

FRESHWINDS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

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FRESHWINDS

LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2007

The company is a registered charity (registered number 1079968) and registered company (registered number 3936089), governed by its Memorandum and Articles of Association

Trustee Directors: Mohammed Suleiman Ibrahim Ibn Hassan Al Nur Al Rahim
Dr Rhonda Theresa Lee
Lynette Tatton-Brown
Clive Peter Robotham
Gary De'Ath
Roland Heinke

The directors of the Charitable Company ("the Charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees

Associate Trustees Nicholas Scott

Principal Office: Freshwinds House
Prospect Hall
12 College Walk
Selly Oak
Birmingham
B29 6LE

Banker: Unity Trust Bank plc
4 The Square
111 Broad Street
Birmingham
B15 1AR

Solicitors: Gross & Co
84 Guildhall Street
Bury St Edmonds
Suffolk
IP33 1DR

Auditors: Horwath Clark Whitehill LLP
Hatherton House
Hatherton Street
Walsall
WS1 1YB

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2007

STATEMENT BY FOUNDER, PRESIDENT AND CHIEF EXECUTIVE
MOHAMMED AL-RAHIM

Over the last year the Charity has started on its path to a new level of expansion and development. This has been both exciting and demanding, there have been new changes in tendering and commissioning which will certainly impact positively on our activities in Autumn 2007–Autumn 2008 and beyond. **The accounts for 2007–2008 will reflect that the Charity has reached a milestone of over a million pounds in annual income and is set to grow even further due to tendering and contracting.** One of the big challenges for the voluntary sector is full cost recovery and we will be continually developing possibilities of supporting the overall income of the Charity relating to these issues.

The Charity is making enormous progress to become a significant participant in the welfare and development of the communities within Birmingham. We strive to ensure that the intrinsic quality and care and compassion that we provide are a fundamental part of Freshwinds, and continues whilst still expanding our organisation's activities. When any organisation doubles in size and activity it is very important that the ethos and identity of the Charity be fully expanded into all activities and that this is not lost in growth and development.

I am happy to say that we continue to maintain our ethos and identity, further to this we are developing tools and methodologies to aid in the enhancement of this process within all our projects and activities.

We currently engage in over 18,200 client care support/advice face-to-face episodes per annum. We have 3,100 fully registered clients, in addition we provide over 2,500 telephone advice service sessions. 766 new clients fully registered in the past year. Approximately 42% of our clients are from BME backgrounds. Our current telephone contact rate is 5,500 calls per month, and this is likely to grow by approximately 30% over the next six months.

Through the year we further extended our links with the Primary Care Trusts, Hospitals, Clinics, and Social Services. These will continue to expand over a wide area of activities and service user groups. We have contracted to support at a higher level the elderly within a specific area of Birmingham. I am particularly pleased with our project at Primrose Hospice, Bromsgrove which has now been continued as a permanent project based on the work of the original pilot.

Our BRO-SIS programme continues to grow and makes an impressive impact on the lives of many young individuals and their families, offering a profound change in the choices and directions available in their lives, to affect positive outcomes.

Freshwinds made a number of changes that are seeing an increased capacity for fundraising and grant support which will result in us having more flexible funding, especially in 2007–2008. The Charity is still managing the underpayment by Birmingham City Council. Although we are still negotiating it, we have further increased our ability to meet our commitments. Freshwinds has made enormous progress in reducing its financial obligations and further continues to streamline activities in order to create capacity for new opportunities for contributory funding and training income, that will enable more work that is targeted to specific groups in need.

The Charity and its partners have experienced some delays in relation to our work in Africa. Given that the areas of our work, both in southern Sudan and Darfur, as well as the Democratic Republic of Congo have experienced large-scale violence and instability, this has not been totally unexpected. We hope that any further delays will be resolved by mid-2008.

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Our work around the areas of HIV and AIDS in Europe (both Western and South Eastern) has expanded after a low-level period of activity in the last year 2007–2008 will see a number of training events and continued collaboration within the European network. This will be in addition to our existing network activities and staff/student placement exchanges through the European Union.

I once again wish to acknowledge all the efforts of the volunteers, staff and directors, both past and present for their excellent work and dedication to Freshwinds and the provision of a truly holistic and profound beneficial service to our clients and their families. I am aware that many of our long-standing volunteers have continued to make personal sacrifices at times, in giving up paid employment opportunities in order to support our therapeutic and other services. I deeply appreciate and thank them for this compassion and support.

