

BE YOUR BEST FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2005



BE YOUR BEST FOUNDATION

CONTENTS

	Page
Charity information	1
Chairman's statement	2
Trustees' report	3 – 10
Independent auditors' report	11
Consolidated statement of financial activities	12
Consolidated balance sheet	13
Balance sheet	14
Notes to the financial statements	15 - 18

BE YOUR BEST FOUNDATION

CHARITY INFORMATION

Legal and Administrative Information.

The Be Your Best Foundation is a United Kingdom Registered Charity number 1077291 and a company limited by guarantee and not having a share capital. The company registration number is 3553440. A memorandum and articles of association dated 27th April 1998 govern the operation of the Foundation. The Foundation is recognised by the Inland Revenue as an approved charity for tax purposes, the reference number being XR 33678.

The present Directors and Trustees of the Foundation are:

Mr Derek Thompson	(appointed as Chair 19 th July 2003)
Mr E.D. (Stratis) Zographos FCCA.	(appointed 3 rd December 1999)
Mr Mervyn Bishop	(appointed 1 st October 1999)
Dr Marguerite Howick Cert Ed. Dip Ed (Adv). MA. PhD.	(appointed 3 rd December 1999)
Mrs Karen Gooch	(appointed 22 nd July 2002)
Ms Juno Hollyhock	(appointed 27 th May 2003)
Mr George Cooil	(appointed 19 th July 2003)
Mr Paul Godfrey	(appointed 14 th June 2004)
Ms Jan Clarke	(appointed 27 th September 2004)

The present directors and trustees of Be Your Best Enterprises Ltd, a wholly owned trading subsidiary of the Be Your Best Foundation who served throughout the year are:

Ms Juno Hollyhock	(appointed 27 th May 2003)
Mr Derek Thompson	(appointed 16 th May 2000)

Company Secretary and Secretary to the Trustees.

Mr David Beal	(appointed 19 th July 2003)
---------------	--

Registered Office.

Wessex House
Upper Market Street
Eastleigh
Hampshire
SO50 9FD

Bankers.

HSBC
194 Strand
London
WC2R 1DF

Solicitors.

Henmans Solicitors
116 St Aldates
Oxford
OX1 1HA

Auditors.

BDO Stoy Hayward LLP
Charter Court
Third Avenue
Southampton
SO15 OAP

BE YOUR BEST FOUNDATION

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

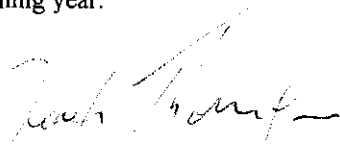
As we celebrate our 10th Anniversary, it gives me great pleasure to tell you that the 2004/5 Be Your Best Foundation Rock Challenge Tour has without doubt been the most successful since we started events in 1996. Congratulations to all participating students, teachers and helpers for creating wonderful entertainment for audiences of more than 25,000 across the UK. This year two hundred teams, comprising of 14,000 students, contributed towards the aim of "a healthier lifestyle".

The aims of Be Your Best Foundation are to create a healthier lifestyle, and it is expected that this will incorporate no drug abuse, no smoking or alcohol abuse, and it is encouraging to note that the Government is now positively promoting a move by all to adopt a healthier lifestyle. Dance and movement are obviously major elements, but we aim via the Foundation to encourage students to develop and expand their own confidence and self esteem, build a camaraderie and empathy with staff and students, with the added bonus of dramatically reducing truancy. The Directors are justifiably proud that the BYBF produces the Rock Challenge in Britain and it is anticipated that there will be a further 50 schools/colleges entering in 2005/6.

As a charity it is imperative we control growth and this is dictated by our ability to attract funding. Hampshire Constabulary was responsible for first introducing the event to the U.K and we are fortunate that such is their belief in the success of the Rock Challenge that they remain prime supporters. Grampian, Humberside, Hertfordshire, Sussex, the Police Service of Northern Ireland, Dorset and Lincolnshire Police authorities, County and City Councils, Connexions, Drug and Alcohol Action Teams, Healthy School initiatives plus innumerable Company sponsors and local radio stations all remain committed to the success of the Charity and we appreciate and applaud their support. As we grow year by year so does the expense, hence our constant search for compatible sponsors.

