



LIFEBOX FOUNDATION

TRUSTEES' REPORT AND ACCOUNTS

FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013

Charity Registration No 1143018

Company Registration No 7612518 (England & Wales)



CANSDALES

Chartered Accountants & Statutory Auditors

Bourbon Court

Nightingales Corner

Little Chalfont

Bucks

HP7 9QS

Lifebox Foundation

For the year ended 31 March 2013

Contents

Reference and administrative information	1
Report of the Trustees	2
Independent Auditors' Report to the members of Lifebox Foundation	12
Statement of Financial Activities (incorporating an Income & Expenditure Account)	14
Balance Sheet	15
Notes to the Financial Statements	16

Reference and administrative information

For the year ended 31 March 2013

Trustees	Dr Angela Enright Dr Atul Gawande Professor Alan Merry Mrs Pauline Philip Dr Isabeau Walker Dr Iain H Wilson
Company Secretary	Kristine Stave
Principal/registered office	21 Portland Place London W1B 1PY
Charity number	1143018
Company number	7612518
Auditors	Cansdales Chartered Accountants & Statutory Auditors Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
Bankers	HSBC Plc. 117 Great Portland Street London W1A 4UY
Solicitors	McDermott Will & Emery UK LLP Heron Tower 110 Bishopsgate London EC2N 4AY

Report of the Trustees**For the year ended 31 March 2013**

The Trustees, who are also the directors of Lifebox Foundation (the 'Charity') for the purposes of company law, submit their annual report and the audited financial statements of the Charity for the period 1 April 2012 to 31 March 2013.

The Trustees confirm that the annual report and financial statements of the Charity have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the

Charity's Memorandum and Articles of Association, the Companies Act 2006 and the Charity Commission's Statement of Recommended Practice (SORP) issued in March 2005.

The information on page 1 regarding the Charity, its Trustees, Officers, Legal and Administrative information forms part of this report. The Report of the Trustees' is also the Directors' Report required by s.471 of the Companies Act 2006.

----- **STRUCTURE, GOVERNANCE AND MANAGEMENT** -----

Management of the Charity

The Board of Trustees is the body responsible for the management of the Charity. The Board meets face-to-face twice annually and by telephone at regular intervals throughout the year. Pauline Philip is the Chief Executive of the Charity, a position for which she receives no remuneration. She is supported in the day-to-day management of the Charity's activities by Kristine Stave (Secretary and Head of Operations). All major decisions regarding the Charity are approved by the Board of Trustees.

Governing document

The Charity is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association, as amended by special resolutions dated 15 July 2011 and 15 May 2012.

The Memorandum and Articles restrict the liability of members on winding up to £5. In the case of winding up none of the accumulated funds are distributable to the members, but will be applied for charitable causes as decided by a majority of the Trustees.

Appointment and election of Trustees

The Charity has two classes of Trustees: A Directors, of which there are four, who are members and B Directors who shall be

appointed by resolution of the members for a three year term. B Directors are eligible for re-appointment at the first Board meeting of the year in which their term expires. None of the Trustees has any beneficial interest in the Charity.

The Trustees, who served during the year, who are also the directors for the purposes of company law:

Dr Atul Gawande	A Director (Chairman)
Dr Angela Enright	A Director
Mrs Pauline Philip	A Director
Dr Iain H Wilson	A Director
Professor Alan Merry	B Director
Dr Isabeau Walker	B Director

Induction and training of Trustees

New Trustees undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making process within the Charity, risk register, annual targets and financial performance. Trustees are also introduced to the Charity's employees and briefed on their areas of work. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Report of the Trustees (continued)**For the year ended 31 March 2013****Risk management**

The Trustees are committed to a policy of identifying, monitoring and managing the risks that might adversely affect the activities of the Charity. In this context, risk is defined as the potential to fail to achieve the Charity's objectives and for loss, financial and/or reputational. An ongoing process is in place for identifying, evaluating and managing any significant risks faced by the Charity and

identified by the Trustees. Appropriate actions have been put in place to mitigate the exposure to and possible consequences of, these risks.

Employees

During 2012/13 the Charity had three employees, none of whom earned an annual salary in excess of £60,000.

