



Annual Report

April 2007-March 2008

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1. CHAIRMAN'S REPORT.

In this my fourth annual report and I am delighted to confirm that the Prison Service Trust continues to grow in strength in respect of number of clients and services available. It is the continued commitment of the Trust to provide essential services to our eligible clients in respect of health support (both physical and emotional), educational and pastime courses, life planning, social support (including home support) and assistance to disabled clients. The Trust acknowledges the enormous and selfless service provided to the community by the Prison Service family over the past decades and the huge sacrifices paid by many.

An application for continued funding for the next three years has recently been made to the Northern Ireland Office and at time of writing a decision is still awaited; however I remain confident that same will be forthcoming. Again this year, on behalf of the Board of Directors, I wish to extend our sincere thanks to the Northern Ireland Prison Service and to those individuals at Prison Service Headquarters who have continued to support our efforts in obtaining funding. Their assistance is invaluable.

As in my last annual report I encourage serving staff and retired staff to join our growing number of members who contribute on a regular basis to our fund. By becoming a donor one becomes eligible for many of the benefits offered by the Trust. For further details contact the Trust's Manager, Ivan Bolt, or a Board member at the relevant station. Most sincere thanks to our already donating members.

On behalf of the Board of Directors and staff of the Trust we offer our most sincere condolences to those of our clients who have lost loved ones in the past year.

It gives me a great pleasure to be able to announce that we have moved out of the dark ages and into the 21st century with acquisition of our web site which can be accessed on www.pst-ni.co.uk – our sincere thanks to the Trust's Administrator, John Bartholomew, for his commitment in this project.

In conclusion I wish to thank my Board colleagues, staff, volunteers, and clients for the support received during the past year.

With best wishes for the future.

**FINLAY SPRATT
CHAIRMAN
BOARD OF DIRECTORS.**

2. INRODUCTION

The Prison Service Trust has now been in existence for five years and during that period has made vast differences to the lives of people who selflessly gave so much for the community over more than thirty turbulent years. These benefits are appreciated by all those who have received support from the Trust. The acknowledgement of these services may be judged by the comments received from our clients at Section 7.

We continue to deliver services and support in the following areas:

Health care
Support services
Life planning

The inaugural Robin Halward Golf Tournament took place at Galgorm Manor on 8th August 2007 with a good turn out of competitors. The winner of the Robin Halward Memorial Trophy was Campbell McAnally and he was presented with the Trophy by Robin's widow Mrs Val Halward.

Throughout the course of the year the Trust organised various education and cultural trips for our medically retired clients and widows which included among others, visit to the Ulster Ash Grove at the National Memorial Arboretum in Staffordshire, Edinburgh Tattoo, Princess Diana Exhibition at Kensington Palace and the Tutankhamun Exhibition at the O2 arena London.