Many schools and college teams travel considerable distances to participate in Rock Challenge events and it is only with the cooperation and goodwill of staff and parents that we are able to hold events. Fitting in with examination timetables seems to be an increasing problem and there is additional expense with some schools having elaborate sets that have high travel costs. We are attempting to ease this matter by providing more local venues in the 2005/6 tour.

On behalf of the Board may I thank you all for your support and trust that you can look forward to a successful tour in the coming year.



Mr Derek Thompson
(Chairman)

08/10/05

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

The Trustees, who are the Directors and are hereafter referred to as the Trustees, submit their report, together with the audited financial statements of the Charity, for the year ended 30 June 2005.

The Vision

The vision of the Be Your Best Foundation is to contribute to improving the quality of life for all members of society by encouraging young people to take an active role in building safe and healthy communities.

Mission Statement

To support initiatives that contribute to:

- The reduction of drug misuse and crime amongst young people.
- The advancement of education and particularly, the education of children and young people in the value of discipline, hard work and good citizenship.
- The promotion of health and the prevention of sickness, particularly that caused by or related to alcohol, tobacco, drug use or any other aspect of modern lifestyles which are prejudicial to health.
- The provision of facilities for recreation and positive leisure time activities.

During the relevant period the main project of the Foundation was to facilitate the production and expansion of the Rock Challenge® in the United Kingdom.

The Directors

Be Your Best Foundation

E.D. (Stratis) Zographos

Stratis was a senior executive with extensive and varied experience in manufacturing, distributive, leisure, television broadcasting and advertising industries. His previous directorships include; chairman of RZed Limited, director of RZed New Media Limited, director of The People Show, finance and administration director of both TV-am plc and Meridian Broadcasting Limited and commercial director of the ITV Network Centre. Stratis is a fellow member of the Chartered Association of Certified Accountants. He is now retired.

Dr Marguerite Howick

Marguerite is a healthy schools coordinator with a background in teaching in Kent for 24 years. Her work with young people presenting difficult and disturbed behaviour often as a result of substance misuse led her to study for a Masters Degree in Psychology and a Doctor of Philosophy degree in health education. She now combines her experience and qualifications as Healthy Schools Coordinator on the Isle of Wight, a post she has held since 1998. Through her work Marguerite links the Foundation with the national strategy and agencies including 'Tackling Drugs to Build a Better Britain', the Healthy School Standard and the Drug Education Forum.

Mervyn Bishop

Mervyn joined the Humberside Police in 1971 and retired on 5th November 2000. During his time with the Force he performed a variety of roles including spells with the CID and Drug Squad. He has served with the Regional Crime Squad investigating national and international drug traffickers. His most recent task was in community relations, which included supervision of the Lifestyle and Rock Challenge® projects throughout the Humberside area. He has also been involved with the management of the Life Education Centre, a drug information mobile resource for primary schools; Humercare, a resource organisation linked to the Probation Service; Victim Support and Community Focus, a drugs information project. He has been involved with the Rock Challenge® since 1996 and has been its driving force in the Humberside area.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

Karen Gooch

After gaining a degree and post graduate diploma Karen worked as a Midlands based journalist for 20 years in TV and radio, she has worked as a reporter, a presenter and a producer. Karen's previous employers include Signal Radio, Leicester Sound and Mercia Sound. Karen is currently Senior Production Journalist with Central News part of Carlton TV where she has worked in Abingdon in Oxfordshire for almost 10 years. Karen's other interests include dressage, morris dancing, traditional music, camping and travelling.

Derek Thompson

Derek is now retired and has a background of sales and marketing with Courtaulds, running his own estate agency and latterly a director of a major international postal company. A former trustee of a youth club in Lancaster Derek has fulfilled roles as governor and chairman of various primary and secondary schools in Lancashire and Hampshire. He was an active qualified football referee for 20 years. He is a former parish councillor in his home village of Horndean. Derek is the current Chair of Be Your Best Foundation and also a Director of Be Your Best Enterprises Limited.

George Cooil

George Cooil's original involvement with Rock Challenge® was as an officer of the Isle of Wight Education Authority and as a parent, two of his daughters having participated in a number of Rock Challenge® events. He has been a teacher, a head teacher, a school inspector and an Assistant Director of Education. He now works as an independent consultant supporting a range of agencies in the statutory and non-statutory sectors.