I would like to say finally that it is our commitment that however large Freshwinds becomes it will retain its intrinsic ethos of every individual matters, everyone deserves care and support.

Mohammed Al-Rahim
Founder, President and Chief Executive

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STATEMENT BY VICE PRESIDENT/DIRECTOR INTEGRATED MEDICINE
DR RHONDA T LEE

I am pleased to be able to report that 2006-07 has been a year of many changes, all of which have been positive as we continue to lead in the many areas of our work, linking into the vision for the Charity

This year as a first we successfully started projects working with older adults and LGBT groups. Also, our employment and training section expanded to provide trainee placement opportunities as part of our work to help people to return to work. More importantly, this year has been a year of growth and expansion for all of our projects and the excellent feedback and results are a testament to the hard work and dedication of all the management, staff and volunteers of the Charity. This is illustrated in the many strategic and consultative links that we have in areas such as voluntary sector matters, palliative care, sexual health, complementary therapies, drug and BME work. Of course, none of this work would be possible without the exemplary and long standing commitment of our many volunteers, some of whom have been with us for almost a decade. This sets the stage for the visible belief in the Charity's vision and is an inspiration to us all.

Much of our work is 'Life saving' whether it be related to a terminal health condition, releasing someone from the burden of debt or relieving another from the hells of drug addiction. We have been active in developing our external relations over the past year, working with various stakeholders including the Primary Care Trusts (PCT), Birmingham City Council, Birmingham Voluntary Sector Council, HIV Forums/Networks, Hospices, Drug Agencies and various funding bodies to further improve partnerships and enhancing support for our work. Our work in Palliative complementary therapies continues to thrive and our 'Living Choices' Outreach project now has a special place in the community palliative services. Significantly we are now listed within the Pan Birmingham Palliative Care Directory, which includes all the local and surrounding PCTs as well as palliative children services. Similarly our work at Primrose Hospice (Bromsgrove) has become "*the subject of much interest in Worcestershire*", while interest and invitations to develop children's complementary therapy services at external sites continue to be received.

In September 2006 we held the first ICYE International HIV/AIDS Training Event in collaboration with ICYE UK and ICYE International. This was attended by 24 participants from 5 EU and 5 SEE countries. We also welcomed Miss Noboyo Honda as our fifth Japanese International Intern and Oleksii Zavadskyi and Nadezhda Basirova as part of our International Cultural Youth Exchange Programme (ICYE).

Our special thanks to Clive Robotham who has retired after many years of dedicated work and commitment as a director and treasurer of Freshwinds, we wish him every success in his new business ventures. Finally, I would like to express appreciation for all the efforts of my fellow directors who have helped to steer the Charity safely in still and rough waters putting us strategically and financially in a much better position for the coming year.

Dr Rhonda T Lee
Vice President/Director Integrated Medicine

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About the Charity

Freshwinds is a Charity registered in 1992 to help support adults and children living with life threatening and life limiting conditions, or belonging to socially excluded groups. The Charity formally transferred to become a registered company in January 2002 (in line with good practice). The mission statement of Freshwinds is,

"To provide a fully integrated model of care and support to individuals with life threatening illnesses, within a caring and secure environment, in an effort to explore their circumstances and emotions to find a true resolution of their situation"

The Charity has now been located for over a year in Selly Oak as a response to the increase in demand for services. Freshwinds, in conjunction with our partners, will be creating a small centre in Handsworth in April/May 2007 as part of our expansion plans, we are still looking for a larger venue within Handsworth that we hope will be up and running by early 2008. In conjunction with this we will be providing further outreach surgeries at our strategic partners' premises. The Charity provides a comprehensive package of care, which includes addressing not only the individual's physical health but also emotional, psychological, social and financial issues. The Charity has a commitment to try and reduce the burden on patients and ease their hardship, therefore all services are offered completely free of charge. This holistic approach is made available through the following Freshwinds projects.

Funding

The Charity is funded under a number of statutory and voluntary agency funds. Projects are funded generally for not less than two years, normally three, though pilot projects are initiated as one year funding with the take-up following successful completion. Prior to the end of one funding stream, the Charity seeks further funding support. Some projects have a mix of funders as contribution to overall costs, as opposed to full funding. For example, we have been receiving funds from social services and health for over seven years for our HIV services. This is augmented by us through financial inputs from national funders.

