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# Unaudited financial statements Children's Miracle Network UK

For the period from 5 July 2007 to 31 August 2008



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Charity Registration No: 1119962

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## Reference and administration details

**Established:** 5 July 2007

**Charity  
number:** 1119962

**Principal  
address:** C/o Stone King Sewell LLP  
13 Queen Square  
BATH  
BA1 2HJ

**Trustees:** Mr J L Hall II  
Mr T J Sullivan  
Mr B E Bloom  
Mr J E Vice  
Lord G G Wellesley Viscount Dangan

The power to appoint new trustees is vested in the founder.

**Bankers:** Royal Bank of Scotland  
Charing Cross Commercial Office  
3<sup>rd</sup> Floor, Cavell House  
2a Charing Cross Road  
London  
WC2H 0NN

**Solicitors:** Stone King Sewell LLP  
13 Queen Square  
Bath  
Banes  
BA1 2HJ

**Accountants** Grant Thornton UK LLP  
1 Westminster Way  
Oxford  
OX2 0PZ

## Report of the trustees

The Trustees present their report together with financial statements for the period from 5 July 2007 to 31 August 2008.

### Structure, governance and management

Children's Miracle Network UK operates as a company limited by guarantee and not having a share capital under its Memorandum and Articles of Association dated 6 June 2007. It is a charity registered with the Charity Commission for England and Wales (registered number 1119962) and also registered with the Office of the Scottish Charity Regulator (charity number SC039622). Children's Miracle Network UK was formed to raise funds and create public awareness for children's hospitals throughout the United Kingdom.

Governance of the charity is the responsibility of the Board of Trustees which is currently comprised of five individuals with a broad range of experience, skills and knowledge. The Trustees of Children's Miracle Network UK are elected according to the terms of the Memorandum and Articles of Association. The Trustees are elected at the AGM of the company by the Member of the Company and each Trustee is provided with a bespoke induction programme upon appointment.

The Board of Trustees are supplied information which allows them to take decisions, discharge their duties and ensure the right strategy, financial resources and controls are in place. The Board of Trustees delegates responsibility to the Chief Executive who ensures that the Board's policies and strategies are followed.

### The Trustees

The trustees who served the Trust during the period were as follows:

Mr J L Hall II

Mr S E Swenson (retired as a director on 9 November 2007)

Ms C E Richards (retired as a director on 9 November 2007)

Mr T J Sullivan (appointed as a director on 9 November 2007)

Mr B E Bloom (appointed as a director on 9 November 2007)

Mr J E Vice (appointed as a director on 9 November 2007)

Lord G G Wellesley Viscount Dangan (appointed as a director on 9 November 2007)

Mr J L Hall resigned as director on 19 September 2008.

Mr JA Osmond was appointed director on November 17, 2008.

### Objectives and activities

The purpose of Children's Miracle Network UK as set out in its memorandum of association is to: relieve sickness and to preserve health of children and young adults throughout the world, in particular but without limitation by assisting with the provision of facilities, services and equipment not normally provided by the statutory authorities.

To accomplish these objectives, Children's Miracle Network raises funds and creates awareness programmes for the benefit of children in hospitals across the United Kingdom.

The funds are generated primarily through radio programmes, corporate partnerships and special events.

## Report of the trustees

A key operating principle of Children's Miracle Network is that funds donated by the public go to help the children's hospital which serves the children of the community where the funds were donated. In other words, donated funds stay local. When a radio programme is conducted, the funds are given to the local hospital's charity. Funds generated from a corporate appeal are given to the hospital's charity based on the location of the store where the funds were donated or according to the allocation provided by the sponsor or direction given by the donor.

Another key operating principle is that Children's Miracle Network provides basic guidelines on how the funds are to be used, but the specific uses are determined by local trustees. The needs of each hospital vary dramatically and therefore we believe that it is best to leave the decision on how to utilise the donated funds with the local charity board of trustees who know well the needs of their specific hospital and have pledged a duty of care to insure the funds are used to accomplish the mission/objects of the charity.

### Achievements and performance

This report covers the initial start-up period for Children's Miracle Network UK and during this period, the charity has been working in concert with local hospital charities to create fundraising and awareness programmes and partnerships on both a local and national basis, however, none of these fundraising programmes were launched before the end of the reporting year.

One of the key activities of Children's Miracle Network is a radio programme designed to promote the needs of children in hospital and to raise funds for those needs. The planning process for the event requires several months lead time and as of the writing of this report, three events have been completed in England, Wales and Scotland during the final calendar quarter of 2008. The financial results of those programmes will be reported in the next annual report.

Another key activity of the charity is a public awareness and education programme which engages children and their families as ambassadors/spokespersons for a one year period to promote the needs of children with serious illnesses and injuries. In March 2008, one child from England along with her family served as the champion ambassador for the United Kingdom, speaking out about the important work of children's hospitals.

### Financial review

As a subsidiary of the parent, Children's Miracle Network, start up costs of Children's Miracle Network UK were absorbed by the parent. It is anticipated that the UK charity will become self-sustaining in the future as programmes and partnerships in the UK grow.

The trustees have no immediate plans to create reserves.

### Going concern

The parent, Children's Miracle Network, has pledged continuing support until such time as the UK charity becomes self-sustaining. As such the trustees have deemed it appropriate to prepare the financial statements on a going concern basis.

