

4268644

CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)

REPORT AND ACCOUNTS

31 MAY 2005



TENON LIMITED
Amberley Place
107-111 Peascod Street
WINDSOR
Berkshire

CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)

ACCOUNTS

31 MAY 2005

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CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)

LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS:	Dr CS Harrison Lord SCH Reading Dr R Mahtani
SECRETARY:	R Lysinger
COMPANY NUMBER:	4268644
CHARITY NUMBER:	1094705
PRINCIPAL ADDRESS AND REGISTERED OFFICE:	Watchmaker Court 33 Saint Johns Lane London EC1M 4DB
INDEPENDENT AUDITORS:	Tenon Audit Limited Amberley Place 107-111 Peascod Street Windsor Berkshire
ACCOUNTANTS:	Tenon Limited Amberley Place 107-111 Peascod Street Windsor Berkshire
SOLICITORS:	Tarlo Lyons Watchmaker Court 33 Saint Johns Lane London EC1M 4DB

CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2005

The directors present their report and the accounts for the year ended 31 May 2005.

CURE International (UK) is a registered charity number 1094705.

THE OBJECTS OF THE CHARITY

The principal object of the charity is to provide medical and rehabilitative care for babies, children and young adults with physical and/or other disabilities and /or special needs in under-developed countries, particularly on the African and Asian continents and, for this purpose, to fund, build, improve, maintain and manage facilities and medical/rehabilitative centres and to supply surgical, medical and comprehensive rehabilitative care.

LEGAL AND ADMINISTRATIVE INFORMATION

The company is governed by the Memorandum and Articles of Association, established under the Companies Act 1985. The company is limited by guarantee without a share capital.

The day to day operations of the company are controlled by a board of directors that shall consist of at least three members but which has no maximum number.

Cure International (UK) is not materially dependent upon the support of any individual, corporation or class of donors.

DIRECTORS

The following served as directors during the year:

Dr CS Harrison	
Lord SCH Reading	(Appointed 14/4/05)
Dr R Mahtani	(Appointed 17/5/05)
WJ Harrison	(Resigned 17/5/05)
RN Brueton	(Resigned 17/5/05)

REVIEW AND RESULTS

Donations of £12,562 were received during the year including amounts totalling £3,912 received from Cure International Inc in respect of expenses of the company. No direct charitable expenditure has been incurred during the year, but grants are expected to be made in the forthcoming year.

Details of the results for the year can be seen on the Statement of Financial Activities on page 5 and the Balance Sheet on page 6.

CURRENT DEVELOPMENTS

CURE International (UK) continues to support activities throughout the world with primary emphasis on Blantyre, Malawi; Lusaka, Zambia; and Addis Ababa, Ethiopia where three expatriate UK surgeons, two UK surgical residents and one UK hospital administrator serve the poor and disabled children in these countries. The company will continue to support this project and other opportunities when presented and approved by the board of directors.

RISKS AND RESERVES

The charity is not in a position to need or maintain reserves as it has yet to commence distributing grants. This is an area that will be reviewed by the directors in due course when it becomes appropriate.

The prime focus of the directors is to raise funds in the UK to enable the charity to carry out its objects by way of making grants in respect of its charitable objects.

CURE INTERNATIONAL (UK)
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REPORT OF THE DIRECTORS
(continued)
FOR THE YEAR ENDED 31 MAY 2005

RESPONSIBILITIES OF THE DIRECTORS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the incoming and outgoing resources of the company for that year. In preparing those accounts, the directors are required to:

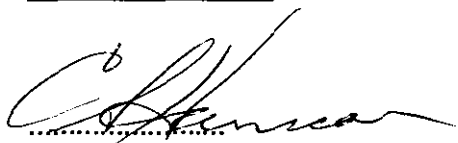
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Tenon Audit Limited have expressed their willingness to continue as auditors to the company. In accordance with section 385 of the Companies Act 1985, a resolution proposing that Tenon Audit Limited be re-appointed as auditors of the company will be put to the annual general meeting.

By Order of the Board



Dr CS Harrison
Director

Date: 28 February 2006

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS
OF
CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)**

We have audited the financial statements of CURE International (UK) for the year ended 31 May 2005, which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We are not required to consider whether the statement in the Directors' Report concerning the major risks to which the charity is exposed covers all the major risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 May 2005 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Tenon Audit Limited
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TENON AUDIT LIMITED
Chartered Accountants and Registered Auditor
Amberley Place
107-111 Peascod Street
Windsor
Berkshire

Date: 14 March 2006

CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)

STATEMENT OF FINANCIAL ACTIVITIES
(PROFIT AND LOSS ACCOUNT)

FOR THE YEAR ENDED 31 MAY 2005

		Unrestricted funds	
		2005	2004
	Note	£	£
Incoming resources			
Donations, legacies and similar incoming resources	2	<u>12,562</u>	<u>17,054</u>
Total incoming resources		<u>12,562</u>	<u>17,054</u>
Resources expended			
Managing and administering the charity	3	<u>3,912</u>	<u>7,079</u>
Total resources expended		<u>3,912</u>	<u>7,079</u>
Net incoming resources for the year and net movement in funds		<u>8,650</u>	<u>9,975</u>
Fund balances brought forward at 1 June 2004		<u>16,025</u>	<u>6,050</u>
Fund balances carried forward at 31 May 2005	6	<u>24,675</u>	<u>16,025</u>

All amounts above are derived from continuing operations and the company has no recognised gains or losses other than those passing through the Statement of Financial Activities.

