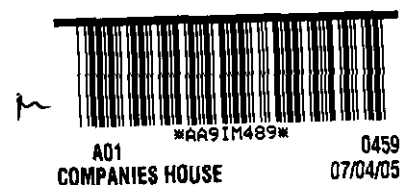


FRESHWINDS
REPORT AND ACCOUNTS
YEAR ENDED 31 MARCH 2004

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FRESHWINDS

LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2004

The company is a registered charity, governed by its memorandum and articles of association.

Trustee Directors: Mohammed Sulieman Ibrahim Ibn Hassan Al Nur Al-Rahim
Dr. Rhonda Theresa Lee
Clive Peter Robotham
Lynette Tatton-Brown
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
22 George Road
Edgbaston
Birmingham
B15 1PJ

Bankers:	Unity Trust Bank plc 4 The Square 111 Broad Street Birmingham B15 1AR	The Royal Bank of Scotland plc 79-83 Colmore Row Birmingham B3 2AP
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Solicitors: Gross & Co.,
84 Guildhall Street,
Bury St. Edmunds,
Suffolk IP33 1DR

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

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

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

2003-2004 continued to see the expansion of Freshwinds in many project areas. We have seen an enormous increase in our outreach activities, significantly through programs, such as supporting people and the 'living choices' palliative care program, funding NOF (New Opportunities Fund). This is in conjunction with the four primary care trusts in Birmingham. We are proud of this deeply special program given that it is helping people who are dying from life threatening illnesses. We assist their passage in a peaceful and comfortable manner and in many ways complete the circle of Freshwinds, from birth, education, life and career and from their passing from this life to the next.

In addition we have made enormous in roads into the African Caribbean community/BME community with our BROSIS program on issues of crime, drugs, alcohol misuse and sexual health. The program is now rapidly becoming a national standard for service and we are beginning to negotiate new contracts for significant funding from national and local agencies.

The international work is also moving apace and the support of the Jamaican Government and in particular the Ministry of Education, Culture and Youth welfare that is a growing partnership for international activity.

Our substantial partnership with the African Community Council for the Regions is been reinforced by our setting up of the 'joint international project', which will see us working in the Democratic Republic of the Congo, Eastern Chad, Darfur and in Southern Sudan. These exciting though challenging projects will be up and running by mid-2005. I am also very pleased that our work locally has been expanding with local primary care trusts and with the Midland HIV Inter-Agency Network.

Our most challenging situation has been the supporting people program where we are negotiating a significant under payment by Birmingham City Council which has arisen in the 2004-05 financial year. Many organisations nationally are in this position and in Birmingham it is a particular problem for both private and voluntary organisations on this scheme. We are confident that eventually the majority of the under payment will be satisfactorily finalised, however we are taking steps to find new additional funds and improve further our core cost issues.

There is a great challenge in the voluntary sector to endeavour to receive support for core costs from funders. While many organisations are beginning to try to achieve full cost recovery in there bidding process, this is not an easy matter to do given that many funders on the one hand do not wish to pay for full recovery costs and on the other have limited budgets.

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

The challenging situation of the supporting people program as well as cost recovery issues requires constant effort, however Freshwinds is a resilient and innovative charity supported by very dedicated individuals, committed to the communities we serve and therefore we expect by mid-2005 to have overcome most of these challenges. We currently support 1,700 registered clients as well as 900 telephone information and support service users.

Once again I have the honour and privilege of serving the charity and would like to give my deep and sincere thanks to those who dutifully support the vital and important work of Freshwinds.



Mohammed Al-Rahim
Founder, President and Chief Executive

**FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004**

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

Statement by Vice President/Director Integrated Medicine

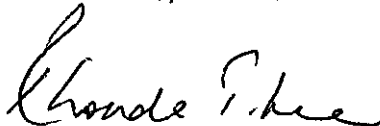
I am pleased to be able to say that 2003-04 has been a year of exciting new developments for all of the charity's projects. In the year 2003 we registered almost 195 new clients (a 17% increase from the previous year), and provided approx. more than 11,000 hours of one-to-one support.