Juno Hollyhock

Juno is currently the Children's Fund Programme Manager for Southampton and was UK producer for the UK Rock Challenge® between June 1999 and June 2004 joining the Board of Directors in May 2004. Juno's professional background includes the management of a range of youth arts projects within wider young people's programmes and general event management of a range of large-scale projects. Juno currently supports the work of Dreamwall, a company providing diversionary and esteem building activities for young people at risk and is also on the Board of Management for Southampton YMCA. In addition to her work with Southampton Juno also provides business, financial and project management consultancy services for other agencies including Portsmouth City Council.

Paul Godfrey

Paul retired from Ecclesiastical Insurance Group in June 2004, after 40 years service. His duties involved various appointments ranging over the UK with brief spells in Ireland and Canada. For the last five years Paul has been Managing Director of the Ansvar Insurance Company (EIO subsidiary) in Eastbourne. Currently a Freeman of the City of London and has served on various committees including the Charities Committee (since 1989), the Coopers' Livery House Fund (since inception in 1995) and the Court from 2002. Paul has recently been asked to chair the sub-committee for the company's entry in the Lord Mayor's Show.

Jan Clarke

Jan has just completed her eighth year working as Health Education Advisory Teacher/ Healthy Schools Co-ordinator for Cumbria LEA. Within the Healthy Schools Team Jan is responsible for Sex and Relationships Education and Emotional Health and Well-being, whilst also maintaining holistic responsibility for those schools in the West of the County, which there are approximately 120. This means working at both operational and strategic level with all sectors of school communities and linked agencies. Jan has also been a National Assessor for the Certification of the Teaching of PSHE (Department of Health) since 2003, Phase One of the programme, and is the identified lead in Cumbria for both teachers and community nurses undertaking the programme.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

The Activities of the Be Your Best Foundation

During the year subject of this report the Rock Challenge® has remained the main project supported by the Foundation. The Foundation has one employee, David Beal who acts as General Manager and is responsible for the day to day running of the Charity as well as fundraising and Stage Managing the events themselves. On 28th June 2004 David was joined by Natalie Buckley who was the Development Manager, her post being employed by the Hampshire Constabulary. Otherwise Global Rock Challenge® Ltd provides the production function through a service agreement, and various contracted companies and individuals. The Directors of the Foundation are responsible for the policy and financial decisions affecting the operation of the Rock Challenge® in the United Kingdom.

The functions of the Foundation in relation to the Rock Challenge® are to:

- Secure national and local, statutory, commercial and charitable funding for the event.
- To facilitate the formation of partnerships between relevant national and local commercial, statutory and charitable agencies.
- To build suitable networks through which the Rock Challenge® can be consolidated and extended towards the interim target of involving 300 schools by 2009.

These functions continue throughout the year and lead up to the production of the Rock Challenge® events that take place annually between February and May.

The Rock Challenge®

This is an international anti-drug and crime prevention initiative that takes the form of a performing arts competition for secondary schools. It was introduced into the UK by the Hampshire Constabulary in 1996 and has since grown to the extent that this year 14,000 11 to 18 year old students from 148 secondary school teams performed in 25 events staged throughout England, Scotland and Northern Ireland.

The Rock Challenge® delivers anti-drug and crime prevention messages to the heart of teenage culture by using music, dance, fashion and media images that are familiar and attractive to large numbers of young people. The event captures the imagination of young people, providing them with an exciting and unique opportunity to experience the 'drug free high' of performing in a supportive and professional environment with over 100 of their contemporaries.

Notable Achievements

This report should be considered in conjunction with the 2005 Sponsor Report that has been widely distributed and contains full details of the event, it's benefits, evaluations, partnerships involved, 2005 results and publicity achieved. Amongst this there were however some aspects of the 2005 tour that deserve special mention.

