

SAIL 4 CANCER
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2005

INDEX

Page 1	Legal and administrative information
2-4	Report of the management committee
5	Statement of financial activities
6-7	Charity balance sheet
8-11	Notes forming part of the financial statements
12	Accountant's report

Company No: 4303166

Charity No: 1090133



**SAIL 4 CANCER
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2005**

Status

The organisation is a charitable company limited by guarantee, incorporated on 11 October 2001 (Company Number 4303166) and registered as a charity on 17 January 2002 (Charity Number 1090133). The charity initiated its operations on 25 April 2001.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the members of the Management Committee are elected at the first AGM and re-elected at each subsequent AGM.

Management Committee and Directors

Secretary	A Hayward
Directors	Tim Couldrick
	Matthew Collins
	David Gill (resigned 11 November 2005)
	Richard Groome
	Tom Semple
	Graham Precey

The following staffs were brought on in 2005 to carry out the Trustees plans to run Sail 4 Cancer in 2005 on a day-to-day basis.

- On 5 September 2005 Emma Huddert was recruited as Sailing events Manager on a full time basis to get Sail 4 Cancer's brand and fundraising further into the sailing community
- Cathy Jenkins was brought on board on 4 April 2005 on a part time basis to run the Public Relations and link up people living with cancer with sailing days.
- Jules Colquhoun was recruited on a part time basis on 4 April 2005 as our bookkeeper.

Registered Office	Suite 1 24 Swan Street Kingsclere Berkshire RG20 5PJ
Accountants	Critchleys Greyfriars Court Paradise Square Oxford OX1 1BE
Bankers	Abbey National P O Box 10102 21 Prescot Street London E1 8TN

**SAIL 4 CANCER
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2005**

The Management Committee submit their annual report and the unaudited financial statements for the year ended 31 December 2005. The Management Committee have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in April 2005 in preparing the annual report and financial statements of the charity.

Structure, Governance and Management

Sail 4 Cancer is a charitable company limited by guarantee governed by Memorandum and Articles of Association dated 8 December 2001. It was incorporated on 11 October 2001. It is registered as a charity with the Charity Commission.

From a corporate governance point of view we recognise our current balance of Trustees is focussed on releasing monies from corporates to get Sail 4 Cancer to the point of having enough funds to fuel growth in 2006.

We have plans to develop the Trustee Board capabilities in 2006 with a Medical Professional, Professional sailors and a Legal representative to further support our charitable aims.

Objectives and Activities

The objectives of the charity are:

- 1 For the benefit of those suffering from cancer and their families, to provide and assist in the provision of facilities for sailing holidays and training days in the interests of social welfare and with the object of improving their conditions of life;
- 2 To relieve sickness among people suffering from cancer, in particular but without restricting the generality of the foregoing, by (a) financing treatment and associated care at institutions nationwide, and (b) promoting independent research into the prevention and treatment of cancer.

During the year ended 31 December 2005, as in previous years, we have aimed:

- To raise significant funds for cancer treatment, care and research through the organisation of high profile sailing events.
- To provide sailing opportunities for cancer patients/their families and those who have suffered recent bereavement in the hope that their quality of life may be improved.
- To become the charity of choice for all sailors.
- To attract people to the sport of sailing as a whole.

Achievements and Performance

Sail 4 Cancer provided **526** sailing days for people living with cancer in 2005. That means that for every single day of 2005 we had 1 and a half people out on the water on a Sail 4 Cancer event.

Just under half of these opportunities were provided as a result of Sail 4 Cancer's joint venture with Neilson Active Holidays has funded 68 people to travel to Greece to enjoy a week of sailing in the sunshine as part of their break from cancer.

Feedback from people who have been out on Sail 4 Cancer events can be found on our website www.sail4cancer.org

**SAIL 4 CANCER
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

In 2005 we raised £13,633 in donations and £159,130 in sponsorship income, which does not include gifts in kind. The most significant events and relationships in generating these revenues in 2005 were as follows:

- **The Legal & General Fastnet Challenge**, an event designed to get 21 Legal & General Staff from Cardiff to the Fastnet Rock in Ireland and back over a September weekend raised £57,000 in revenues for Sail 4 Cancer. This was our biggest single fundraising event in 2005.
- **Vendee Globe** - 2005 saw the heroic efforts of Nick Moloney, the charities Patron, in his race in the Vendee Globe (A non stop around the world race) aboard yacht Skandia. Despite his keel failing a few miles from Rio de Janeiro, Brazil, Nick's efforts raised £15,000 for Sail 4 Cancer through various fundraising efforts around the event.
- **European Lung Cancer Event** - 2005 saw our first dip into European proving European Sailing opportunities for people living with cancer. A joint venture with Pharmaceutical giant Ely Lilly saw 15 people going out sailing in Barcelona as part of a European Lung Cancer event. This event raised \$20,000 for Sail 4 Cancer.
- **Skandia Cowes Week** - Our Volunteers efforts focussed upon supporting Sail 4 cancer during Skandia Cowes Week where we raised significant funds through working with Key corporate sailing sponsors. This was our third and final year as Official Charity of this event before the Ellen MacArthur Trust takes over.