----- **CHARITABLE OBJECTS AND ACTIVITIES** -----

As stated in the Articles of Association, the objects of the Charity are:

1. To preserve and protect the health of patients worldwide by providing and assisting in the provision of equipment and support services in low-resource, lower-middle income and upper-middle income countries, as assessed by the World Bank and United Nations, at no or reduced cost; and
2. To advance the education in healthcare of the general public and especially those in the medical or similar professions by the provision of education and training worldwide.

The Trustees have paid due regard to the guidance on public benefit issued by the Charity Commission in deciding what activities the Charity should undertake and believe that, in reading the Report of the Trustees' in totality, any reader would be satisfied that the objectives of the Charity have been achieved through the activities completed during this year.

Area of focus

As set out in the charitable objects, Lifebox Foundation was established to improve the safety of healthcare around the world through the provision of essential equipment and training, and by implementing proven tools that foster a culture of teamwork and safety in healthcare environments. Our current focus is on surgery, a critically overlooked part of global health.



Report of the Trustees (continued)**For the year ended 31 March 2013**

Lifebox Foundation improves surgical safety in low- and middle-income countries by facilitating universal access to essential monitoring in the operating theatre using a pulse oximeter, alongside introduction of the basic safety checks included in the World Health Organization (WHO) Surgical Safety Checklist. There are currently over 70,000 operating theatres around the world performing surgeries without access to life-saving oximeters and the charity works to close this gap.

The Lifebox intervention for safer surgery

We have made a significant breakthrough by dramatically lowering the cost of operating theatre monitoring with a device – the pulse oximeter – that was the linchpin in efforts to reduce anesthesia deaths in high-resource countries by more than 90% in the 1980s.

The pulse oximeter which Lifebox provides is based on WHO specifications for the ideal monitor for use in low-resource settings and was chosen after a competitive global tender under the auspices of the World Federation of Societies of Anaesthesiologists (WFSA), one of our founding organizations. It is robust and intuitive, uses rechargeable batteries and generic probes, and requires no calibration. It comes with a two-year warranty and education materials in six languages. Most importantly, while high-quality, we estimate that it costs less than a third of the price of other operating theatre monitors available on the commercial market.



The combination of the WHO Surgical Safety Checklist – containing 19 essential checks for safe surgery – and pulse oximetry has been proven to reduce surgical mortality by more than 30% in all settings.¹ The Checklist is currently in use in nearly 2,000 hospitals worldwide² and at least half a million deaths per year would be preventable with effective implementation of this tool in every hospital.³

¹ A surgical safety checklist to reduce morbidity and mortality in a global population. Haynes AB, Weiser TG, Berry WR, Lipsitz SR, Breizat AH, Dellinger EP, Herbosa T, Joseph S, Kibatala PL, Lapitan MC, Merry AF, Moorthy K, Reznick RK, Taylor B, Gawande AA; Safe Surgery Saves Lives Study Group. N Engl J Med. 2009 Jan 29;360(5):491-9

² <http://maps.cga.harvard.edu:8080/Hospital>

³ See 6

Report of the Trustees (continued)

For the year ended 31 March 2013

-----ACTIVITIES-----

Oximetry distribution

In this, our second year of operations, we purchased 2,000 oximeters and 700 additional probes for distribution to hospitals and healthcare facilities, with 487 oximeters being distributed during the year and 1,513 being held as stock at the end of the year for subsequent distribution. In addition we facilitated during the year the distribution to beneficiaries of more than 1,000 oximeters on behalf of the World Federation of Societies of Anaesthesiologists.

Since we were set up in 2011 we have, in one form or another, provided hospitals and healthcare facilities in over 70 countries with more than 4,000 oximeters.



A significant proportion of these oximeters have been funded by the US-based cleft lip/cleft palate charity Smile Train, as well as by professional societies and individuals in a number of countries.

As each oximeter is used on around 20 patients a week, we estimate that so far we have helped improve the safety of surgery and anaesthesia for over nine million patients.

The feedback from recipients of our equipment has been universally positive, highlighting how this simple monitor helps safeguard the lives of patients every day:

'The pulse ox has been a real blessing as we are currently the only center doing surgery in Chad's second largest city, population 500,000, because of a national strike. It is very practical, portable and durable.'

—Moundou Adventist Surgical Center,
Chad

'The pulse oximeter is wonderful for our paediatric patients. It is now the reference point in my hospital'

—Gombe Federal Medical Centre,
Nigeria



In addition to providing oximeters to individual hospitals and healthcare facilities, this year we have also met >95% of the need for operating theatre oximetry monitoring in 11 countries: Gambia, Liberia, Rwanda, Sierra Leone and Togo in Africa; Fiji, Kiribati, Samoa and Papua New Guinea in the Western Pacific region, as well as El Salvador and Honduras in Latin America.