Expansion

There has been a steady rise in the number of participating schools as the benefits of participation have become evident to school communities. Most choose to return to the event each year and there was a significant expansion in 2005 with 30 new schools taking part. The demand from schools led to an increase in the number of events from 21 in 2002 to 27 in 2005 and 34 are planned for 2006.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

2005 Rock Challenge® Tour

Location	Date	Venue	Teams		Participants		Audience	
			2005	2004	2005	2004	2005	2004
Aberdeen	8 th Feb	Music Hall	7	9	469	705	646	962
Aberdeen	9 th Feb	Music Hall	5	-	380	-	546	-
St Albans	22 nd Feb	Alban Arena	6	5	428	338	367	297
St Albans	23 rd Feb	Alban Arena	7	7	501	560	258	501
Southampton	28 th Feb	The Guildhall	7	7	540	465	757	516
Southampton	1 st Mar	The Guildhall	7	5	745	336	1,023	531
Southampton	2 nd Mar	The Guildhall	8	6	581	442	651	643
Southampton	3 rd Mar	The Guildhall	7	4	608	517	919	622
Southampton	-	The Guildhall	-	9	-	685	-	1,017
Crawley	10 th Mar	The Hawth	11	9	674	644	655	653
Belfast	12 th Apr	The Waterfront Hall	4	8	373	712	1,325	1,711
Grantham	14 th Mar	Meres Centre	11	6	375	438	559	405
Grimsby	18 th Mar	Auditorium	8	7	623	667	738	905
Bridlington	13 th May	Spa Theatre	8	5	581	397	834	447
Hull	26 th Apr	Ice Arena	7	5	574	429	862	675
Bournemouth	15 th Apr	Pavilion Theatre	11	-	795	-	1,271	-
Portsmouth	18 th Apr	The Guildhall	10	7	619	438	676	772
Portsmouth	19 th Apr	The Guildhall	9	8	718	699	1,469	1,134
Portsmouth	20 th Apr	The Guildhall	10	8	642	543	819	414
Portsmouth	21 st Apr	The Guildhall	11	9	960	794	1,409	1,089
Portsmouth	19 th May	The Guildhall	12	-	674	-	1,018	-
Bradford	27 th Apr	St. Georges Hall	10	10	828	773	1,118	966
Carlisle	29 th Apr	The Sands Centre	6	7	455	577	724	577
Margate	-	Winter Gardens	-	3	-	140	-	134
Oxford	4 th May	Apollo Theatre	6	-	285	-	841	-
Total			188	144	13,428	11,299	19,485	14,971
Southern Open Final	20 th May	Bournemouth Int. Centre	13	12	935	1,011	1,426	1,817
Southern Premier Final	21 st May	Bournemouth Int. Centre	12	12	1,318	1,235	1,691	1,565
Northern Open Final	27 th May	Grimsby Auditorium	10	10	908	1,040	1,012	1,039
Northern Premier Final	28 th May	Grimsby Auditorium	8	10	883	1,027	1,090	1,036
Totals		27 events	231	188	17,472	15,612	24,704	20,428

Scotland

The Charity maintained its presence in Scotland by staging an event in Aberdeen for the third year. Considerable efforts were made by the Foundation working in conjunction with the Grampian Police and the Scottish Executive to raise funding due to the increased interest from schools in the area. The Charity is most grateful for the substantial support received from Aberdeen City and Aberdeenshire Councils that enabled the event to take place.

The Be Your Best Foundation has now booked and planned 3 events in Scotland.

Various interested agencies in Scotland have suggested that it would be appropriate to approach national drug prevention organisations with a view to securing development funding to extend the event throughout Scotland.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

International Involvement

The prime aims of the Be Your Best Rock Challenge® are drug and crime prevention but the 2005 tour demonstrated the potential of the event to bring together young people and communities from very different national and cultural backgrounds. We are pleased to report that the event continued to attract entries from England, Wales, Scotland, Northern Ireland and France, whilst the Global Rock Challenge® has spread into Germany and South Africa.

Disadvantage

Through the production of the Rock Challenge® the Foundation seeks to provide its benefits to all young people regardless of their ability or their social and economic situation.

The Directors are therefore particularly pleased to report the involvement of 6 schools for pupils with special needs in 2005. This demonstrates the accessibility of the event and it's ability to provide equal and unique opportunities to every young person. Young people from these schools were able to take part on an equal basis with mainstream pupils and the quality of their performances and the enthusiastic response of the audiences bore testament to their ability and the dedication of their teachers and families.

In furtherance of the aims of the Foundation the Directors continue to be keen to sustain and extend the Rock Challenge® in areas that are acknowledged to be particularly disadvantaged or deprived.