Freshwinds' Projects

Integrated Medicine Project: Integrated Medicine is a combination of conventional and complementary medicine offered within a safe environment. At Freshwinds this service is available via a team of about 50 complementary therapists, 2 resident doctors, 3 volunteer doctors, 1 therapist coordinator and 11 contract therapists. This project is linked to the major Birmingham hospitals and GPs in a number of specialist and generic health activities. Referrals come directly from consultants, general practitioners and hospices as well as social services departments.

Living Choices: This project provides complementary therapies to terminally ill patients as part of the community palliative care support and has entered its 4th year of provision across the three Birmingham Primary Care Trusts. Currently funded by the Big Lottery, future plans for the project include its uptake by the Primary Care Trusts as an integral part of its palliative care package.

Primrose Hospice, Bromsgrove Initially a pilot providing coordination of the complementary therapy services at Primrose Hospice, it is now completing its second year. Based on its outcomes and success it is set for continuation and expansion.

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Freshwinds Institute Integrated Medicine A private training company owned by Freshwinds Charity to generate funds and support the Charity's work by providing training courses in integrated medicine and complementary therapies to the public. Training grants for courses are available according to the individual circumstances.

This part of the Charity's income generating work is ongoing and offers training and workshops to district and community nurses, and is set to receive new training contracts with various hospitals and specialist departments. There is a large expansion of training that will be achieved in late autumn 2007.

Activities of the Children's Complementary Therapy Network: There are more than 200 network members nationally and internationally. Children's Complementary Therapy Network has been set up to enable therapists to come together via the network to facilitate shared experiences and develop standards and training opportunities through annual conferences and IT networks in order to facilitate improved training standards through recognised national training and conferences.

Further funding is being sought for the expansion of this network. Previously it had received funding from the Awards for All Programme. We have had discussions and agreement with other significant Paediatric Integrated Medicine Networks in Canada and the US and will be attending an international conference for joint work in this area.

Freshwinds Information and Disability Advice (FinDA) Project: This project supports and assists people experiencing social exclusion for whatever reason to improve their quality of life. Project workers provide one-to-one and group sessions offering advice, advocacy and information on disability issues, education, employment, training, benefits, grants and any other information requirements expressed by clients. This project includes external advice workers with Sure Start programmes which have expanded with the addition of two new workers as well as employment training days.

This project started in 2001 with the support of the Big Lottery and has been awarded another two years of further funding. In order to expand this project additional funding is being gained/sought. This project is set to double in size and funds, various statutory and voluntary organisations will assist in achieving this.

Equip and Enable: We are providing a structured programme for previously unemployed individuals within the South West area of Birmingham to volunteer within the FinDA project. Once the volunteers reach a satisfactory level of competence they run, (with the assistance of the project co-ordinator), an advice and information outreach service, based in voluntary and community centres, within the South West area.

Barclays Moneywise: Our project will train and enable volunteers to act as Money Wise Advisers, giving advice and information on debt issues and financial literacy. We will recruit volunteers from two particular groups, those aged 16–24, and the over 50's, with an emphasis on BME groups. This new service aims to assist 400 clients in managing their debt as well as training individuals to give advice.

Debt Counselling: It is a well-known fact that presently debt is a key issue in the UK population. This project is funded by Severn Trent and provides debt advice to lone parents and families of children with disabilities enabling them to manage their financial budgets more effectively. The debt counselling work has received further funding from Severn Trent to continue its activities.

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Supporting People Programme (SPP): This is a Freshwinds HIV/AIDS floating support service providing the individual intensive one to one support, offering advice on housing, legal and financial assistance as well as advocacy and mentoring to improve access, education, employment and training

We have been receiving this funding since March 2004, and it continues until 2008 at present. It is planned that by 2009 the programme will come under the Local Area Agreements system and will therefore continue

BRO-SIS: This is a specialised support programme which creates an environment for better choices when tackling the issues of sexual health, HIV/AIDS, social exclusion, disadvantage, drug issues and crime. The project is a link between the community and multiple agencies, to ensure the delivery of culturally appropriate services, whilst being sensitive to the individual's needs at the same time. BRO-SIS also provides mentoring, family mediation, community engagement, and youth empowerment services

This has a mix of funding, most of which is until 2008. We have received money from the Drug Action Team for a Drug Service Officers programme that assists in community engagement activities. We expect this programme to triple in size due to various new funding streams, community opportunities and extension of inter-racial integration work. We are bidding for new contracts which will come on-stream in November 2007

