

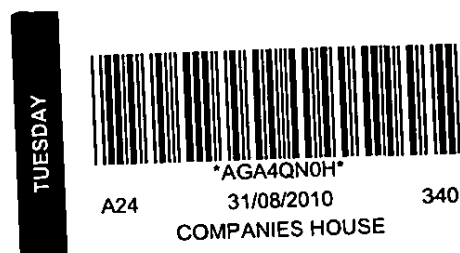
**EUROPE TO EUROPE
(LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

COMPANY REGISTRATION NUMBER: 2663301

REGISTERED CHARITY NUMBER: 1019824



**EUROPE TO EUROPE
(LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

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**EUROPE TO EUROPE
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REPORT OF THE MANAGEMENT COMMITTEE

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

The Management Committee presents its report and the independently reviewed Financial Statements for the year ended 30 November 2009.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name:	Europe to Europe
Charity Registration Number:	1019824
Company Registration Number:	2663301
Registered Office and Operational Address	78 Providence Park Southampton SO16 7QW

MANAGEMENT COMMITTEE:	G Giles	(Chairman)
	J Forsythe	(Treasurer)
	M Broomfield	
	P Scrase	

INDEPENDENT EXAMINERS:	Abraham & Dobell
	230 Shirley Road
	Southampton
	SO15 3HR

BANKERS:	Lloyds TSB Bank Plc
	High Street Branch
	Southampton

**EUROPE TO EUROPE
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**REPORT OF THE MANAGEMENT COMMITTEE
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 15 November 1991 and registered as a charity on 8 April 1993. The charitable 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. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Management Committee

The directors of the charitable company are also charity trustees for the purposes of charity law and under the charitable company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

Trustee Induction and Training

Trustees are familiar with the work of the charity and new trustees meet with the Chair of the Trustees, who provides a briefing on the Trust to include:

- the obligation of board members;
- the main documents which set out the operational framework of the Trust, including the Trust Deed,
- the financial position of the organisation, including the last set of audited Financial Statements and funding status; and
- future plans and objectives.

Risk Management

The Management Committee has assessed the risks to which the charitable company is exposed, in particular, those relating to the operations and finances of the charitable company. The Management Committee is satisfied that systems are in place to limit exposure to the risks.

Organisational Structure

The charitable company has a board of trustees comprising 4 members, at present, who meet at regular intervals throughout the year and who are responsible for the strategic direction and policy of the Trust. Financial and Administration matters are discussed, together with other relevant issues. The current Board come from a variety of backgrounds relevant to the work of the trust.

Related Parties

The charitable company operates in conjunction with a sister charity in Romania called Europa pentru Europa. The charitable company has no related party activities with UK registered charities.

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(LIMITED BY GUARANTEE)**

**REPORT OF THE MANAGEMENT COMMITTEE
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

OBJECTIVES AND ACTIVITIES

The aims and objectives of the charitable company are to help handicapped and vulnerable Romanian children and the resocialization of prisoners in Romania, in conjunction with Europa pentru Europa, which is the sister charity in Romania.

ACHIEVEMENTS AND PERFORMANCE

Europe to Europe continued to focus attention on its core activities in Romania. Based in our Centre for Social Development in Arad, Transylvania, we provided support, advocacy, and accommodation to young people with a range of physical and social disadvantages. Our established access to the Romanian penitentiary system enabled us to contribute to ongoing reforms at a local and national level. We also participated with other NGOs to create a more effective balance of services in the context of a deepening central European economic slump.

Mihaela, Adriana and other collaborators in Romania gave exceptional dedication to serving the needs of our beneficiaries. They also demonstrated diligence and transparent honesty in carrying out the numerous administrative tasks required by a charitable organisation operating in this cross-cultural environment. We always insist on the highest standards of integrity in a context where bribery and corruption are common. This inevitably places extra pressures on the Europe to Europe team as examples or agents of change. Nevertheless, despite delays and frustrations related to standards we seek to mentor, the long-term benefits are evident. The organisation is held in high regard by all Romanian public institutions and those we seek to assist, advise or befriend.

Our Jucu house and two Arad houses remained fully occupied throughout the year. Through-put varied as young people came and went. Each was supported to solve documentation and individual applications required to gain personal ID, allowances and employment registration. All were able to find jobs in factories, restaurants and other firms, despite the deepening economic depression. Our residents shared equally in the cost of household services by making a monthly contribution from their wages. Some were able to establish their independence by sharing privately rented accommodation.

Although our Dezna apartment, Santana house and Siria farm were not occupied this year, we kept the properties secure and supervised as far as possible. Plans are in place for developing future projects and necessary renovations when sufficient funds, sustainable social initiatives and suitable collaborators exist.