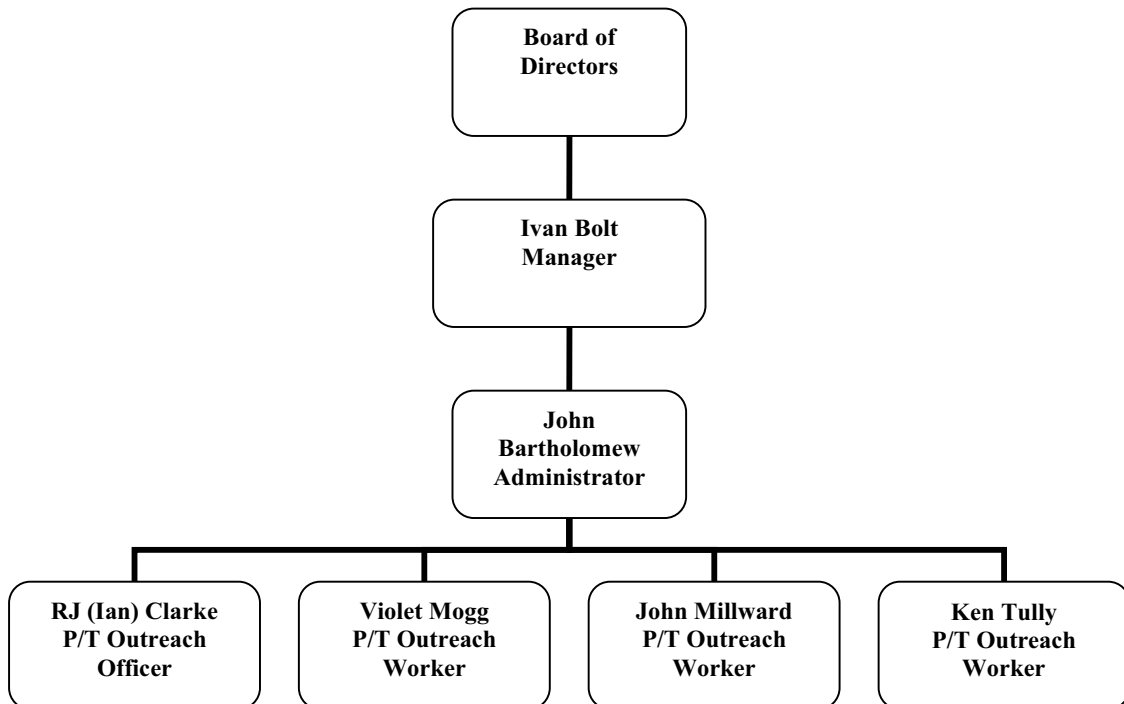
In addition to the above the Trust also provided its clients with various courses in Coleraine and Hydebank. These included accredited I.T training, Art classes, guitar lessons, flower arranging, aromatherapy and reflexology. All of these classes proved to be extremely popular with our clients and in cases were over subscribed. One of our client's daughters, who excelled in our I.T. class, gained excellent qualifications resulting in securing permanent employment.

Twelve £500.00 Bursary Awards were awarded to the children of serving staff. The recipients of the awards were either commencing or already at third level education. The awards were presented Mr Robin Masefield, Director of Prisons, at the Trust's office on 22nd November 2007.

During 2007 the Trust made the following appointments; John Bartholomew as full time Administrator in July, Violet Mogg as part-time Outreach Worker in September and Ivan Bolt as full time Manager in October.

3. Structure

The Trust continues to operate through a lean structure in it's delivery and now consists of the following:



The Trust's Staff

Ivan Bolt – Manager.

Ivan commenced as manager on 29th October 2007 after having worked as a paralegal in a firm of solicitors in Bangor. Prior to that he served for 26 years in the Royal Ulster Constabulary and Police Service of Northern Ireland, attaining the rank of Detective Sergeant. During his service he was awarded the Police Service Medal, Long Service and Good Conduct Medal and the Queen's Golden Jubilee Medal. He is currently studying part time for a law degree at the University of Ulster Jordanstown.

John Bartholomew – Administrator.

John joined the Prison Service Trust during June 2007 after having worked for 7 years in the financial sector. He has excellent I. T. and organisational skills. Over the months he has acquired a sound knowledge of the Trust's clients and their needs.

Violet Mogg – Outreach Worker (Part-time)

Violet worked for the Northern Ireland Office in the Criminal Justice Policy Division as a Secretary. Before joining the Trust she had worked for the Police Authority for Northern Ireland and the Department of Public Prosecutions before moving to the Northern Ireland Office where she worked in a variety of Departments. She joined the Trust, as a part-time Administrator in November 2006 and on being successful in securing the post as Outreach Worker she left the Northern Ireland Office in March 2007.

R J Clarke (Ian) – Outreach Worker (Part-time)

Ian joined the Prison Service in 1975 where he remained until taking early retirement under the Staff Reduction Programme in March 2001. He worked 26 years in Magilligan Prison and received the Imperial Service Medal at Hillsborough Castle. He is also a volunteer driver for the local Hospice.

John Millward – Outreach Worker (Part-time)

John joined the Prison Service in 1975 after leaving HM Forces. He served at HMP Maze until 1989 and HMP Maghaberry until leaving under the Staff Reduction Programme in October 2000.

Ken Tully – Outreach Worker (Part-time)

Ken joined the Prison Service in June 1978 and left under the Staff Reduction Programme in September 2000. He served at HMP Maze and HM Young Offenders' Centre at Hydebank Wood. Whilst at YOC he was Chairman of the Social Club for 6 years. Ken also served on the local POA Branch in various roles, being Chairman for 4 years and Branch Secretary for 7 years.