The notes on pages 7 and 8 form part of these accounts.

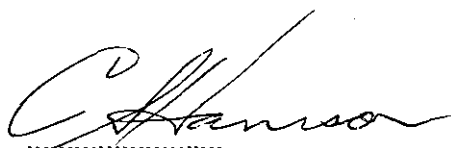
CURE INTERNATIONAL (UK)
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BALANCE SHEET

31 MAY 2005

	<u>Note</u>	2005 £	2004 £
Current assets			
Cash at bank and in hand		<u>24,675</u>	<u>16,025</u>
Net assets		<u>24,675</u>	<u>16,025</u>
Capital and reserves			
Other reserves			
Unrestricted funds	5	<u>24,675</u>	<u>16,025</u>
Total funds employed	6	<u>24,675</u>	<u>16,025</u>

The accounts were approved by the board on 28 February 2006
and signed on its behalf by:



Dr CS Harrison
Director

The notes on pages 7 and 8 form part of these accounts

CURE INTERNATIONAL (UK)
(A COMPANY LIMITED BY GUARANTEE WITHOUT A SHARE CAPITAL)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2005

1. Accounting policies

The principal accounting policies are set out below.

The accounts have been drawn up in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000), applicable accounting standards and the Companies Act 1985.

1.1 Accounting convention

The accounts are prepared under the historical cost convention modified by the revaluation of property and fixed asset investments and include the results of the company's operations as indicated in the report of the directors, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 'Cashflow statements' from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Funds

Unrestricted funds:

Unrestricted funds are expendable at the discretion of the directors in furtherance of the objects of the charity.

1.3 Income

- i. Donations and subscriptions are accounted for on a receivable basis.
- ii. The tax credit in respect of gift aid receipts is included as part of donations and subscription income where applicable.
- iii. All other income is accounted for on an accruals basis.

1.8 Allocation of costs

Costs are allocated according to function and hence into the categories within expended resources. Where expenditures relate to both functional categories a reasonable method of allocation is determined.

2. Donation income

	2005 £	2004 £
Donations received including gift aid receivable	8,650	8,800
Donation from Cure International Inc – expenses paid	<u>3,912</u>	<u>8,254</u>
	<u>12,562</u>	<u>17,054</u>

3.(a) Total resources expended

	Managing and administering the charity £	2005 Total £	2004 Total £
Legal and professional fees	2,296	2,296	5,610
Audit and accountancy	<u>1,616</u>	<u>1,616</u>	<u>1,469</u>
	<u>3,912</u>	<u>3,912</u>	<u>7,079</u>

CURE INTERNATIONAL (UK)
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NOTES TO THE ACCOUNTS
(continued)
FOR THE YEAR ENDED 31 MAY 2005

3(b).	<u>Auditors' remuneration</u>	2005 £	2004 £
	Fees (including VAT) received for audit services	<u>1,616</u>	<u>1,469</u>

4. Taxation

Cure International (UK) is a charity and is entitled for the current year to the exemptions provided by Section 505 Income and Corporation Taxes Act 1988. As a consequence, no provision for taxation is regarded as relevant.

5. Capital and reserves

Cure International (UK) is a company limited by guarantee without a share capital. Instead of a share capital, each member guarantees to pay £1 in the event of the company's liquidation. The amount of the members' guarantee represents a contingent asset to the company which will crystallise only if the company goes into liquidation. As the company is a going concern, the members have no obligation to pay the sum guaranteed.

In the circumstances noted above it is considered that the distinction between equity and non equity interests required by Financial Reporting Standard No 4 "Capital Instruments" is not applicable.

If on a winding up of the company there remains after satisfaction of all debts and liabilities any assets, they cannot be paid to or distributed among the members but will be transferred to the Cure International Inc.

6.	<u>Reconciliation of movements in funds</u>	2005 £	2004 £
	Net movement in funds per Statement of Financial Activities	8,650	9,975
	Opening funds at 1 June 2004	<u>16,025</u>	<u>6,050</u>
	Closing funds at 31 May 2005	<u>24,675</u>	<u>16,025</u>

7. Related party transactions

The directors consider that the ultimate controlling party is Cure International Inc. The following transactions occurred during the year:

Cure International Inc donated £3,912 to the charity during the year in respect of the payments of certain expenses of the Charity for which it will not seek re-imburement.

8. Control

The directors consider that the ultimate controlling party is Cure International Inc.