Report of the Trustees (continued)

For the year ended 31 March 2013

**Delivery of training and education**

Education is fundamental to the long-term success of the Lifebox mission, and so far we have delivered hands-on training to in excess of 2000 anaesthesia providers.



In our target countries, anaesthesia is often delivered by non-physicians with only basic training and minimum continuing education. That's why every Lifebox oximeter comes with a multi-language DVD with materials for ongoing learning in pulse oximetry and the WHO Surgical Safety Checklist. An award-winning video, slides, clinical scenarios and a logbook takes the provider out of the book and into the operating theatre. All training materials are also available to download and use free of charge through our website (<http://www.lifebox.org/education>).

Workshops are more than just a chance to improve clinical skills – they're also a rare opportunity for colleagues to spend time together. This peer support, exchange of ideas and professional solidarity plays an important role in developing confidence and teamwork – essential for safe surgery and for successful use of the WHO Checklist.

A significant part of our activities during the year have therefore centred on making training materials available to colleagues who would benefit from these in our target countries. This includes working where ever possible with other groups already active on the ground to integrate Lifebox training into ongoing efforts.

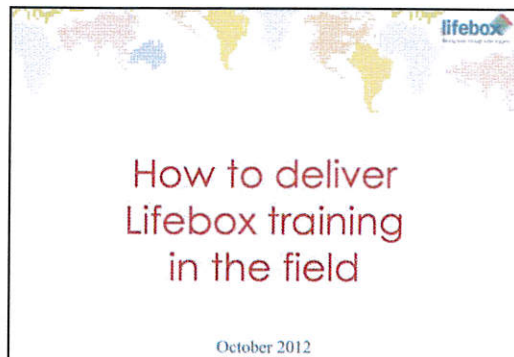
During 2012/13 we had very successful collaborations with a number of organizations, including Operation Smile in the Philippines and Ethiopia; Mercy Ships in Togo and Guinea; Mothers of Africa in Liberia; and World Orthopaedic Concern in Cambodia.



But of course education extends beyond the clinical learning. This year we took our experience in organizing workshops – all the logistics from classroom materials to customs clearance of the oximeters – and developed a 'how to' guide.

Report of the Trustees (continued)

For the year ended 31 March 2013



Launched at our education panel session at the American Society of Anesthesiologists' conference in Washington D.C. in October 2012, the guide is useful for both individual clinicians visiting low-resource setting hospitals and someone setting up a large-scale nationwide workshop. It is available free for download on our website.

Checklist implementation projects

In January 2013 we unveiled our next education challenge: implementation of the WHO Surgical Safety Checklist in a rural district hospital in Rwanda.



The Checklist is consistently proven to reduce complication and mortality, but long-term, successful uptake in a low-resource country has been a slow process. The results from the six-month pilot project will be available in June 2013 and will hopefully lead to uptake of this essential safe surgery tool in other Rwandan facilities, and with time – in countless other low-resource countries.

We have also worked in partnership with the Clinton Health Access Initiative (CHAI) and Yale University as they continue their quality improvement work across Ethiopian hospitals.



CHAI/Yale have engaged the relevant departments in the Ethiopian Ministry of Health and are now embarking on implementation of the WHO Surgical Safety Checklist in that country. We have shared our experiences of Checklist implementation to aid the CHAI/Yale team with their work, and look forward to continuing our collaboration with them on this exciting project during 2013/4.

The MAKE IT 0® campaign

MAKE IT 0® was launched at the World Congress of Anaesthesiology in March 2012. This two-year campaign aims to raise awareness of the global pulse oximetry gap and sufficient funds to distribute 5000 pulse oximeters by April 2014.