A significant development is the addition of Carol Hebden as the Complementary Therapy Outreach Coordinator to the Integrated Medicine Team. Carol brings much valued complementary therapy and PR skills, which has strengthened and uplifted the charity's Integrated Medicine work. After long hours of hard graft and dedication from the team, *'Living choices'*, the integrated complementary therapy outreach project finally took shape and started to provide services in March 2004. As a result we have embarked on a healthy working partnership with the four Birmingham Primary Care Trusts, John Taylor and other local hospices. As part of this and for the first time in the history of the charity, we now able to offer complementary therapy services within the client's homes. This project targets end-stage palliative care clients and has been especially welcomed by the community care teams.

Work on developing the National Children's Complementary Therapy Network has started and we are thankful for the support the Prince of Wales Foundation of Integrated Health and the Royal College of Nursing: Complementary Therapy Forum. There is also considerable interest from individual therapists from all over the UK, which is very encouraging. We look forward to our first network conference to be held in 2005.

In December 2003, the official change of name to Freshwinds Institute of Integrated Medicine Ltd (previously Freshwinds Advancement Training & Development) the training arm of the charity took place and the Integrated Medicine Journal completed its first year of publication. The Institute is delighted at the high standards of its graduates and continues to strive on improving the standards of teaching within the area of complementary therapies and integrated medicine.

I am sure that with all of the above and other developments during the year will contribute to the future expansion and sophistication of the charity. All of which verifies the commitment and loyalty of the trustees, staff and volunteers to the mission and ethos of the charity.



**Dr Rhonda T Lee
Vice President/Director Integrated Medicine**

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

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 integrative 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"

Freshwinds has the following 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 over 40 therapists, 2 resident doctors and 1 clinical nurse. This includes the Children's Project, Parent Support Services, Positive Support Group, HIV Clinical Nurse Surgeries and HIV Citizen Advice Bureau Advisor Surgery.

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 also includes a Freshwinds volunteering scheme.

Supporting People Programme: A Freshwinds HIV/AIDS floating support service providing the individual one to one support, offering, advice on Housing, legal, financial assistance as well as advocacy and mentoring to improve access, life coaching, education, employment and training.

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

Debt Counselling: This aspect provides support for Lone Parents and Lone Parents with Children with Disabilities Debt counselling, enabling lone parents to manage their financial needs effectively. (Started June 2004) Funded by Severn Trent Foundation.

Bro-sis: This is a specialised support programme focusing on the needs of persons who are from African/Caribbean communities that are living with HIV as well as those with drug and alcohol misuse issues. Freshwinds recognised the need to support this community in the above areas and to provide a culturally sensitive education and promotion of HIV within the arena. The Programme has increased its services by offering a drug worker who supports people with drug and alcohol misuse issues. (From December 2004)

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

Freshwinds Therapy Outreach project "Living Choices": Launched in March 2004 to deliver a complementary therapy service for Clients in Palliative care in their home. The programme has been successful with increasing number of referrals from healthcare professionals. This Outreach project includes a working partnership between Birmingham Primary Care Trusts, local hospices and Freshwinds.

Activities of the Children's Therapy Network: Children's Complementary Therapy Network e-mail group has been set up for therapists to make contact with each other by e-mail using the network as the go-between. Children's Complementary Therapy Network Research Articles Database is being planned to collate a database of research articles on complementary therapies and children which members of the Network will be able to access as a resource in the future. The Children's Network Conferences are being planned for the Network once or twice a year. It is hoped that the National conferences will encourage the setting up of regional support networks, that can meet more frequently, provide feedback to the national meetings. The First Network conference is planned for Spring 2005, and the theme will be 'Developing a Children's Complementary Therapy Service'.

International Projects: Working in partnership with the African Community Council for the Regions a considerable amount of background work has been done to move the work that will commence in 2005 in the Democratic Republic of the Congo, Eastern Chad, Darfur and in Southern Sudan. This work will be a considerable part of the expansion of the charities activities over the next number of years.

QUALITY STANDARDS

Training: Staff and volunteers at Freshwinds are encouraged to develop their own individualised or an ongoing continuous training programme to maintain and update skills according the client needs. Training is recorded and where appropriate attendance reports or feedback questionnaires establish the relevance of the training.