£25,000 was donated to various cancer centres across the UK including:

- Weston Park Hospital in Sheffield,
- Cancer Research UK for research into Colon Cancer using Aspirin as treatment
- Macmillan Cancer Relief for funding to support palliative care in the London area.

Next year, we will be in the fortunate position of having the support of Fleishman Hillard to help us with PR. Lawtons has also offered marketing support pro bono. This will enable us to continue to promote the work we are doing and use external sources instead of internal resources.

Financial Review

The report and financial statements cover the year ended 31 December 2005.

It is the policy of the charitable company to maintain unrestricted funds, which are free reserves of the charity at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover both charitable activities and governance costs.

The Fundraising Strategy for 2006 -2011 is designed to take advantage of existing momentum and embrace the opportunities available. We can increase income incrementally to reach £10 million by 2011. Gifts in kind from corporate donations are included in this figure.

Future Plans - 2006 will focus upon the following

- Be a sustainable provider of respite sailing activities as part of cancer patients & their family's treatment.
- Target the Dinghy end of the market as a source of funding and sourcing patients out on the water I.e RYA Sailing Centres Contract for 10 Centres in 2006 to compliment our current reach into the yachting world.
- Help the Helpers - More effectively support those people who have already chosen Sail 4 Cancer
 - "I want to raise funds for you...just thought I'd let you know"
 - "I have a boat and want to help"
 - "I know someone who would benefit from going sailing with you"
- Target and Increase our reach into other "Socially Responsible" Corporations as we have done in 2005 as sources of sustainable funding.
- Hire a full time fundraiser / CEO who has a charities background to fuel our growth plans.

**SAIL 4 CANCER
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

Risk Review

The management committee has examined the major strategic business and operational 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 lessen these risks.

Trustees Responsibilities in relation to the financial statements

The law applicable to charities in England and Wales requires the management committee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the management committee should follow best practice and:

- Select suitable accounting policies and then applied them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis; and

The Management Committee are responsible for keeping proper records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguard the assets of the Trust and to ensure reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee

The members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on Page 2.

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of a winding up. The total number of such guarantees at 31 December 2005 was 6.

Approved by the Management Committee and signed on behalf of the Trust.



Trustee/Director

Date: 26/10/06

SAIL 4 CANCER
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2005

		Total 2005 £	Total 2004 £
INCOMING RESOURCES	Note 1d		
Incoming resources from generated funds:			
Voluntary income			
Donations		13,633	16,268
Sponsorship income generated by events		159,130	46,982
Activities for generating funds:			
Fundraising trading		1,489	1,290
Investment income	2	1,791	968
Other incoming resources		<u>1,035</u>	<u>-</u>
Total incoming resources		177,078	65,508
RESOURCES EXPENDED			
Costs of generating funds			
Costs of fundraising trading		516	380
Costs of generating voluntary income		13,664	5,020
Charitable activities			
Events	4	89,477	6,025
Relief and research funding	4	25,000	14,262
Governance costs		<u>1,865</u>	<u>-</u>
Total resources expended		<u>130,522</u>	<u>25,687</u>
Net incoming resources & Net movement in funds		46,556	39,821
Balances brought forward		<u>83,925</u>	<u>44,104</u>
Balances carried forward		<u>130,481</u>	<u>83,925</u>

All funds are unrestricted.

All the above results are derived from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

SAIL 4 CANCER

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2005

	Note	2005 £	2004 £
Fixed Assets			
Tangible assets	6	2,045	103
Current Assets			
Cash at bank		105,553	67,571
Stock	7	678	230
Debtors	8	<u>23,805</u>	<u>16,021</u>
		130,036	83,822
Creditors: amounts falling due within one year	9	<u>(1,600)</u>	<u>-</u>
Net current assets		<u>128,436</u>	<u>83,822</u>
Total assets less current liabilities		<u>130,481</u>	<u>83,925</u>
Creditors: amounts falling due after more than one year		<u>-</u>	<u>-</u>
Net assets		<u>130,481</u>	<u>83,925</u>
Funds			
Unrestricted funds	10	<u>130,481</u>	<u>83,925</u>
Total Funds		<u>130,481</u>	<u>83,925</u>

SAIL 4 CANCER

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2005 (CONTINUED)

For the year ending 31 December 2005 the company was entitled to exemption under section 249a(2) of the Companies Act 1985.

In preparing these financial statements:

- a) No members have required the company to obtain an audit of its accounts for the year in question in accordance with 249b(2) of the Companies Act 1985, and
- b) The directors acknowledge their responsibility for:
 - i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the Board on 26 October 2006



Trustee/Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

1 STATEMENT OF ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" revised 2005, the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Companies Act 1985. Where applicable, comparative results have been restated to comply with SORP 2005, but these restatements have had no effect on the funds brought forward at the start of the year.

b) Going Concern

The financial statements have been prepared on the going concern basis.

c) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Management Committee in furtherance of the general objectives of the charity and which have not been designed for other purposes.