Directors of the Trust:

Finlay Spratt – Chairman

Finlay is a Principal Officer in the Northern Ireland Prison Service and is currently the Chairman of the Prison Officers' Association in Northern Ireland. He has been a Trade Union representative for approximately 39 years. He campaigned tirelessly for three years to get the Prison Service Trust established.

Colin McGrugan – Vice Chairman

Colin joined the Northern Ireland Prison Service in 1985 and was posted to HMP Maze where he was based for 2 years. He was then posted to HMP Belfast and when Belfast closed he returned to HMP Maze. He then joined the Prison Escort Court Custody Services (PECCS) based at Maghaberry and is currently Branch Chairman for that Group.

June Robinson – Secretary

June has worked for the Prison Officers' Association for 23 years since leaving Queen's University, Belfast. She is Area Secretary for the Prison Officers' Association in Northern Ireland and worked alongside Finlay to set up the Prison Service Trust.

Moira Kerr – Honorary Treasurer

Moira (widow of a murdered Prison Officer) is a retired Civil Servant, heavily involved in voluntary work which led to setting up the Prison Service Trust. She is a member of Armagh City Choir and Chair for Riding for the Disabled.

Lady Elizabeth Bloomfield

Lady Bloomfield is a former member of the Northern Ireland Sports Council, a Governor of the Bangor Central Integrated Primary School and, since 1985 a member of the Visiting Committee at HM Young Offenders' Centre. She is involved in a wide range of social and charitable activities including being on the Northern Ireland Advisory Board of the Salvation Army, which she has chaired since 1997. Elizabeth is also a Trustee of the Spirit of Enniskillen Bursaries and the Ian Gow Memorial Fund and many other causes and organisations.

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Right Honourable Jeffrey Donaldson, MP, MLA.

The Rt. Hon. Jeffrey Donaldson joined the Board during 2007. In 1985 Jeffrey, then 22, was elected to the Northern Ireland Assembly with the distinction of being the youngest person ever to win a seat at Stormont. From 1988-2000 he was the Honorary Secretary of the Ulster Unionist Council. In 1997 he won the Lagan Valley Westminster seat, and retained it in 2001. He joined the DUP in January 2004 and retained his seat in 2005 for the DUP, and became MLA for the same constituency in 2003. He was elected again in 2007 with the highest number of first preference votes across the whole of Northern Ireland. Also in 2007 he was made a member of the Privy Council. He is Party Spokesperson on Policing and Justice. In February 2008 he was appointed as Junior Minister in OFMDFM, replacing Ian Paisley Junior.

Brian Rea, MBE

Brian retired after working for 35 years in Castlereagh College of Further and Higher Education. He was a member of the Board of Visitors of HMP Maghaberry from 1991 to 2003. Brian was appointed a Justice of the Peace in 1989 and was awarded the MBE in the Queen's New Year's Honours List in 2003.

Desy Clayton

Desy's experience to date includes a number of key management positions in the not-for-profit sector. Desy has been Chief Executive of the Northern Ireland Police Fund, the PRRT and he has held directorships in a number of voluntary and charitable agencies, including Age Concern NI and Voluntary Service Belfast.

Mabel Hempton

Mabel joined the Prison Service in 1972. Whilst a serving Officer she was injured in a bomb attack in 1979 in Armagh. She was subsequently medically retired from the Service.

Lord Maginnis of Drumglass

Lord Maginnis of Drumglass, MP for Fermanagh & South Tyrone 1983-2201; Councillor, Dungannon & South Tyrone Borough 1981-1993 and 2001 to present; Major, Ulster Defence Regiment 1970-1981; Principal schoolmaster 1959-1982. Hobbies include rugby. He was created a Life Peer in 2001.

Alban Maginness

Alban is a Belfast City Councillor and MLA for North Belfast. He was Lord Mayor of Belfast 1997/98. He is an SDLP spokesperson for Victims and Justice.