Midlands HIV Inter Agency Network (MHIAN): MHIAN was created in 1999 after the widespread recognition by HIV agencies in the Midlands that more was needed to be done to help people living with HIV/AIDS and their significant others. Freshwinds has chaired the MHIAN since it was formed

This is a network, as opposed to a project, and receives small pieces of funding for ongoing and permanent training purposes

International Activities/Projects: Since 2000 Freshwinds has had an excellent working partnership with African Community Council for the Regions (ACCR). This has included a number of projects over the years. More recently the Joint International Project was developed to extend the two organisations' work on an international level within a project in Sudan (Southern Sudan and Darfur), which will be starting Autumn 2008. We also continue to work with the Jamaican Ministry of Youth and Culture, towards the benefit of the African Caribbean Community, as well as on other European HIV projects

ICYE: Through Freshwinds' work with the Inter-Cultural Youth Exchange, and other voluntary bodies across Europe, Africa, and in the foreseeable future Asia, we are having a positive impact for and on behalf of people living with and/or affected by HIV/AIDS. We continue to maintain links with organisations we have worked with in the past, and continue to host several placements for international volunteers from Europe, Eastern Europe and Africa

There is mixed funding from the European Commission and other funders, some of which have not been included

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Future Developments Freshwinds continues to expand its international youth exchanges and student placement programmes. At present we have one Japanese international and two ICY placements within the Charity. We expect to receive in 2007-2008 further exchange students from Eastern Europe and Africa. In our overall organisational review and with respect to our partnerships we have moved to a larger building in Selly Oak which has provided capacity for the Charity to meet its aims and objectives in the coming year.

It has been decided that our Handsworth unit will be a much larger "in the community" centre for much of our BME and localised work. The initial site is located at an existing youth centre. In early 2008 we will create a self-contained unit and sexual health services and counselling support facility.

The Joint International Project and Africa projects are expected to rapidly increase our international work in autumn 2008 to early 2009. There have been delays to these plans, due to political instability in the countries where we will be working. We are having discussions with a large international humanitarian charity which has over £90m income per annum, in order to support our projects in Africa.

Our income has been and will continue to grow, over the next 18 months, this income will support our new activities and projects. To this end we have instituted major fundraising initiatives that we will continue to expand to meet the ever-growing needs of the Charity.

Quality Standards

Training: Staff and volunteers at Freshwinds are encouraged to develop their own individualised training or take part in an ongoing continuous training programme to maintain and update skills according to the professional and development needs of the client, Charity and individual. Training is recorded and where appropriate attendance reports or feedback questionnaires establish the relevance of the training. Training is achieved to national training and accreditation standards.

With the Integrated Medicine Project CPD includes 6 weekly meetings and training for therapists, as well as other additional in-house and outside training opportunities. New therapists enter into a six-month probation period to assess needs in relation to skills and knowledge base. Supervision and peer support is available from the medical team as well as other more experienced therapists. The development of the medical board of specialists is a major step in the continual improvement of our support from the medical team. In addition, special discounted rates for FIIM training programmes for therapists are available.

A training and induction programme for new staff and volunteers is in place to ensure that adequate support and guidance is made available. This includes training on Freshwinds' Diversity policy, Code of Confidentiality and Conduct.

FRESHWINDS
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YEAR ENDED 31 MARCH 2007

Indicators of Performance and Quality: To aid individuals in understanding the Charity's work there are a number of policies available on various subjects. These include Diversity policy, Code of Confidentiality, Volunteering policy, Code of Conduct, Code of Practice, Considerations of Therapy for clients, Child Protection policy, Health & Safety policy, Lone Working policy as well other policies and procedures within the context of best practice.

An annual open-ended anonymous feedback questionnaire is given to clients to record their satisfaction and any dissatisfaction with regards to services received at Freshwinds. The information is compiled to study the quality standard of services and address any issues of concern. Freshwinds continues to hold an excellent standard of care within all its feedback questionnaires, this is generally because the Charity's emphasis is on high level quality outcomes for its service users and any potential issues are resolved quickly and efficiently and therefore we generally do not receive complaints about our services. Individual projects have evaluation feedback questionnaires at various milestones within the delivery of interventions to the service user as per differing funding and evaluation arrangements.

Freshwinds records statistical and other information relating to client profiles, treatments etc. This is an important aspect of our work, and forms part of our outcome monitoring for funders as well as informing the Charity of areas of need and gaps in the provision by other services that may be appropriate for Freshwinds to act to remedy or intervene. This is fed back through managers at a strategic level to inform project development.