The Connexions Service

The Directors are pleased to report the establishment of a new partnership with several Connexions partnerships throughout England. This arose out of a recognition that the Rock Challenge® supports many of the desired outcomes of the Connexions Service. Funding for 2005 events was received from the following partnerships: South Central, Humberside, Hertfordshire, Kent and Medway, Lincolnshire and West Yorkshire. Based on the positive outcomes of the Rock Challenge®, the Directors hope to attract further support and funding from these and Connexions partnerships in other areas.

Evaluation Outcomes

The 2005 tour has been evaluated in two ways through a survey carried out among liaison teachers and a survey amongst participants. Summaries of these evaluations are contained in the 2005 Sponsor Report. Positive outcomes of the Rock Challenge® include:

- The development of partnerships between statutory and commercial agencies and school communities.
- The development of support networks e.g. students, teachers, families and local business and community leaders.
- An opportunity for students to develop their leadership qualities and employment attributes through participation and the organisation of their entry.

The Directors of the Foundation are very pleased with these results as they demonstrate the effectiveness of the Rock Challenge® in addressing many of the wider issues that affect drug misuse and crime among young people. They also show how this initiative addresses issues, which are currently of high public concern such as social inclusion and citizenship.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

Partnerships

The Foundation seeks to build partnerships in each participating community by involving students, teachers, parents, community leaders, local business, the police and the media. The local events are linked to form an international network by securing national commercial sponsorship, the endorsement of relevant central government agencies and national media support.

A school's entry into the Rock Challenge® provides an ideal focus for community safety partnership activities. Full details of 2005 partnerships are contained in the Sponsor Report.

The Hampshire Constabulary introduced the Rock Challenge® into the United Kingdom and this organisation together with the Police Service generally has remained a key agency in the development of this event. In 2005 several police forces took a lead role in staging events in their areas. These were Hampshire, Dorset, Lincolnshire, Humberside, Hertfordshire, Sussex, Grampian and the Police Service of Northern Ireland. Several of the forces involved have incorporated the Rock Challenge® into their youth crime diversionary strategies.

The Foundation is most grateful to its main sponsors, Ansvar Insurance Co. Ltd, the Humberside Police Lifestyle project, the Hampshire Police Authority, Hampshire Constabulary and the Hampshire Drug Action Team.

Commercial Radio:

Partnerships were also established with commercial radio in most areas where the event was staged, which is most important, as the resulting on-air promotions add credibility to the event for its young participants. In this respect valued support was received from Power FM in Portsmouth and Southampton, Viking FM in Humberside, Northsound FM in Aberdeen, Mercury FM in Crawley, Chiltern FM in Stevenage, The Pulse in Bradford, Lincs FM in Grantham, Downtown Radio in Belfast and 2CRFM in Bournemouth.

Funding

This event has been staged annually in the United Kingdom since 1996 and during that time has gradually expanded. Unfortunately the resources available to meet the considerable demand have been limited due to the difficulty in obtaining funding. If the Be Your Best Rock Challenge® is to continue and be able to extend its proven benefits to the maximum number of communities it is essential that its value is recognised and supported by secure and substantial on-going funding.

The following is a list of funding and supporting agencies for the 2004 – 2005 year, which demonstrates the diversity of support and involvement. Many of these make good use of the event to promote their own drug or crime prevention initiatives and the Directors are most grateful for all the support provided.

Commercial

Ansvar Insurance Co Ltd, R.J. Wiggins (Fine Papers), Janome, Andrew Marr International, The News (Portsmouth), CHK Charities Limited and Arco Limited.

Statutory

Police:

Hampshire Police Authority, Hampshire Constabulary, Lifestyle (Humberside Police), The Police Service of Northern Ireland, Hertfordshire Constabulary, Dorset Police, Grampian Police, Lincolnshire Police and Sussex Police.

Connexions Service Partnerships:

Hertfordshire, South Central, West Yorkshire, Kent Lincolnshire and Humber.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

Local Authorities:

Hampshire County Council, Portsmouth City Council, Southampton City Council, Aberdeen City Council, Aberdeenshire Council, St. Albans City and District Council, Havant Borough Council, Isle of Wight Council, West Sussex County Council, Dacorum Borough Council, Bradford City Council, Hertfordshire County Council, Copeland Borough Council, Gosport Borough Council, South Kesteven District Council, North East Lincolnshire Council, Kingston Upon Hull City Council, Allerdale Borough Council, Cumbria Neighbourhood Development Forums, Welwyn and Hatfield Community Safety Partnership, West Sussex Community Safety Partnership, West Sussex Healthy Schools, Isle of Wight Healthy Schools, West Sussex Youth Offending Team, Hertsmere Crime and Disorder Reduction Partnership and Hampshire and Isle of Wight Learning and Skills Council.