Report of the Trustees (continued)**For the year ended 31 March 2013**

The campaign has received generous support with donations and outreach from professional societies from around the world. Our current campaign partners are listed below in alphabetical order:

- American Academy of Anesthesiologist Assistants
- American Association of Nurse Anesthetists
- American Association of Surgical Physician Assistants
- American Society of Anesthesiologists
- American Society of Perianesthesia Nurses
- Association of Anaesthetists of Great Britain and Ireland
- Association of Surgeons in Training
- Australian and New Zealand College of Anaesthetists
- Australian Society of Anaesthetists
- Canadian Anesthesiologists' Society
- European Operating Room Nurses Association
- European Society of Anaesthesiology
- Israel Society of Anesthesiologists
- Nederlandse Vereniging voor Anesthesiologie
- New Zealand Society of Anaesthetists
- Operation Giving Back, American College of Surgeons
- Pakistan Society of Anaesthesiologists
- Sociedade Brasileira de Anestesiologia
- Société Belge d'Anesthésie et de Réanimation
- South African Society of Anaesthesiologists
- Turkish Anaesthesiology and Reanimation Society

Report of the Trustees (continued)**For the year ended 31 March 2013****----- FINANCIAL REVIEW -----**

Thanks to ongoing funding from Brigham & Women's Hospital, a generous donation of over £40,000 from Dr Archibald Brain (inventor of the laryngeal mask) and judicious stewardship of existing resources, we have in the period 1 April 2012 to 31 March 2013 been able to apply all funds received from other individual donors and national societies solely for charitable activities. This has been greatly aided by the continuing generosity of the Association of Anaesthetists of Great Britain & Ireland in providing us with free office accommodation in central London, the provision of pro bono legal advice from McDermott Will & Emery, as well as ongoing marketing and creative support from the US communications agencies LehmanMillet and HealthStar PR.

As mentioned above, our global fundraising campaign MAKE IT O® was launched in late March 2012 with an aim of raising enough funds to distribute 5,000 pulse oximeters over the next two years. To date the campaign has received support from 20 professional organizations around the world. A number of professional societies are also continuing to run their own fundraising campaigns for Lifebox; this includes the national anaesthesia societies of Australia and New Zealand and the American Society of Anesthesiologists.

We were extremely fortunate to be chosen as the British Medical Journal's (BMJ) Christmas Charity for the second year in a row in December 2012. As a result of promotion throughout the print and electronic platforms

of the BMJ, our visibility was significantly increased to medical audiences throughout the world and £28,000 raised to purchase oximeters and support our work.

The total donations we received during the period amounted to £515,005, comprising £202,870 specifically for the purpose of training and oximetry distribution, and £312,135 of general donations without such a restriction.

Our total expenditure in the period was £293,304. This included £181,027 on the purchase and distribution of oximeters, education and training, together with £45,486 of related expenses. Our fundraising costs and other expenses amounted to £66,791.

Our excess of income over expenditure during the period was thus £221,701 and this was carried forward to fund our plans for the coming year, as described below.

Our principal asset at the end of the period was a bank balance of £154,969 and stock worth £271,905 held with Acare Technology Co., Ltd in Taiwan. We did not own any investments.

Reserves policy

At the close of the period under review we retained unrestricted funds of £349,937. The trustees consider this to be a prudent reserve at this stage of the charity's development, having regard to the plans which have been made for activities during 2013/14.

Report of the Trustees (continued)

For the year ended 31 March 2013

----- PLANS FOR THE COMING YEAR -----

During 2013/4 we will expand our oximetry distribution efforts to yet more countries.



We will provide training and oximeters with the aim of starting to close the operating room oximetry gaps across Ghana, Kenya and Malawi; Moldova; Mongolia; Nepal; Vietnam; Guatemala and Nicaragua.

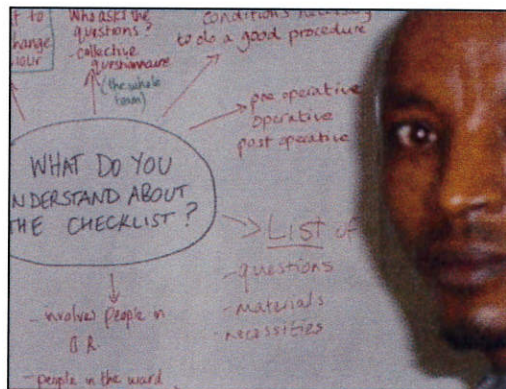
At the same time we will continue to follow-up with current oximeter recipients and strengthen relationships with the NGOs and membership organizations through which we have distributed equipment and training, to ensure that the impact of Lifebox programmes is felt and measured long-term.

New partnerships will be essential for closing the global pulse oximetry gap, and this year we will continue to explore avenues for needs assessment in regions where this information is not yet known, and for funding and education where it is available.

