u> £	<u>2003</u> £
Income Tax reclaimable	4,329	2,413
Other debtors	<u>1,250</u>	<u>-</u>
	<u>5,579</u>	<u>2,413</u>

11. Creditors: amounts falling due within one year

	<u>2004</u> £	<u>2003</u> £
Sundry creditors	481	377
Accruals	<u>1,457</u>	<u>1,410</u>
	<u>1,938</u>	<u>1,787</u>

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS for the YEAR ended 30th APRIL 2004

12. Analysis of net assets between funds

	<u>2004</u> <u>Restricted</u> <u>Funds</u> £	<u>2004</u> <u>General</u> <u>Fund</u> £	<u>2004</u> <u>Total</u> <u>Funds</u> £
Tangible fixed assets	-	1,480	1,480
Current assets	5,687	32,897	38,584
Current liabilities	-	(1,938)	(1,938)
Net assets at 30th April 2004	<u>5,687</u>	<u>32,439</u>	<u>38,126</u>

13. Movements in funds

	<u>At</u> <u>1st May</u> <u>2003</u> £	<u>Incoming</u> <u>resources</u> £	<u>Resources</u> <u>expended</u> £	<u>Transfers</u> <u>between</u> <u>funds</u> £	<u>At</u> <u>30th April</u> <u>2004</u> £
Restricted funds					
Rape Crisis	-	404	(184)	-	220
Abadala	976	3,727	(4,728)	25	-
Book & 10 pence appeal	-	18,385	(30,414)	12,029	-
Maths & Science Bus	841	-	-	-	841
Nurses Project	48	50	(22)	-	76
Ububele	932	-	-	-	932
Siyazenzela	2,257	210	(2,015)	-	452
UNITRA	-	150	(150)	-	-
R. Shankland	215	212	-	-	427
Walter Sisula	-	2,503	-	-	2,503
Other Projects	236	-	-	-	236
Total restricted funds	<u>5,505</u>	<u>25,641</u>	<u>(37,513)</u>	<u>12,054</u>	<u>5,687</u>
Unrestricted funds					
Soweto Schools	20	-	-	-	20
General fund	<u>21,285</u>	<u>54,722</u>	<u>(31,534)</u>	<u>(12,054)</u>	<u>32,419</u>
Total funds	<u>26,810</u>	<u>80,363</u>	<u>(69,047)</u>	<u>-</u>	<u>38,126</u>

Purposes of funds:

Funds are used for the purposes specified by the funders, as highlighted in the council members' report on pages 2 – 10.

All funds in deficit at the year end have been subsidised through general fund.