**EUROPE TO EUROPE
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**REPORT OF THE MANAGEMENT COMMITTEE
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

We operated in the Romanian prisons with long-standing associates, including former 'Partnership for Justice' and university post-graduates. A very fruitful association was formed between the University of Cluj-Napoca and the General Directorate of Penitentiaries. This enabled a significant development in the current and future training of prison officers and inmates through multi-media and an innovative secure intra-net platform for delivering on-line courses. Although unsuccessful so far in raising EU funding for our 'Freedom to Learn, Work and Live' project, we nevertheless persevered to implement specific elements of it.

In Arad, we held very detailed meetings at the beginning of the year to organise our team management responsibilities, periodic financial revenue evaluations/capital payments and planning. This enabled us to anticipate needs efficiently and effectively. Again, with limited but well targeted funds, the charitable company more than fully achieved its long-term objectives and continues to strengthen its capacity to reduce causes of poverty, influence social policy and to challenge injustice.

FINANCIAL REVIEW

The charitable company recorded a deficit of £(4,160) of its unrestricted funds for the year to 30 November 2009, compared to a deficit of £(2,423) in the previous year.

Total funds now stand at £3,283 at 30 November 2009, compared to £7,443 at 30 November 2008.

Principal Funding Sources

The charitable company's principal funding sources arise from donations it receives, along with fundraising events that take place during the year.

Investment Policy

The charitable company has no significant funds to invest and monies are, therefore, retained in the charitable company's bank account.

Reserves Policy

The Management Committee has determined that in order to.

- (a) provide for fluctuations in income and expenditure;
- (b) ensure continuity of services; and
- (c) save for the future risks to the charitable company;

it should work towards holding a sum of money equivalent to twelve months of resources expended.

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**REPORT OF THE MANAGEMENT COMMITTEE
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

PLANS FOR FUTURE PERIODS

The charitable company is anticipating collaborating more closely with a charity of similar aims to ours - Romania Organisation Aid Distribution (ROAD). The project being examined is to turn our Santana facility into a workers' hostel.

We are also continuing our collaboration with the Romanian Ministry of Justice to implement a project 'Freedom to Work, Learn and Live'. The specific aim is to improve adult literacy and drug detoxification.

We are, therefore, anticipating a busy but fruitful year ahead.

**RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE IN RESPECT OF THE
FINANCIAL STATEMENTS**

Company law requires the Management Committee to prepare Financial Statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those Financial Statements, the Management Committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. The Management Committee is also responsible for safeguarding the assets of the charitable company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities

Members of the Management Committee

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 1

**EUROPE TO EUROPE
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**REPORT OF THE MANAGEMENT COMMITTEE
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

**RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE IN RESPECT OF THE
FINANCIAL STATEMENTS**

Members of the Management Committee (Continued)

In accordance with company law, as the charitable company's directors, we certify that:

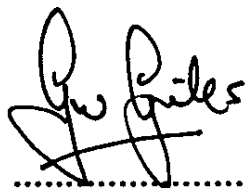
- so far as we are aware, there is no relevant information of which the charitable company's Independent Examiners are unaware; and
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charitable company's Independent Examiners are aware of that information.

INDEPENDENT EXAMINER

D J Mant of Abraham & Dobell was re-appointed as the charitable company's independent examiner during the year and he has expressed his willingness to continue in that capacity

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of the Companies Act 2006, relating to small entities.

Approved by the Management Committee on 27 August 2010 and signed on its behalf by:



.....
**G GILES
DIRECTOR**

**EUROPE TO EUROPE
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**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

		2009			2008
	Notes	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
		£	£	£	£
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
<u>Voluntary Income</u>					
Donations	2	-	4,198	4,198	6,524
<u>Activities for Generating Funds</u>					
Fundraising		-	2,606	2,606	1,083
Investment income		-	-	-	221
		—	—	—	—
TOTAL INCOMING RESOURCES		-	6,804	6,804	7,828
		—	—	—	—
RESOURCES EXPENDED					
	3				
Costs of Generating Funds					
Charitable Activities		-	11,120	11,120	10,021
Governance costs	4	-	(156)	(156)	230
		—	—	—	—
TOTAL RESOURCES EXPENDED		-	10,964	10,964	10,251
		—	—	—	—
NET RESOURCES FOR THE YEAR		-	(4,160)	(4,160)	(2,423)
		—	—	—	—
NET MOVEMENT IN FUNDS	10	-	(4,160)	(4,160)	(2,423)
RECONCILIATION OF FUNDS					
Total Funds at 1 December 2008		2,000	5,443	7,443	9,866
		—	—	—	—
Total Funds at 30 November 2009		£2,000	£1,283	£3,283	£7,443
		—	—	—	—

The Statement of Financial Activities includes all gains and losses in the year

All incoming resources and resources expended derive from continuing activities

BALANCE SHEET

AS AT 30 NOVEMBER 2009

		2009		2008	
FIXED ASSETS	Notes	£	£	£	£
Tangible assets	7		1		1
CURRENT ASSETS					
Cash at bank and in hand		4,412		8,877	
CREDITORS: Amounts falling due within one year	8	1,130		1,435	
NET CURRENT ASSETS			3,282		7,442
TOTAL NET ASSETS	9		£3,283		£7,443
			FINANCED BY:		
UNRESTRICTED FUNDS			1,283		5,443
RESTRICTED FUNDS			2,000		2,000
TOTAL FUNDS	10		£3,283		£7,443

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the Financial Statements for the year by virtue of section 477 and that no member or members have requested an audit pursuant to section 476 of the Act.