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 other more experienced therapists. In development of the medical board of specialists will be a major step in support for 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 to made available. This includes training on Freshwinds Equal Opportunities policy, code of confidentiality and conduct.

Indicators of Performance and Quality: To aid individuals to understand the charity work there are a number of policies available on various subjects. These include, Equal Opportunities policy, Code of Confidentiality, Volunteering Policy, Code of Conduct, Code of Practice, Considerations of Therapy for clients, Child Protection Policy, Health & Safety Policy, Policies and Procedures for therapists and others.

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

An annual open-ended anonymous feedback questionnaire is given to clients to record their satisfaction and dissatisfaction with regards to services received at Freshwinds. The information is compiled to study the quality standard of services and address issues of concern.

Freshwinds records statistical and other information relating to client profiles, treatments etc. This is an important aspect of any project reports prepared for funders.

Freshwinds is a registered body with the Criminal Records Bureau, therefore carrying out disclosures on staff and volunteers to ensure safety of child clients as well as vulnerable adults.

Quality standards includes, being associate members of DIAL (Disability Information & Advice Line), IAG (Information Advice & Guidance) and plans to work towards the Matrix Standard.

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 120 or so regular volunteers are around £1,500,000 annually.

African Community Council for the Regions (ACCR): Freshwinds' continued partnership with African Community Council for the Regions has enabled both charities to expand and extend their capabilities both locally and internationally. With joint principles of integration, co-operation and education, the two charities are continuing to grow in collaboration, whilst still maintaining their own identities and projects. Also, we have been working in areas such as housing, equal access, HIV and international development. The founder and President Mr Al-Rahim, along with Dr Lul Lojok Deng were the founding Directors of this organisation. The organisation has grown rapidly and acts as a network umbrella organisation for twelve refugee and asylum communities in Birmingham and the West Midlands, as well as the areas mentioned above.

Midlands HIV Inter Agency Network: The Midlands HIV Inter Agency Network (MHIAN), chaired by Freshwinds since MHIAN's creation in 1999, recognises that more needs to be done to help people living with HIV/AIDS and their significant others. HIV and its implications / impact on peoples lives over the last five to six years has once again undergone enormous changes. Thankfully, people in the UK are now living longer, free from many of the devastating symptoms of the past. However, the long-term challenge of living with HIV has brought forth new and complex situations that need to be dealt with. Freshwinds continues to be a major contributor to this Network, working in partnership with other agencies to build capacity, expertise and resources so that all agencies are able to increase, extend and enhance the help they offer to their constituent communities, including support, assistance, advice, back to work training and advocacy.

FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

Client Numbers: Freshwinds is rapidly increasing its client numbers and at present the Charity has 1,700 clients, with an average in-house client visit of 150 per week. The support staff are now seeing a large number of clients on an outreach basis – up to 20-30 per week. As well as 900 telephone information and support service users.

Future Developments: Freshwinds will continue to expand its international youth exchange and student placement programmes at present we have two Japanese international student placements in the charity. We expect to receive in 2005 exchange students from Eastern Europe as well as Jamaica. We have changed emphasis from looking for a new larger building to creating a smaller unit for our Handsworth and inner city programs in those parts of the city until we can build a 4000 sq ft purpose built unit for a more accessible walk in service, this will be 2005/2006.

Income growth has been more modest than expected 2004-2005 will be just over £600,000. While we expect 2005-2006 to be just under a million pounds. We will be expanding all our programs, scope and style and looking to develop a number of new projects.

REVIEW OF THE TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITY

The Registered Charitable Company received donations and grants totalling £408,509 and other income of £11,334. A total of £4,939 remained in the bank as at 31st March 2004.

The Charity is organised in accordance with the Charity Commission Guidelines and this report and accounts fully comply with the Charity's SORP 2000.

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 lessen these risks.

RESERVES POLICY

The charity needs reserves both to enable it to progress to completion 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

Following the transfer of substantially all of the business of Horwath Clark Whitehill to a Limited Liability Partnership on 1 April 2004, Horwath Clark Whitehill resigned and the trustees appointed their successor, Horwath Clark Whitehill LLP, as 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.