Annual Report for April 2007 to March 2008

John Steele, CB, OBE, TD, DL

John retired as Senior Director of the Northern Ireland Office in 1998 having previously been Director (Security) from 1992 to 1996, Controller of Prisons from 1987 to 1992 and Director of the Northern Ireland Court Service from 1982 to 1987. He holds a number of voluntary positions including the Chairmanship of Bryson House, Charitable Group

Neil Mitchell – Director

Neil was an independent Management Consultant working in the public, private and voluntary/community sectors. He was responsible for the primary and secondary research into the need for the Trust and developed the Establishment Plan for the Trust. Neil continues to serve voluntarily on the Board.

Derek Gowdy - Director

Derek joined the Northern Ireland Prison Service in 1988. He went on to serve in Magilligan, Belfast, Maze and is now based in Hydebank. He was made up to Senior Officer in 2000 and is presently the POA Branch Chairman in Hydebank.

Nigel Lowe - Director

Nigel joined the English Prison Service in 1988 and transferred to the Northern Ireland Prison Service in 1990. He was posted to Magilligan and had two periods of detached duty, one in the Maze the other in Maghaberry and is presently a POA official at HMP Magilligan.

John McCready - Director

John joined the Northern Ireland Prison Service in 1981 and is a third generation prison officer with his son following as a fourth generation officer. He started his service at HMP Belfast moving to HMP Maze where he worked in both Compound and Cellular Blocks. He is a Senior Officer acting as Principal Officer in the Prison Service College at Millisle. He is in charge of the Prison Service Protection Scheme and in 2002 transferred to Head of Works at Millisle alongside working with the Prison Service Protection Scheme. He is the POA Branch Chairman for the Prison Service College.

Eric Fair - Director

Eric joined the Northern Ireland Prison Service in September 1978 being based at HMP Belfast before being transferred to HMP Maze where he served on both Compound and Cellular. He was employed at HMP Maze for twelve years and then transferred to HMP Belfast. When it closed he moved to HMP Maghaberry where he is currently the POA Branch Chairman for that Establishment.

4. THE YEAR AHEAD.

Assistance to our clients who are in need for various reasons and provision of classes will remain the Trust's core purpose in the year ahead. As in the previous years we will be encouraging more aged retired colleagues to become members of the Trust and contribute to same.

The Trust's new Manager, Ivan Bolt, has addressed the issue of the management of employees of the Trust with the introduction of a more structured and easily managed areas of responsibility for each Outreach Worker. In the coming months Ivan will be addressing the lack of volunteers and intends to hold an Information Event with Lunch in the Trust's office for existing and potential volunteers.

The proposed Memorial Garden remains a high priority of the Trust and the commitment for the establishment for the Garden remains strong. During the coming year the Trust will continue to lobby the NIO to provide funding and a suitable location for same.

Once again this year we had an under-spend in our financial budget. A business plan was submitted to NIO during March for funding the next three years and at time of writing a decision is still awaited however the Trust remains positive that funding will be forthcoming.

5. OUR PERFORMANCE.

As can be seen below our performance in relation to client visits has improved over the past year. A decrease in the average monthly administration time by Outreach Workers should also be noted. Our priority remains to visit as many clients as possible throughout the year.

	Figures for	
	April 07 – Mar-08	April 06 - Mar-07
Total number of clients visited.	2243	1744
Total number of contacts undertaken	3894	3240
Approximate number of visits by Outreach Worker per month	52	48
Approximate number of contacts by Outreach Worker per month	90	90
Average time spent per visit per client. (hours)	0.4	0.5
Average monthly contact hours less administration/travel etc per Outreach Worker (hours)	36	43
Average monthly administration/office follow-up duties etc per Outreach Worker (hours)	7	19
Average monthly travel time per month per Outreach Worker (hours)	17.5	19
Number of different type courses organised.	6	6
Number of courses organised.	12	12
Average length of a course (weeks)	28	22

Annual Report for April 2007 to March 2008

Number of clients involved/attending.	95	92
Number of trips organised.	4	2
Number of clients involved/attending.	200	80

6. Past Year In Focus



IT Class Hydebank



Clients On Trip To Edinburgh Tattoo



Clients at the Chrstitmas Lunch in Portadown



Clients in London where they visited Kensington Palace



Pictures of education bursary awards evening on 22nd November 2007.
Awards presented by Mr Robin Masefield.