Health and Drug Prevention Agencies:

Northern Ireland Drug and Alcohol Strategy Team, Isle of Wight Drug Action Team, Hampshire Drug Action Team, Southampton Drug Action Team, Cumbria Healthy Schools, Druglink and West Sussex Drug Action Team.

Charitable

The Australia Ireland Fund, Southampton Children's Fund and Lincolnshire Community.

The Future

At the time of preparing this report the Foundation is planning to meet the increasing demand for the Rock Challenge® by staging up to 34 events in 2006 involving 17,000 students from 225 schools.

The Directors are seeking to build on the success of the 2005 tour and extend the benefits of the Rock Challenge® to the most disadvantaged and deprived areas and communities. In this respect the Foundation is developing partnerships with Education Action Zones, Health Action Zones, the Connexions Service and the Safer Schools Partnership through which areas of greatest need can be identified. Such partnerships will be mutually beneficial to expand the Rock Challenge® and to help these agencies fulfil their own aims. The medium term aim is to involve 300 schools and 22,000 young people by 2009.

RESERVE POLICY

For the first time in several years the charity has net funds, and they have now repaid the historical debts of the Charity. The Directors appreciate the need to establish and maintain a reserve fund of at least £100,000 as and when possible, representing about one quarter of annual turnover, to offset fluctuations in fundraising. At this level, the Directors feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed.

INVESTMENT POLICY

The Directors are currently researching bank accounts which attract enhanced levels of interest to invest funds that are not immediately required. The investment policy will be reviewed annually.

RISK MANAGEMENT

The Directors have conducted a review of the major risks to which the charity is exposed. As a result measures have been incorporated in the business plan to mitigate those risks. Significantly external risks to funding have led to the development of new marketing and fundraising strategies. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures will be reviewed annually to ensure they still meet the needs to the Charity.

BE YOUR BEST FOUNDATION

TRUSTEES' REPORT

TRUSTEES' STATEMENT OF RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the group as at the end of the financial year and of the surplus or deficit of the group for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

AUDITORS

The Southampton office of HLB AV Audit plc, that previously carried out the company's audit, joined BDO Stoy Hayward LLP on 1 June 2005. Accordingly, HLB AV Audit plc resigned as auditors and the directors appointed BDO Stoy Hayward LLP as its successor. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the annual general meeting.

Signed on behalf of the Trustees



.....
David Beal

Secretary

08/10/05

BE YOUR BEST FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

BE YOUR BEST FOUNDATION

We have audited the financial statements of Be Your Best Foundation on pages 12 to 18 for the year ended 30 June 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Charity's Trustees, as a body, in accordance with the Companies Act 1985. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The Trustees' responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Trustees' report is not consistent with the financial statements, if the Charity 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 Trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

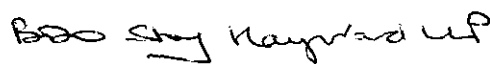
BASIS OF OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards 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 judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the 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.

OPINION

In our opinion the financial statements give a true and fair view of the group and charitable company's state of affairs at 30 June 2005 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.


BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
SOUTHAMPTON

17-10-05

BE YOUR BEST FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2005

	Note	Unrestricted Funds 2005 £	Restricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
INCOMING RESOURCES					
Grants receivable		14,796	235,486	250,282	233,030
Ticket sales and participation fees		209,596	-	209,596	177,200
Commercial sponsorship		-	45,000	45,000	24,011
Service in kind – seconded staff		26,829	-	26,829	-
Merchandise		19,332	-	19,332	17,047
Bank interest receivable		474	-	474	292
Other		5,588	-	5,588	5,740
TOTAL INCOMING RESOURCES		276,615	280,486	557,101	457,320
RESOURCES EXPENDED					
Costs of generating funds					
Advertising and publicity		59,756	-	59,756	30,196
Charitable expenditure					
Direct charitable expenditure; show costs	2	137,035	285,486	422,521	361,756
Management and administration of the Charity	3	12,800	-	12,800	13,795
		149,635	285,486	435,321	375,551
TOTAL RESOURCES EXPENDED		209,591	285,486	495,077	405,747
NET MOVEMENT IN FUNDS FOR THE YEAR	11	67,024	(5,000)	62,024	51,573
TOTAL FUNDS/(DEFECIT) BROUGHT FORWARD AT 1 JULY 2004		(25,396)	5,000	(20,396)	(71,969)
TOTAL FUNDS/(DEFECIT) CARRIED FORWARD AT 30 JUNE 2005		41,628	-	41,628	(20,396)