Freshwinds continues to conduct checks with the Criminal Records Bureau for all staff and volunteers, including board members. The Charity follows the best practice model of rigorous and regular checks, to ensure safety of all its service users, with emphasis on children and vulnerable adults.

Quality standards include being associate members of DIAL (Disability Information & Advice Line), IAG (Information Advice & Guidance), Matrix Standard and Drugs and Alcohol National Occupational Standards (DANOS).

Voluntary Assistance Freshwinds acknowledges the crucial and significant contribution made by volunteers. This includes both those with professional skills and others who generously give their time and expertise freely, for the benefit of the Charity. For example, providing complementary therapies, administration and marketing help, fundraising, IT support, reception cover and maintenance roles. The financial reports do not incorporate any value attributed to the number of voluntary hours worked on the Charity's behalf. We estimate that the value of this voluntary assistance, including the work hours contributed by Trustees and the 200 or so regular volunteers are around £1,850,000 annually.

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YEAR ENDED 31 MARCH 2007

Review of the Transactions and Financial Position of the Charity

The Registered Charitable Company received donations and grants totalling £685,848 and other income of £2,291. A total of £22,063 remained in the bank as at 31 March 2007.

The Charity is organised in accordance with the Charity Commission Guidelines and this report and accounts fully comply with the Charity's SORP 2005.

Risk Management

The Trustees have examined the major strategic, business and operation risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to manage these risks.

Reserves Policy

The Charity needs reserves both to enable it to progress to completion in its long term projects and to protect its current activities, in order to allow the trustees to meet their responsibilities and ensure that it continues to operate on a going concern basis. The trustees have examined the needs, risks and challenges faced by the Charity in both the short and medium term, along with relevant financial forecasts, and have formulated a policy to meet those needs.

The trustees acknowledge that the Charity currently has negative reserves and is actively looking at ways to increase the scale of activities to build up reserves.

Auditors

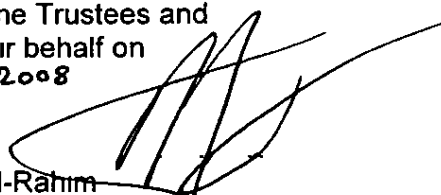
Horwath Clark Whitehill LLP have expressed their willingness to continue in office and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

Members' Guarantee

Each member's liability is limited by guarantee and consequently the company does not have a share capital.

Approved by the Trustees and
signed on their behalf on
3 January 2008

Mohammed Al-Rahim



FRESHWINDS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2007

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the company's state of affairs at the end of the year and of the surplus or deficit for that year. In preparing these financial statements the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company 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 company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and ensuring their proper application and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities

So far as each of the Trustees is aware at the time the report is approved there is no relevant audit information of which the company's auditors are unaware. The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditors are aware of that information

FRESHWINDS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRESHWINDS

We have audited the financial statements of Freshwinds for the year ended 31 March 2007, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet and the related notes set out on pages 15 to 22. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 15 and 16.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of the Trustees and Auditors

The responsibilities of the Trustees, who are also the Charity Trustees for the purposes of charity law, for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities on page 11.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and the International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Trustees' Annual 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 beyond that referred to in this paragraph.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing 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 by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

Unqualified opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company as at 31 March 2007 and of incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information provided in the Trustees' Report is consistent with the financial statements.

Horwath Clark Whitehill LLP
HORWATH CLARK WHITEHILL LLP
Hatherton House
Hatherton Street
Walsall WS1 1YB

3rd January 2008
Chartered Accountants and
Registered Auditors

FRESHWINDS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2007

	Note	Un- Restricted Funds £	Restricted Funds £	2007 Total £	2006 Total £
INCOMING RESOURCES					
Income from Charitable Activities					
Donations and grants	3	31,507	654,341	685,848	581,383
Incoming Resources from Generated Funds					
Other income		1,681	-	1,681	400
Investment income	6	<u>610</u>	<u>-</u>	<u>610</u>	<u>254</u>
TOTAL INCOMING RESOURCES		<u>33,798</u>	<u>654,341</u>	<u>688,139</u>	<u>582,037</u>
RESOURCES EXPENDED					
Charitable activities	7	5,230	668,756	673,986	577,507
Governance costs	8	<u>-</u>	<u>5,491</u>	<u>5,491</u>	<u>4,050</u>
TOTAL RESOURCES EXPENDED		<u>5,230</u>	<u>674,247</u>	<u>679,477</u>	<u>581,557</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		28,568	(19,906)	8,662	480
TRANSFERS BETWEEN FUNDS		(42,962)	42,962	-	-
NET MOVEMENT IN FUNDS		<u>(14,394)</u>	<u>23,056</u>	<u>8,662</u>	<u>480</u>
FUND BALANCES BROUGHT FORWARD AT 1 APRIL 2006		19,767	(23,056)	(3,289)	(3,769)
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2007		<u>5,373</u>	<u>-</u>	<u>5,373</u>	<u>(3,289)</u>