7. Comments From Clients

Testimonials.

“On behalf of my friend and myself I would like to pass on our thanks for the holiday in London and the Christmas Lunch in the La Mon Hotel. Our kindness was much appreciated.”

Audrey Ferris

“Many thanks for a great trip to London. It was my first time to London and I enjoyed seeing all the places I had heard about. Special thanks to John for looking after us all, it was a big task- so many women together- I really enjoyed myself. Again many thanks.”

Pamela Heggarty

“Just to say a sincere and grateful thank you to all fro providing us with a superb meal at La Mon on Tuesday.

We are fully aware that a lot of background work is necessary for everything to run smoothly.

I also extend our thanks for the tremendous help the Trust has been over the past months with travelling to hospitals.

Many thanks once again, wishing you all a Merry Christmas and Prosperous New Year.”

John and Margaret Hanna

“I would like to thank the PST for the very generous cheque of £150 towards fuel and for the lovely Festive Hamper.

These gifts are very much appreciated by my family and me.

Best wishes to all at the PST for 2008.”

Thelma Whitehead.

“Thank you for your help when it was badly needed.”

D Taggart

Annual Report for April 2007 to March 2008

“I have great news for you all-the days of miracles are still with us! I could scarcely take it in when I received that phone call and I learnt of your great kindness and generosity shown to me. However everything seemed so against me, what with Tommy’s death I was devastated. Then Mabel going to away to R.V.H for 5 weeks and so nearly losing her foot- then I had major surgery in the City Hospital. I am still trying to come to terms with it all, especially Tommy’s death. Together married 47 years, knowing him since I was 14 unheard of in this day and age. Anyway I won’t take up anymore of your time. I thank John Millward sincerely for his loving concern and seeing my need you are all wonderful people. I believe that you are doing God inspired work remembering and caring for the forgotten people of the Prison Service Family. I speak for Mabel and I thank God and bless the day when June, Moira and Finlay saw the need for the PST. I now live with a different Mabel. one who no longer exists, she lives and looks forward. She is motivated, you have made such a difference in her life, and I thank you for it. May you continue to be of such help to so many people.

God Bless You All

Jennifer

Ps

Can I share with you this promise I have-

“When the sunshine of Gods love meets the shower of our sorrow, the Rainbow of Promise appears!”

“Dear John,

I would like to thank you personally for all your help over the years and would like to you to pass on my sincere thanks to the Prison service Trust.

As you are aware I am no longer able to read or write after a lot of strokes, the laptop will help me start to write again and hopefully my poetry will start again, this will give me an interest in life again that I had lost after a lot of illness and disability’s. I have already started to take photographs that I used to do and learn how to download them onto my laptop.

Again I would sincerely like to thank you and the Prison Service Trust for giving me back my life.”

Raymond Vage

THE PRISON SERVICE TRUST

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 March 2008**

As approved by the directors on 25 April 2008

*James Fulford and Co.
Chartered Accountants*

THE PRISON SERVICE TRUST
Financial Statements For The Year Ended 31 March 2008

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DIRECTORS AND ADVISORS

DIRECTORS

Finlay Spratt
Colin McGrugan
June Robinson
Maira Kerr
Lady Elizabeth Bloomfield
Dessie Clayton
Rt Hon Jeffrey Donaldson MP
MLA (appointed)
Eric Fair
Derek Gowdy
Mabel Hempton
Nigel Lowe
Alban Maginness MLA
Lord Ken Maginnis of
Drumglass
Neil Mitchell
John McCready
Sandra Peake MBE (resigned)
Brian Rea MBE
John Steele CB OBE TD DL

Chairman
Vice Chairman
Secretary
Honorary Treasurer

SECRETARY

June Robinson

REGISTERED OFFICE

Hydebank Wood
Hospital Road
Purdysburn
Belfast
BT8 8NA

AUDITORS

James Fulford and Co.
Chartered Accountants
PO Box 152
Newtownards
BT23 5GW

BANKERS

Ulster Bank Limited
Donaghadee Branch
30 New Street
Donaghadee
BT21 0AG

SOLICITORS

Diamond Heron
7-19 Royal Avenue
Belfast
BT1 1FB

THE REPORT OF THE DIRECTORS OF THE COMPANY

We, the directors of **The Prison Service Trust**, present our report below. The Audited Financial Statements for the year ended 31 March 2008 follow on page 5, and they are preceded by the Report of the Auditors.