Restricted funds are funds subject to specific restricted conditions imposed by donors.

d) Incoming Resources

Incoming resources are generally recognised on a receivable basis and are reported gross of related expenditure, when the charity is legally entitled to the income and where the amount can be quantified with reasonable accuracy.

e) Resources expended

Resources expended are accounted for on an accruals basis and gross of any related income. They are classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

- Costs of generating voluntary income includes relevant fundraising and publicity costs.
- Costs of charitable activities comprise direct expenditure. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.
- Governance costs include those costs, such as reporting accountants' fees, associated with constitutional and statutory requirements

f) Depreciation

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases except computer equipment and software is estimated at 5 years. The useful life of computer equipment and software is estimated to be 2 years.

g) Stock

Stocks have been valued at the lower of cost and net realisable value on bases and methods applied consistently.

SAIL 4 CANCER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

2	OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	2005	2004
		£	£
	Bank interest	<u>1,751</u>	<u>968</u>

3 TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

4 COSTS OF CHARITABLE ACTIVITIES

	Relief 2005 £	Events 2005 £	2004 £
Sailing event costs		56,669	-
Rent and rates		4,513	-
Telephone and internet		590	263
Marketing and advertising		-	15
Postage and stationery		1,118	1,204
Travel and subsistence		7,817	575
Subscriptions		79	35
Insurance		2,341	1,817
Repairs and maintenance		177	-
Consultancy costs		3,666	-
Trade mark		-	99
Payroll		6,244	-
Incentives		-	-
General expenditure		842	1,103
Interest		-	849
Donations	25,000	-	14,262
Depreciation		1,029	65
Legal and professional		1,645	-
Accountancy	-	<u>2,747</u>	-
	<u>25,000</u>	<u>89,477</u>	<u>20,287</u>

5 GOVERNANCE COSTS

	2005 £	2004 £
Reporting accountants' fees	1,600	-
Companies House statutory costs	<u>265</u>	-
	<u>1,865</u>	-

SAIL 4 CANCER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

6	TANGIBLE FIXED ASSETS	Motor vehicles £	Office equipment £	Computer equipment £	Computer Software £	Total £
	Cost					
	At 1 January 2005	-	229	1,575	146	1,950
	Additions in the year	4,250	-	2,511	460	7,221
	Disposals in the year	<u>(4,250)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,250)</u>
	At 31 December 2005	<u>-</u>	<u>229</u>	<u>4,086</u>	<u>606</u>	<u>4,921</u>
	Depreciation					
	At 1 January 2005	-	126	1,575	146	847
	Charge for the year	<u>-</u>	<u>46</u>	<u>753</u>	<u>230</u>	<u>1,029</u>
	At 31 December 2005	<u>-</u>	<u>172</u>	<u>2,328</u>	<u>376</u>	<u>2,876</u>
	Net book value					
	At 31 December 2005	<u>-</u>	<u>57</u>	<u>1,758</u>	<u>230</u>	<u>2,045</u>
	At 31 December 2004	<u>-</u>	<u>103</u>	<u>-</u>	<u>-</u>	<u>103</u>
7	STOCK				2005 £	2004 £
	Goods for resale				<u>678</u>	<u>230</u>
8	DEBTORS				2005 £	2004 £
	Donations and sponsorship receivable				<u>23,805</u>	<u>16,021</u>
9	CREDITORS				2005 £	2004 £
	Accruals				<u>1,600</u>	<u>-</u>
10	RECONCILIATION OF UNRESTRICTED FUNDS				2005 £	
	Net resources brought forward					83,925
	Add net incoming resources for the year					<u>46,556</u>
	Balance carried forward					<u>130,481</u>
	The net assets are all held for the unrestricted fund.					

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

11 REMUNERATION OF TRUSTEES

During the year, one trustee received remuneration of £3,666 for professional services (2004: £NIL). Expenses reimbursed to trustees during the year amounted to £7,818 (2004: £2,030). These are included in costs of charitable activities as they relate to attendance and assistance at events.

**ACCOUNTANTS' REPORT TO THE MEMBERS
ON THE UNAUDITED ACCOUNTS OF SAIL 4 CANCER
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

We report on the accounts for the year ended 31 December 2005 set out on pages 5 to 11

Respective responsibilities of directors and reporting accountants

As described on page 4 the trustees, who are also the directors of Sail 4 Cancer Limited for the purposes of company law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

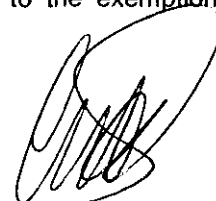
Basis of opinion

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

Opinion

In our opinion:

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



Date

27 October 2006

Critchleys
Chartered Accountants