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## Report of the trustees

### Trustees' responsibilities for the financial statements

The Trustees are responsible for preparing the financial statements in accordance with the Charities Act 1993. In preparing those financial statements, the Trustees should follow best practice and:

- select 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 presume that the charity will continue in operation.

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

ON BEHALF OF THE TRUSTEES



Date.....

4/15/09



## Chartered accountants' report to the trustees on the unaudited financial statements of Children's Miracle Network UK

In accordance with the engagement letter dated 26 March 2009 we have compiled the financial statements of Children's Miracle network UK for the period from 5 July 2007 to 31 August 2008 which comprise the principal accounting policies, statement of financial activities, the balance sheet and notes 1 to 3 from the accounting records and information and explanations you have given to us.

This report is made to you in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to you that we have done so, and state those matters that we have agreed to state to you in this 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 trustees for our work, or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have approved the financial statements and have acknowledged your responsibility for them and for providing all information and explanations necessary for their compilation.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
CHARTERED ACCOUNTANTS  
OXFORD

*17 April 2009*

## **PRINCIPAL ACCOUNTING POLICIES**

### **BASIS OF PREPARATION**

The financial statements are prepared in accordance with applicable accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting by Charities (the SORP) issued in 2005.

### **GOING CONCERN**

The parent, Children's Miracle Network, has pledged continuing support until such time as the UK charity becomes self-sustaining. As such the trustees have deemed it appropriate to prepare the financial statements on a going concern basis.

### **INCOMING RESOURCES**

#### **Donations and gifts**

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

#### **Investment income**

Investment income, including associated income tax recoveries, is recognised when receivable.

### **EXPENDITURE**

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (direct charitable)
- expenditure incurred directly in the effort to raise voluntary contributions (fundraising and publicity) and
- expenditure incurred in the management and administration of the charity.

### **FUND ACCOUNTING**

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.



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

	Period from 5 July 2007 to 31 August 2008
	Unrestricted Funds £
<b>Income</b>	
<b>Donations and gifts</b>	157,844
<b>Income from investments</b>	
Bank interest	677
<b>Total receipts</b>	<u>158,521</u>
<b>Expenditure</b>	
<b>Charitable expenditure: management and administration</b>	
Employment costs	30,583
Contract Services	9,000
Accounting Fees	18,271
Legal Fees	28,635
Insurance	588
Bank charges	382
<b>Total resources expenditure</b>	<u>87,459</u>
<b>Net incoming resources</b>	<u>71,062</u>
Unrealised foreign exchange losses	(14,278)
<b>Net movement in funds</b>	<u>56,784</u>

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BALANCE SHEET

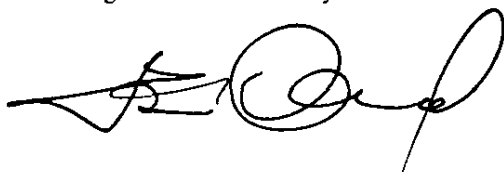
	31 August 2008 £
<b>Cash funds</b>	
Cash at bank	23,183
<b>Debtors</b>	
Amounts due from subsidiary undertaking	157,463
<b>Creditors: amounts falling due within one year</b>	
Legal Fees	(1,242)
Other liabilities	(122,621)
	<u>(123,863)</u>
<b>Net current assets</b>	<u>56,783</u>
<b>Income funds</b>	
Unrestricted funds	56,783
<b>Net funds</b>	<u>56,783</u>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity 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 Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the trustees and authorised for issue on 4/15/09, and are signed on their behalf by:



Children's Miracle Network UK

Unaudited financial statements for the period from 5 July 2007 to 31 August 2008

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## NOTES TO THE FINANCIAL STATEMENTS

### **1 Investments**

At 31 August 2008 the subsidiary undertaking of the charity was Children's Miracle Network Enterprises Limited. The company is registered in England and Wales and is a wholly owned subsidiary.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts as it is a wholly owned subsidiary of an entity that produces group accounts and has not done so, therefore the accounts show information about the company as an individual entity.

### **2 Related party transactions**

As a subsidiary of the parent, Children's Miracle Network, start up costs of Children's Miracle Network UK were absorbed by the parent. It is anticipated that the UK charity will become self-sustaining in the future as programmes and partnerships in the UK grow.

Other liabilities shown on the balance sheet represent the amounts owed to Children's Miracle Network.

During the year £157,463 of donations receivable by the charity were paid into the bank account of the charity's subsidiary. As such these amounts were due from the subsidiary at the period end.

### **3 Contingent liabilities and capital commitments**

The charity had no contingent liabilities or capital commitments as at 31 August 2008.



Companies House  
— for the record —

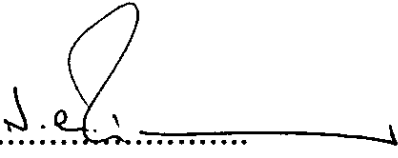
**Company number:** 6270786

## **NOTICE OF TRANSFER OF DOCUMENTS FROM COMPANY RECORD**

**Company Name:** CHILDREN'S MIRACLE NETWORK UK

**Document Transferred:** AA 31/08/08

**Reason For Transfer:** Filed on wrong company

Signed:.....

**For and on behalf of the Registrar**

**Dated:**...10<sup>th</sup> June 2009.....



AWARDED FOR EXCELLENCE

ML28T

**BERR**

Department for Business  
Enterprise & Regulatory Reform

A BERR SERVICE