All incoming resources and resources expended derive from continuing activities

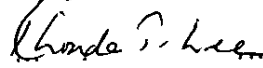
The statement of financial activities includes all gains and losses recognised in the year

The notes on pages 15 to 22 form part of these accounts

FRESHWINDS
BALANCE SHEET
31 MARCH 2007

	Notes	2007	2006
		£	£
FIXED ASSETS			
Tangible assets	9	<u>19,624</u>	<u>15,182</u>
CURRENT ASSETS			
Debtors	10	135,457	139,132
Cash at bank and in hand		<u>22,063</u>	<u>34,162</u>
		<u>157,520</u>	<u>173,294</u>
CREDITORS amounts falling due			
Within one year			
Trade creditors		7,006	10,014
Other taxes and social security costs		101,273	116,091
Obligations under finance lease and hire purchase		1,739	-
Other creditors		33,957	26,410
Accruals		<u>15,742</u>	<u>22,500</u>
		<u>159,717</u>	<u>175,015</u>
NET CURRENT LIABILITIES		(2,197)	(1,721)
CREDITORS amounts falling due			
After one year			
Other creditors		(10,750)	(16,750)
Obligations under finance lease and hire purchase		<u>(1,304)</u>	<u>(3,289)</u>
NET ASSETS	13	<u>5,373</u>	<u>(3,289)</u>
FUNDS			
Unrestricted		5,373	19,767
Restricted	12	<u>-</u>	<u>(23,056)</u>
		<u>5,373</u>	<u>(3,289)</u>

Approved by the trustees on 3 January 2008
and signed on their behalf


Dr Rhonda T Lee


Mohammed Al Rahim

The notes on pages 15 to 22 form part of these accounts

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2007

1. BASIS OF ACCOUNTING

The financial statements have been prepared under the Companies Act 1985 in accordance with applicable accounting and financial reporting standards in the United Kingdom, and the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in March 2005

The financial statements have been prepared under the historical cost convention. The Charity is reliant on donations and grants to fund its activities. During and subsequent to the year end the Charity has completed projects under the Birmingham Supporting People project. Whilst a significant proportion of monies spent under this project have been paid, an amount of £98,885 remains under negotiation with Birmingham City Council and has not been paid at the date of approval of these accounts. The Trustees are of the belief that all services under the contract have been performed and the money owed will be settled in due course. As a result of the cash flow issues which this situation has created, the Charity has been unable to meet all its liabilities to the Inland Revenue. At the date of approval of these accounts the estimated unpaid liabilities total £101,273. The Trustees intend to settle the remaining 2005/06 liability of £54,000 by 31 March 2008 as agreed with HMRC and settle the remaining liability on receipt of the funds due from Birmingham City Council.

The accounts do not include any adjustments that would result from either the failure to recover the monies owed, or any actions taken by the Inland Revenue to recover the monies due to them in advance of these funds being received.

The Trustees have prepared the accounts on a going concern basis which assumes Freshwinds will continue in operational existence for the foreseeable future based upon the satisfactory receipt of monies owed and the settlement of unpaid liabilities referred to above.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the accounts are as follows

2.1 Incoming resources

Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows

- When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods
- When donors impose conditions which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met
- When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable

Interest receivable

Interest is included when receivable by the Charity

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2007

2. ACCOUNTING POLICIES (continued)

2.2 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised where there is a legal or constructive obligation committing the charity to the expenditure. Charitable activities include cost of services and grants, also support costs and depreciation on related assets.

Governance costs are those associated with constitutional and statutory requirements.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

2.3 Fund accounting

Funds held by the Charity are either

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees, or

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2.4 Depreciation of Tangible Assets

Fixed assets are depreciated over their estimated useful lives as follows -
Fixtures, Equipment and Computers - 20% straight line

Depreciation in prior years has been calculated at 25% straight line. If the depreciation in the current year had been calculated at 25% straight line there would be an increase of £2,019.