The director acknowledges his responsibility for

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing Financial Statements 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 sections 394 and 395, and which otherwise comply with the requirements of the Act relating to Financial Statements, so far as applicable to the company

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These Financial Statements were approved by the directors on 27 August 2010 and are signed on their behalf by.



.....
G GILES
DIRECTOR

The notes on pages 10 to 15 form part of the Financial Statements

**EUROPE TO EUROPE
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NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below.

The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of Accounting

Financial Statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005).

(b) Fixed Assets

Fixed assets purchased are recorded at cost.

(c) Depreciation

Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	25% of cost
-----------	-------------

(d) Incoming Resources

All incoming resources are included in the Financial Statements of financial activities when the charity is entitled to the income and the amount can be reasonably quantified.

- Donations and voluntary income are accounted for on a receivable basis.
- Investment income is accounted for on a receivable basis.
- Fundraising income is accounted for on a receivable basis

(e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis as a liability is incurred

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

(e) Resources Expended (Continued)

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include examiner fees and costs linked to the strategic management of the charitable company

(f) Fund Accounting

Funds held by the charitable company are either:

- Unrestricted General Funds

These are funds which can be used in accordance with the charitable objectives at the discretion of the Trustees

- Restricted Funds

These are funds that can only be used for particular restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for the particular restricted purpose.

2. DONATIONS

	2009	2008
	£	£
General donations and gifts	£4,198	£6,524
	_____	_____

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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

3. TOTAL RESOURCES EXPENDED

		2009		2008	
	Basis of	Allocation	Romanian	Total	Total
	Governance	Grants	Work &		
		£	£	£	£
Costs Directly Allocated to Activities					
Grants payable to sister organisation					
in Romania	Direct	-	10,500	10,500	9,500
Travel and accommodation	Direct	-	470	470	371
Insurance	Direct	-	150	150	150
		-	11,120	11,120	10,021
Support Costs Allocated to Activities					
Accountancy	Direct	(305)	-	(305)	201
Printing, postage and stationery	Usage	75	-	75	-
Sundry	Usage	38	-	38	-
Bank charges	Transactions	32	-	32	29
Exchange loss	Direct	4	-	4	-
		£(156)	£11,120	£10,964	£10,251

4. GOVERNANCE COSTS

	2009		2008	
	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Accountancy	(305)	-	(305)	201
Printing, postage and stationery	75	-	75	-
Sundry	38	-	38	-
Bank charges	32	-	32	29
Exchange loss	4	-	4	-
	£(156)	£-	£(156)	£230

**EUROPE TO EUROPE
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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

5. STAFF COSTS AND TRUSTEES' REMUNERATION

No staff costs were paid in the year to 30 November 2009 (2008 - £nil)

All the people who work for the charitable company are volunteers.

No members of the Management Committee received any remuneration during the year

No trustee or other person related to the charitable company had any personal interest in any contract or transaction entered into by the charitable company during the year (2008 - £nil).

6. TAXATION

As a charitable company, Europe to Europe is exempt from tax on income or gains falling within Section 505 of the Taxes Act 1988 or s.256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

7. TANGIBLE FIXED ASSETS

	<u>Equipment</u>
Cost	£
At 1 December 2008	720
	—
At 30 November 2009	720
	—
Depreciation	
At 1 December 2008	719
	—
At 30 November 2009	719
	—
Net Book Values	
At 30 November 2010	£1
	—
At 30 November 2009	£1
	—

**EUROPE TO EUROPE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

8. CREDITORS: Amounts falling due within one year

	2009	2008
	£	£
Accruals and deferred income	£206	£1,435
	—	—

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2009			2008
	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	1	1	1
Current assets	2,000	2,412	4,412	8,877
Creditors falling due within one year	-	(1,130)	(1,130)	(1,435)
	<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS AT 30 NOVEMBER 2009	£2,000	£1,283	£3,283	£7,443

10. MOVEMENTS IN FUNDS

	At	Incoming	Outgoing	At
	01.12.08	Resources	Resources	30.11.09
	£	£	£	£
Unrestricted Funds	5,443	6,804	10,964	1,283
Restricted Funds	2,000	-	-	2,000
	—	—	—	—
	£7,443	£6,804	£10,964	£3,283
	—	—	—	—

11. RESTRICTED FUND

At the Balance Sheet date the fund had not been expended and is being carried forward as a restricted fund.

**EUROPE TO EUROPE
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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
30 NOVEMBER 2009**

12. STATUS AND DISSOLUTION

The charitable company is limited by guarantee. Every member undertakes to contribute to the assets of the charitable company in the event of it being wound up, during the time that they are a member, an amount not exceeding £1.