All of the Charity's operations are classed as continuing.

All gains or losses are included in the statement of financial activities.

BE YOUR BEST FOUNDATION

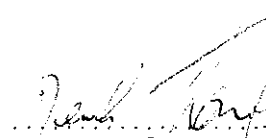
CONSOLIDATED BALANCE SHEET

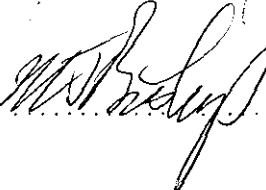
AS AT 30 JUNE 2005

	Note	2005 £	2004 £
CURRENT ASSETS			
Debtors	9	17,817	9,540
Cash at bank and in hand		<u>43,440</u>	<u>18,731</u>
		61,257	28,271
CREDITORS:			
Amounts falling due within one year	10	(<u>19,629</u>)	(<u>48,667</u>)
NET LIABILITIES		<u>41,628</u>	(<u>20,396</u>)
FUNDS			
Unrestricted funds		41,626	(25,396)
Restricted funds		<u>-</u>	<u>5,000</u>
	11	<u>41,628</u>	(<u>20,396</u>)

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Trustees on 08/10/05
and signed on its behalf by

 Derek Thompson

 Mervyn Bishop

BE YOUR BEST FOUNDATION

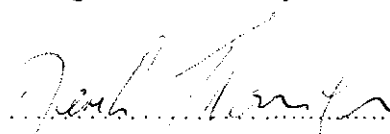
BALANCE SHEET

AS AT 30 JUNE 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Investments	8	2	2
CURRENT ASSETS			
Debtors	9	18,283	9,732
Cash at bank and in hand		<u>38,775</u>	<u>15,302</u>
		57,058	25,034
CREDITORS			
Amounts falling due within one year	10	(15,432)	(45,432)
NET CURRENT LIABILITIES		<u>41,626</u>	(20,398)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>41,628</u>	(20,396)
FUNDS			
Unrestricted		41,628	(25,396)
Restricted		<u>-</u>	<u>5,000</u>
	11	<u>41,628</u>	(20,396)

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Trustees on 08/10/05
and signed on its behalf by

 Derek Thompson

 Mervyn Bishop

BE YOUR BEST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's and Groups financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements incorporate recommendations of the Statement of Recommended Practice, 'Accounting and Reporting by Charities' published in October 2000, and applicable accounting standards.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 304 of the SORP.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on the general fund. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

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.

Grants

Grants received towards the cost of specific shows are treated as restricted income and credited to the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified.

Income

Income represents grants from government bodies, commercial sponsorship, sale of tickets for Rock Challenge shows, student participation fees and sales of merchandise, and is dealt with on an accruals basis.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA.

Direct charitable expenditure

This comprises all expenditure incurred by the Charity in the provision of their services including the management and administration costs directly related to such provision.

Fund-raising and publicity costs

These are costs which are directly related to the raising of voluntary donations and grants and publicising the activities of the Charity.

Management and administration costs

These are costs which are incurred in the management of the Company as a whole together with the costs of constitutional and statutory requirements and administration with respect to members.

BE YOUR BEST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

1 ACCOUNTING POLICIES (continued)

Cash flow

The company has taken advantage of the exemption in financial reporting standard No. 1 from the requirement to provide a cash flow statement on the grounds that it is a small company.

Service in kind

This represented the services of Natalie Buckley, who was employed by the Hampshire Constabulary, but was seconded to The Foundation full time. The corresponding costs were included within the appropriate headings in the Statement of Financial Activities.