FRESHWINDS
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2007

3. DONATIONS AND GRANTS

Donations and grants were received from the following organisations -

	2007	2006
	£	£
BBC Children In Need	32,606	30,102
Severn Trent – Debt Counselling	32,440	32,440
HOB – Community Engagement Research	-	20,000
Surestart – FINDA	40,043	27,246
Big Lottery – FINDA	69,080	44,198
FINDA – Surestart Parents and Children	22,753	-
FINDA - Enable	3,616	-
Birmingham Supporting People	102,531	87,778
Primrose Hospital	16,620	16,618
New Opportunity Fund (Living Choices) – Bham PCT's	77,340	115,444
Birmingham Social Services – HIV ASG	17,771	27,252
Bro-sis – D A T	116,289	54,250
East Birmingham PCT HIV Support Services	27,186	26,522
Hardship Grants	12,772	9,839
B'ham Social Services – BME LGBT HIV	10,000	-
Barclays Bank plc	15,000	-
Crusaid – LGBT	20,000	-
Elton John Foundation	19,987	-
Others	<u>49,814</u>	<u>89,694</u>
	<u>685,848</u>	<u>581,383</u>

4. STAFF

	2007	2006
	£	£
Staff costs	<u>468,839</u>	<u>355,468</u>
	<u>468,839</u>	<u>355,468</u>
The weekly average number of employees during the year was made up as follows	No	No
Employees	<u>26</u>	<u>16</u>
	<u>26</u>	<u>16</u>

No employee received remuneration amounting to more than £60,000

The following payments have been made to Trustees as authorised by the Charities Commission and pursuant to empowering clauses in the constitution

Dr Rhonda Theresa Lee received £31,000 (2006 £31,000) – Consultancy Services

Mr Mohammed Al-Rahim, received a salary of £35,000 (2006 £35,000) – Chief Executive

FRESHWINDS
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2007

5.	INTEREST PAYABLE	2007	2006
		£	£
	On bank loan		
	- repayable within five years	<u>57</u>	<u>1,013</u>
6	INTEREST RECEIVABLE	£	£
	Interest on cash deposits	<u>610</u>	<u>254</u>
7.	CHARITABLE ACTIVITIES	2007	2006
		£	£
	Wages and salaries	468,839	355,468
	Rent, rates, light and heat	52,442	41,807
	Repairs and maintenance	610	4,321
	Insurance –Medical, Public Liability	4,286	4,159
	Printing, postage, stationery	16,524	16,528
	Office expenses – subscriptions etc	5,985	7,343
	Telephone	8,948	9,792
	Office equipment rental	16,874	19,818
	Travelling expenses	11,150	13,197
	Book-keeper	7,884	5,731
	Hardship payments	11,803	9,839
	Therapy consultancy fees	36,866	33,457
	Training	320	1,087
	Patient health care products	1,576	4,634
	Sundry expenses – cleaning etc	1,141	5,681
	Project costs	8,233	14,707
	Depreciation	8,075	14,785
	Consultancy fees – computer etc	3,470	3,011
	Hire purchase interest	332	-
	Bank charges	872	758
	Interest on overdue tax	7,700	10,371
	Loan interest payable	56	1,013
		<u>673,986</u>	<u>577,507</u>

FRESHWINDS
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2007

8 GOVERNANCE COSTS

	2007	2006
	£	£
Auditors' fees for audit services	3,345	3,345
Auditors' fees for other services	944	705
Legal and professional fees	1,202	-
	<u>5,491</u>	<u>4,050</u>

9 TANGIBLE FIXED ASSETS

	Fixtures, Equipment & Computers £
Cost:	
Cost at 1 April 2006	65,045
Additions	12,517
Disposals	<u>(30,392)</u>
At 31 March 2007	<u>47,170</u>
Depreciation:	
Depreciation at 1 April 2006	49,863
Provision for the year	8,075
Disposals	<u>(30,392)</u>
At 31 March 2007	<u>27,546</u>
Net Book Value	
At 31 March 2007	<u>19,624</u>
At 31 March 2006	<u>15,182</u>

The net book value of fixtures, equipment & computers held under finance leases was £4,173 (2006 Nil)

FRESHWINDS
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2007

10. DEBTORS	2007	2006
	£	£
Trade debtors	131,026	135,267
Prepayments	4,431	3,865
	<hr/>	<hr/>
	135,457	139,132
	<hr/>	<hr/>