This year sees Lifebox entering the second half of our MAKE IT 0® campaign, currently on target to reach its two-year goal. We will continue to support MAKE IT 0® members with campaign materials, updates and presence at their meetings where possible, in order to sustain momentum. We will also bring new membership organizations into the campaign.

The preliminary reports from our Surgical Safety Checklist pilot study in Rwanda are

positive. This project will continue into 2013/2014, with an educational focus to develop an implementation package for scaling sustainable uptake of the Checklist across additional hospital sites.



Through our website, blog and other social media outlets we will continue to inform and engage our supporters and colleagues worldwide, with regular updates from Lifebox programmes around the world.

We will actively contribute to conversations and communities that are relevant to our broadest surgical safety aims. As such we will hold at least two awareness-raising events this year, one in the UK and one for supporters abroad.

While consolidating our reputation in the medical sector which we have grown out of, this year we will also work to raise our profile to the general public in the UK and beyond.

Report of the Trustees (continued)**For the year ended 31 March 2013****STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of Lifebox Foundation for the purposes of company law), are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity Commission SORP
- 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 charitable 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information (as defined by s.418 of the Companies Act 2006) of which the charitable company's auditors are unaware; and each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any audit information, and to establish that the auditors are aware of that information.

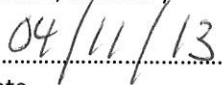
AUDITORS

The auditors will be proposed for re-appointment at a forthcoming Trustee meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD
.....

K Stave, Secretary


.....

Date

Independent Auditors' Report to the Members of Lifebox Foundation**For the year ended 31 March 2013**

We have audited the financial statements of Lifebox Foundation for the period ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes number 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Trustees set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013, and of its surplus for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Independent Auditors' Report to the Members of Lifebox Foundation (continued)**For the year ended 31 March 2013****Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit.



.....
James Foscett (Senior Statutory Auditor)
for and on behalf of

Cansdales
Chartered Accountants, Statutory Auditor
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

.....5/12/13.....
Date

Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 March 2013

	Notes	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	312,135	202,870	515,005	602,213
Total incoming resources		312,135	202,870	515,005	602,213
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	3	62,601	-	62,601	73,302
Charitable activities	4	45,486	181,027	226,513	264,045
Governance costs	5	4,190	-	4,190	3,990
Total resources expended		112,277	181,027	293,304	341,337
Net incoming resources		199,858	21,843	221,701	260,876
Reconciliation of funds					
Total funds brought forward	10	150,079	110,797	260,876	-
Total funds carried forward	10	349,937	132,640	482,577	260,876

The charitable company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charitable company are classed as continuing.

Balance Sheet

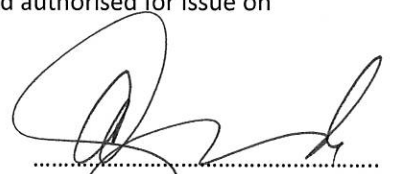
As at 31 March 2013

	Notes	2013 £	2012 £
Current assets			
Stocks	7	271,905	-
Debtors and prepayments	8	62,262	24,791
Cash at bank		154,969	254,930
		<u>489,136</u>	<u>279,721</u>
Current liabilities			
Creditors falling due within 1 year	9	<u>(6,559)</u>	<u>(18,845)</u>
Total assets less current liabilities		482,577	260,876
Net assets/(liabilities)		<u>482,577</u>	<u>260,876</u>
Charity Funds			
Restricted income funds	10	132,640	110,797
Unrestricted income funds	10	349,937	150,079
Total charity funds		<u>482,577</u>	<u>260,876</u>

These financial statements have been prepared in accordance with the special provision for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Trustees and authorised for issue on 04/11/13 and are signed on their behalf by:


Pauline Philip - Trustee


Atul Gawande – Trustee and Chair

Company Registration Number 7612518

Notes to the Financial Statements**For the year ended 31 March 2013****1. Accounting policies**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

- a) Voluntary income is received by way of donations and gift and is included in the statement of financial activities when receivable. Income tax recoverable on gift aid donations is recognised when the related income is received.
- b) Donations of goods and services "in kind" are included in income, to the extent that they represent goods or services that would have otherwise been purchased.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Allocation of overhead and support costs

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tax status

The company is a registered charity within the definitions of section 506(1) Income and Corporation Taxes Act 1988 and therefore it is not assessable to corporation tax on any surplus charitable funds.