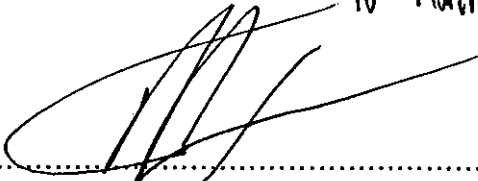
FRESHWINDS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2004

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

16th March 2005

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

.....
Mohammed Al-Rahim

FRESHWINDS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2004

Company law requires the trustees to prepare accounts 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 profit, or loss for that year. In preparing those accounts the trustees are required to :

- select suitable accounting policies and then apply 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 accounts;
- prepare the accounts 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.

FRESHWINDS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRESHWINDS

We have audited the accounts of Freshwinds for the year ended 31 March 2004, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet and the related notes set out on pages 14 to 19. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 14.

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 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 Trustees and Auditors

The responsibilities of the trustees for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on page 10.

Our responsibility is to audit the accounts in accordance with the relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 Trustees' Annual Report is not consistent with the accounts, if 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 accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the accounts 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 accounts 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 accounts.

Fundamental Uncertainty – Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the accounts concerning events subsequent to the balance sheet date. In view of the significance of this uncertainty, we consider that it should be drawn to your attention but our report is not qualified in this respect.

Unqualified Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the charitable company as at 31 March 2004 and of 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.

16th March 2005
Hatherton House
Hatherton Street
Walsall WS1 1YB

Horwath Clark Whitehill LLP
HORWATH CLARK WHITEHILL LLP
Chartered Accountants and
Registered Auditors

FRESHWINDS

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE)

YEAR ENDED 31 MARCH 2004

	Note	Un- Restricted Funds £	Restricted Funds Inc Capital £	2004	2003 Total £
INCOMING RESOURCES					
Activities in furtherance of the Charity's objects:					
Donations and grants	3	41,829	366,680	408,509	284,894
Activities in generating funds:					
Other Income		11,291	-	11,291	-
Investment income		<u>43</u>	<u>-</u>	<u>43</u>	<u>54</u>
TOTAL INCOMING RESOURCES		<u>53,163</u>	<u>366,680</u>	<u>419,843</u>	<u>284,948</u>
RESOURCES EXPENDED					
Costs of activities in furtherance of the Charity's objects:					
Delivery of charitable services	7	46,393	363,951	410,344	273,588
Management and administration	8	<u>7,985</u>	<u>-</u>	<u>10,815</u>	<u>10,815</u>
TOTAL RESOURCES EXPENDED		<u>54,378</u>	<u>363,951</u>	<u>418,329</u>	<u>284,303</u>
NET INCOME FOR THE YEAR BEFORE TRANSFERS		(1,215)	2,729	1,514	645
Transfer of capital into income		<u>7,392</u>	<u>(7,392)</u>	<u>-</u>	<u>-</u>
NET MOVEMENTS IN FUNDS FOR THE YEAR		6,177	(4,663)	1,514	645
FUND BALANCES BROUGHT FORWARD AT 1 APRIL 2003		<u>(9,157)</u>	<u>2,847</u>	<u>(6,310)</u>	<u>(6,955)</u>
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2004		<u>(2,980)</u>	<u>(1,816)</u>	<u>(4,796)</u>	<u>(6,310)</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 14 to 19 form part of these accounts.

FRESHWINDS
BALANCE SHEET
31 MARCH 2004

	Notes	2004	2003
		£	£
FIXED ASSETS			
Tangible assets	9	<u>23,171</u>	<u>26,640</u>
CURRENT ASSETS			
Debtors		73,248	60,935
Cash at bank and in hand		<u>4,939</u>	<u>3,781</u>
		<u>78,187</u>	<u>64,716</u>
CREDITORS amounts falling due			
Within one year			
Trade creditors		-	20,480
Bank loan		6,379	6,710
Other creditors		64,386	35,704
Accruals		<u>12,639</u>	<u>2,820</u>
		<u>83,404</u>	<u>65,714</u>
NET CURRENT LIABILITIES		(5,217)	(998)
CREDITORS amounts falling due			
After one year			
Other creditors		(22,750)	(25,500)
Bank loan		<u>-</u>	<u>(6,452)</u>
NET LIABILITIES		<u>(4,796)</u>	<u>(6,310)</u>
Financed by:			
FUNDS			
Unrestricted		(2,980)	(9,157)
Restricted	11	<u>(1,816)</u>	<u>2,847</u>
		<u>(4,796)</u>	<u>(6,310)</u>