11. FINANCIAL COMMITMENTS

At 31 March 2007, the company has annual commitments under non-cancellable leases as follows

	Land and Buildings	
	2007	2006
	£	£
Two to five years	<u>52,800</u>	<u>49,400</u>

FRESHWINDS
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2007

12. RESTRICTED FUNDS

	At 1.4.2006	Incoming Resources	Outgoing Resources	Transfers	At 31.3.2007
	£	£	£	£	£
BBC Children in Need	-	32,606	32,606	-	-
Severn Trent	-	32,440	32,440	-	-
Surestart – FINDA	-	40,043	40,043	-	-
Big Lottery - FINDA	-	69,080	69,080	-	-
FINDA – Surestart Parents & Children	-	22,753	22,753	-	-
 FINDA – Enable	-	3,616	3,616	-	-
Birmingham Supporting People	(19,016)	102,531	102,222	18,707	-
 Primrose Hospital	585	16,620	17,205	-	-
New Opportunity Fund	-	77,340	77,340	-	-
 Birmingham Social Services – HIV	-	17,771	17,771	-	-
Bro-Sis - Drug Action Team	(11,254)	116,289	129,290	24,255	-
East Birmingham – PCT HIV	-	27,186	27,186	-	-
 Hardship Grants	-	12,772	12,772	-	-
 Crusaid – LGBT	-	20,000	20,000	-	-
 Birmingham Social Services – BME LGBT HIV	-	10,000	10,000	-	-
Barclays Bank plc	-	15,000	15,000	-	-
 Elton John Foundation	-	19,987	19,987	-	-
 Sundry	6,629	18,307	24,936	-	-
 Total restricted funds	<u>(23,056)</u>	<u>654,341</u>	<u>674,247</u>	<u>42,962</u>	=

As explained in note 1 the Charity is in negotiation with Birmingham City Council over funding due in relation to the Supporting People Project and believe that money owed will be settled in due course

The transfers between funds represents the deficit on restricted funds being met by unrestricted funds

FRESHWINDS
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2007

13. ANALYSIS OF NET LIABILITIES BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances are represented by:			
Tangible fixed assets	19,624	-	19,624
Current assets	157,520	-	157,520
Current liabilities	(159,717)	-	(159,717)
Liabilities due after more than one year	<u>(12,054)</u>	-	<u>(12,054)</u>
Total net liabilities	<u><u>5,373</u></u>	=	<u><u>5,373</u></u>

14. RELATED PARTY TRANSACTIONS

The Charity receives income from Freshwinds Institute of Integrated Medicine Limited, a trading company, three of whose directors, namely Mohammed Sulieman Ibrahim Ibn Hassan Al Nur Al Rahim, Dr Rhonda Theresa Lee and Gary De'Ath are also trustee/directors of the Charity. During the year the Charity received income of £nil (2006 £4,176)

FRESHWINDS

DETAILED INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2007

	2007 £	2006 £
DONATIONS AND GRANTS	685,848	581,383
RESOURCES USED		
Rent	52,060	36,328
Water rates	-	3,239
Insurance – Medical, Public Liability etc	4,286	4,159
Wages and salaries	468,839	355,468
Light and heat	382	2,240
Repairs and maintenance	610	4,321
Telephone	8,948	9,792
Printing, postage, stationery	16,524	16,528
Office expenses – subscriptions etc	5,985	7,343
Travelling expenses	11,150	13,197
Office equipment rental	16,874	19,818
Audit fees	4,289	4,050
Book-keeper	7,884	5,731
Consultancy fees – computer etc	3,470	3,011
Legal and professional fees	1,202	-
Patient health care products	1,576	4,634
Bank charges	872	758
Interest on overdue tax	7,700	10,371
Hardship payments	11,803	9,839
Therapy consultancy fees	36,866	33,457
Training	320	1,087
Sundry expenses – cleaning etc	1,141	5,681
Project costs	8,233	14,707
 Depreciation		
Fixtures, equipment and computers	8,075	14,785
	<u>679,089</u>	<u>580,544</u>
NET INCOME	6,759	839
OTHER INCOME AND EXPENSES		
Hire purchase interest	(332)	-
Other income	1,681	400
Bank interest received	610	254
Loan Interest Payable	<u>(56)</u>	<u>(1,013)</u>
NET MOVEMENTS IN FUNDS FOR THE YEAR	<u>8,662</u>	<u>480</u>