Stock

Stocks are valued at the lower of cost and their estimated net realisable value except for oximeters and probes which are distributed to the beneficiaries at no cost. Oximeters and probes are included at their cost to the Charity.

Notes to the Financial Statements

For the year ended 31 March 2013

2. Voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Donations	297,135	202,870	500,005	587,213
Gift in Kind - office accommodation	15,000	-	15,000	15,000
	<u>312,135</u>	<u>202,870</u>	<u>515,005</u>	<u>602,213</u>

3. Costs of generating voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Staff Costs	40,520	-	40,520	-
Insurance	-	-	-	296
Telephone	-	-	-	393
Postage and Stationery	-	-	-	4,798
Fundraising costs	-	-	-	13,420
Travelling expenses	2,264	-	2,264	2,575
Consultancy Fees	12,134	-	12,134	31,432
Marketing and direct mail	7,683	-	7,683	-
(Profit)/Loss on Foreign Exchange	-	-	-	4,500
Bank Charges	-	-	-	377
Import duties	-	-	-	511
Office Space (Gift in Kind)	-	-	-	15,000
	<u>62,601</u>	<u>-</u>	<u>62,601</u>	<u>73,302</u>

4. Charitable activities

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Purchase of oximeters	-	69,599	69,599	264,045
Staff costs	21,753	83,703	105,456	-
Travelling expenses	-	5,901	5,901	-
Consultancy fees	-	9,219	9,219	-
Training and education	-	11,493	11,493	-
Postage and distribution	-	1,112	1,112	-
Travelling expenses	898	-	898	-
Office Expenses	1,587	-	1,587	-
Consultancy fees	3,990	-	3,990	-
Bank charges	2,758	-	2,758	-
Insurance	656	-	656	-
(Profit)/Loss on Foreign Exchange	(1,156)	-	(1,156)	-
Office Space (Gift in Kind)	15,000	-	15,000	-
	<u>45,486</u>	<u>181,027</u>	<u>226,513</u>	<u>264,045</u>

Notes to the Financial Statements

For the year ended 31 March 2013

5. Governance costs

	Unrestricted funds	Restricted funds	2013 Total funds	2012 Total funds
	£	£	£	£
Audit Fee	4,190	-	4,190	3,990
	<u>4,190</u>	<u>-</u>	<u>4,190</u>	<u>3,990</u>

6. Staff costs

	2013	2012
	£	£
Wages	130,999	-
Employer's National Insurance	14,977	-
	<u>145,976</u>	<u>-</u>

No members of staff earned more than £60,000 (2012: nil).

No trustees received remuneration or other benefits for the period ended 31 March 2013 (2012: nil).

7. Stocks

	2013	2012
	£	£
Oximeters	248,756	-
Probes	23,149	-
	<u>271,905</u>	<u>-</u>

8. Debtors and prepayments

	2013	2012
		£
Trade Debtors	61,276	24,791
Prepayments	986	-
	<u>62,262</u>	<u>24,791</u>

Notes to the Financial Statements

For the year ended 31 March 2013

9. Creditors falling due within one year

	2013	2012
		£
Trade Creditors	6,559	18,845

10. Funds

Analysis of net funds:

	Assets	Liabilities	Total
	£	£	£
Restricted Funds	132,640	-	132,640
Unrestricted Funds – General fund	356,496	(6,559)	349,937
TOTAL FUNDS	489,136	(6,559)	482,577

Net movement in funds, included in the above are as follows:

	At 1 April 2012	Incoming Resources	Resources expended	At 31 March 2013
		£	£	£
Restricted Funds	110,797	202,870	(181,027)	132,640
Unrestricted Funds – General fund	150,079	312,135	(112,277)	349,937
TOTAL FUNDS	260,876	515,005	(293,304)	482,577

Restricted funds have been given to the charity for the purchase and distribution of oximeters and probes.

11. Trustees' expenses

No trustees' expenses were paid for the period ended 31 March 2013 (2012: Nil).

12. Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at 31 March 2013 (2012: Nil).

13. Company limited by guarantee

The charitable company is a company limited by guarantee and without a share capital. There were six members at 31 March 2013 (2012: six). If the company is wound up, the members are required to contribute a maximum of £5 towards the costs of winding up the company and liabilities incurred whilst the contributor was a company member and for one year after ceasing to be a member.

14. Ultimate controlling party

There is no ultimate controlling party.