2 DIRECT CHARITABLE EXPENDITURE

	2005	2004
	£	£
Show costs	252,449	223,268
Service fee	128,000	109,157
Management services	3,323	2,806
Travel and subsistence	10,666	8,155
Other	28,083	18,370
	<u>422,521</u>	<u>361,756</u>

3 MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	2005	2004
	£	£
Management services	3,323	2,805
Audit	5,300	5,350
Trustees expenses	4,177	5,640
	<u>12,800</u>	<u>13,795</u>

4 NET MOVEMENT IN FUNDS FOR THE YEAR

This is stated after charging/(crediting):

	2005	2004
	£	£
Auditors' remuneration	<u>5,450</u>	<u>5,300</u>

5 TAXATION

The company is registered as a charity in accordance with the Charities Act 1993 and is therefore not liable to taxation on its income.

6 TRUSTEES' REMUNERATION AND EXPENSES

The trustees received no remuneration from the company or its subsidiary during the year ended 30 June 2005.

A total of £4,177 (2004: £5,640) was reimbursed to the Trustees during the year relating to travel and entertaining expenses.

7 STAFF COSTS

	2005	2004
	£	£
Wages and salaries	54,223	25,400
Social security costs	<u>5,834</u>	<u>2,656</u>
	<u>60,057</u>	<u>28,056</u>

The average number of employees is 2 (2004: 1).

No member of staff's remuneration exceeded £50,000 per annum.

BE YOUR BEST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

8 INVESTMENTS - COMPANY

Investment in subsidiary

At 30 June 2005 and 30 June 2004

2005 £	2004 £
<u>2</u>	<u>2</u>

The £2 investment represents 100% ownership of the share capital of Be Your Best Enterprises Limited, a company incorporated in England which raises funds for Be Your Best Foundation Limited. A summary of the results of this subsidiary is shown below:-

	2005 £	2004 £
Turnover	45,585	53,000
Administrative Expenses	(242)	(988)
Operating profit	45,343	52,012
Interest receivable	16	15
Profit on ordinary activities before taxation and gift aid	45,359	(52,027)
Gift Aid	(45,359)	(52,027)
Profit/loss on ordinary activities before taxation	-	-
Tax	-	-
Retained profit/loss	-	-
The aggregate of the assets, liabilities and funds		
Assets	4,667	3,431
Liabilities	(4,665)	(3,429)
	<u>2</u>	<u>2</u>
Funds:		
Share capital	2	2
Profit and loss account	-	-
	<u>2</u>	<u>2</u>

9 DEBTORS

Trade debtors
Amounts due from subsidiary undertaking
Other debtors

Group 2005 £	Company 2005 £	Group 2004 £	Company 2004 £
7,639	7,639	8,545	8,545
-	466	-	192
10,178	10,178	995	995
<u>17,817</u>	<u>18,283</u>	<u>9,540</u>	<u>9,732</u>

BE YOUR BEST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

	Group 2005 £	Company 2005 £	Group 2004 £	Company 2004 £
10 CREDITORS				
Trade creditors and accruals	15,430	15,430	45,430	45,430
Amounts due to subsidiary undertaking	-	2	-	2
Other taxes	4,199	-	3,237	-
	<u>19,629</u>	<u>15,432</u>	<u>48,667</u>	<u>45,432</u>

11 STATEMENT OF MOVEMENT ON RESERVES

Group and company	Unrestricted £	Restricted £	Total £
At 30 June 2004	(25,396)	5,000	(20,396)
Surplus for the year	<u>67,024</u>	<u>(5,000)</u>	<u>62,024</u>
At 30 June 2005	<u>41,628</u>	<u>-</u>	<u>41,628</u>

Restricted funds relate to amounts received for shows at particular venues.

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

12 COMPANY STATUS

The Company is limited by guarantee and does not have any share capital.

The liability of the member is limited to a contribution (not exceeding £10) to the Company assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she ceases to be a member and the costs, charges and expense of winding up, and for the adjustment of the right of the contributories amongst themselves.

If on winding up or dissolution of the Charity there remains, after the satisfaction of all its debts and liabilities, any property whatever, the same shall not be paid or distributed among the members of the Charity, but shall be given or transferred to some other charitable institution or institutions, having objects similar to the objects of the Charity.

13 CONTROL

The company is not controlled by any one individual.