Approved by the trustees on 16 March 2005
and signed on its behalf :

.....
Dr Rhonda T Lee

.....
Mohammed Sulieman Al Rahim

The notes on pages 14 to 19 form part of these accounts.

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2004

1. BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

The Charity is reliant on donations and grants to fund its activities. Subsequent to the year end the Charity completed further projects under the Birmingham Supporting People project. Whilst a significant proportion of monies spent under this project have been paid, an amount of £78,223 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 £82,953. The Trustees intend to settle this 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 2004

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.

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 - 25% straight line

3. DONATIONS AND GRANTS

Donations and grants were received from the following organisations :-

	Un-Restricted Funds 2004 £	Restricted Funds 2004 £	2003 £
BBC Children In Need		23,680	26,250
Birmingham Council Joint Finance		-	23,915
Elton John Foundation		20,000	20,000
Community Fund		73,214	45,627
Eastern Birmingham PCT		-	39,500
Birmingham Supporting People		133,244	-
Department of Education Support for Children and Families		5,000	-
New Opportunity Fund (Living Choices)		37,425	-
Scarman Trust		5,730	-
Birmingham Social Services – HIV ASG		12,360	12,000
Birmingham H.A East PCT		25,203	24,469
Digbeth Trust		6,000	-
Local Network Fund		6,000	6,000
BGB Pride Trust		4,000	-
European Funds		1,391	-
Others	<u>41,829</u>	<u>13,433</u>	<u>87,133</u>
	<u>41,829</u>	<u>366,680</u>	<u>284,894</u>

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2004

4. STAFF	2004	2003
	£	£
Staff costs:	<u>260,531</u>	<u>157,629</u>
	<u>260,531</u>	<u>157,629</u>
The weekly average number of employees during the year was made up as follows:	No	No
Employees	<u>23</u>	<u>9</u>
	<u>23</u>	<u>9</u>
No employee received remuneration amounting to more than £50,000.		
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 £28,833 (2003: £21,583) – Consultancy Services		
Mr Mohammed Al-Rahim, received a salary of £32,667 (2003:£18,667) – Chief Executive		
5. INTEREST PAYABLE	2004	2003
	£	£
On bank loan		
- repayable within five years	<u>550</u>	<u>1,134</u>
	<u>550</u>	<u>1,134</u>
6. INTEREST RECEIVABLE	£	£
Interest on cash deposits	<u>43</u>	<u>54</u>

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2004

7. DELIVERY OF CHARITABLE SERVICES

	2004		2003
	Un-Restricted Funds	Restricted Funds	
	£	£	£
Wages and Salaries	19,659	240,872	157,629
Rent	4,847	27,466	31,927
Repairs and maintenance	1,319	6,520	4,715
Insurance	628	3,556	3,061
Water rates	1,304	7,386	3,893
Light and heat	345	1,957	3,043
Printing, postage, stationery	-	19,508	9,438
General office expenses	1,287	2,780	5,065
Telephone	1,771	10,039	7,889
Office equipment rental	1,937	10,977	16,718
Travelling expenses	1,223	8,665	-
Book-keeper	532	3,014	3,493
Hardship payments	-	10,367	3,546
Therapy consultancy fees	-	2,634	1,879
Training	-	2,987	6,280
Patient health care products	-	3,082	1,084
Volunteer travel expenses	-	2,141	4,110
Donations	-	-	539
Depreciation	<u>11,541</u>	<u>-</u>	<u>9,279</u>
	<u>46,393</u>	<u>363,951</u>	<u>273,588</u>

8. MANAGEMENT AND ADMINISTRATION

	2004	2003
	Un-Restricted Funds	
	£	£
Auditors fees for audit services	4,407	4,737
Auditors fees for other services	705	705
Legal and professional	-	1,455
Bank charges	443	466
Sundry expenses	1,754	2,318
Loan interest payable	<u>676</u>	<u>1,134</u>
	<u>7,985</u>	<u>10,815</u>

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2004

9. TANGIBLE FIXED ASSETS

	Fixtures, Equipment & Computers £
Cost:	
Cost at 1 April 2003	37,186
Additions	<u>8,072</u>
At 31 March 2004	<u>45,258</u>
Depreciation:	
Depreciation at 1 April 2003	10,546
Provision for the Year	<u>11,541</u>
At 31 March 2004	<u>22,087</u>
Net Book Value	
At 31 March 2004	<u>23,171</u>
At 31 March 2003	<u>26,640</u>

10. FINANCIAL COMMITMENTS

At 31 March 2004, the company has annual commitments under non-cancellable leases as follows :

	Land and Buildings	
	2004	2003
	£	£
Two to five years	<u>31,927</u>	<u>31,927</u>

FRESHWINDS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2004

11. RESTRICTED FUNDS

	At 1.4.2003 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31.3.2004 £
Community Fund		73,214	73,214	-	-
Birmingham H.A. East PCT		25,203	25,203	-	-
Birmingham Social Services – HIV ASG	-	12,360	12,360	-	-
BBC Children in Need	-	23,680	23,680	-	-
Elton John Foundation	-	20,000	20,000	-	-
Birmingham Supporting People	-	133,244	135,060	-	(1,816)
Department of Education – Support for Children and Families	-	5,000	5,000	-	-
New Opportunity Fund - Living Choices	-	37,425	29,823	7,392	-
Digbeth Trust	-	6,000	6,000	-	-
Local Network Fund	-	6,000	6,000	-	-
BGB Pride Trust	-	4,000	4,000	-	-
European Funds	-	1,391	1,391	-	-
Scarman Trust	-	5,730	5,730	-	-
European Social Fund	2,847	-	2,847	-	-
Others	-	13,433	13,433	-	-
Total restricted funds	2,847	366,680	363,951	7,392	(1,816)

12. ANALYSIS OF NET LIABILITIES BETWEEN FUNDS

	Un-Restricted Funds £	Restricted Funds £	Total £
Fund balances are represented by:			
Tangible fixed assets	23,171	-	23,171
Current assets	78,187	-	78,187
Current liabilities	(81,588)	(1,816)	(83,404)
Liabilities due after more than one year	(22,750)	-	(22,750)
Total net liabilities	(2,980)	(1,816)	(4,796)

FRESHWINDS

DETAILED INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2004

	2004	2003
	£	£
DONATIONS AND GRANTS	408,509	284,894
RESOURCES USED		
Rent	32,313	31,927
Water rates	8,690	3,893
Insurance – Building	4,184	3,061
Wages and salaries	260,531	157,629
Light and heat	2,302	3,043
Repairs and maintenance	7,839	4,715
Telephone	11,810	7,889
Postage, stationery and advertising	19,508	9,438
General office expenses	4,067	5,065
Travelling expenses	12,029	4,110
Equipment lease	12,914	16,718
Audit fees	5,112	5,442
Book-keeper	3,546	3,493
Legal and professional fees	-	1,455
Patient health care products	3,082	1,084
Bank charges	443	466
Hardship payments	10,367	3,546
Therapy consultants	2,634	1,879
Training	2,987	6,280
Sundry expenses	1,754	2,318
Donations		539
Depreciation:		
Fixtures, Equipment and Computers	11,541	9,279
	<u>417,653</u>	<u>283,169</u>
	(9,144)	1,725
OTHER INCOME AND EXPENSES		
Other income	11,291	-
Bank interest received	43	54
Loan Interest Payable	(676)	(1,134)
	<u>10,658</u>	<u>(1,080)</u>
NET MOVEMENTS IN FUNDS FOR THE YEAR	<u><u>1,514</u></u>	<u><u>645</u></u>