OBJECTIVES

The company was formed on 28 May 2002. The objects were to relieve the need, hardship and distress of Members of the Northern Ireland Prison Service who have been medically retired and are in necessitous circumstances, and the Widows, Family members and dependents of Deceased Prison Staff.

On 6 September 2002 the objects were amended to include currently serving members of the Northern Ireland Prison Service.

RESULTS

In the period there was a net surplus of income over expenditure, as shown in the statement on page 5. This surplus has been added to reserves brought forward.

FIXED ASSETS

The change in the fixed assets is shown in note 5 to the accounts.

TAXATION STATUS

The company is a recognised charity, and we have therefore claimed exemption from tax.

AUDITORS

At the annual general meeting it will be proposed that James Fulford and Co. be appointed as auditors for the incoming year.

THE REPORT OF THE DIRECTORS OF THE COMPANY
(Continued)

DIRECTORS

The board members during the year ended 31 March 2008 were:

Finlay Spratt (Chairman)	Mabel Hempton
Colin McGrugan (Vice Chairman)	Nigel Lowe
June Robinson (Secretary)	Alban Maginness MLA
Moira Kerr (Honorary Treasurer)	Lord Ken Maginnis of Drumglass
Lady Elizabeth Bloomfield	Neil Mitchell
Dessie Clayton	John McCready
Rt Hon Jeffrey Donaldson MP MLA (appointed)	Sandra Peake MBE (resigned)
Eric Fair	Brian Rea MBE
Derek Gowdy	John Steele CB OBE TD DL

As part of the constitution of the company one third all of the Board members retire at the Annual General Meeting of the company. The directors due to retire at the Annual General Meeting offer themselves for re-election.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the surplus or deficit of income over expenditure of the company for that period. In preparing those financial statements, the directors 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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 financial statements comply with the Companies (N I) Order 1986. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE BOARD

June Robinson
SECRETARY

25 April 2008

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE PRISON SERVICE TRUST

We have audited the financial statements of The Prison Service Trust for the year ended 31 March 2008 which comprise the Profit and Loss Account and the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 243 of the Companies (NI) Order 1986. 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 directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing issued by The Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view in accordance with the United Kingdom Generally Accepted Accounting Practice of the charitable company's state of affairs at 31 March 2008 and of its incoming resources and application of resources including its income and expenditure, in the period then ended and have been properly prepared in accordance with the Companies (NI) Order 1986.

JAMES FULFORD AND CO.
CHARTERED ACCOUNTANTS
PO Box 152
Newtownards
Registered Auditors

25 April 2008

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH	NOTE	2008	2007
		£	£
Income, Donations and other receipts	1(c)	291,308	233,708
Operating expenses	2	(265,321)	(201,619)
Other Income	2	3,001	403
Surplus For The Year		<u>28,988</u>	<u>32,492</u>
Reserves Brought Forward		50,931	18,439
Reserves Carried Forward		<u>79,919</u>	<u>50,931</u>

All of the reserves are wholly attributable to Serving and Retired Officers.

Continuing operations - None of the company's activities was acquired or discontinued during the above two financial years.

Historical cost profit and losses - The difference between the results disclosed above and the results on an unaudited historical cost basis is not material.

BALANCE SHEET

AS AT 31 MARCH	Note	2008	2007
		£	£
FIXED ASSETS	5	-	-
CURRENT ASSETS			
Sundry debtors and prepayments	4,702		3,684
Bank and cash balances:			
NIO	13,422		(436)
SEUPB	47,864		41,993
Serving and Retired Officers	86,886		56,064
		<u>152,874</u>	<u>101,305</u>
CURRENT LIABILITIES			
Accruals and Sundry Creditors	(2,233)		(11,885)
Deferred Income: NIO	(70,722)		(38,489)
		<u>(72,955)</u>	<u>(50,374)</u>
TOTAL NET ASSETS		<u>79,919</u>	<u>50,931</u>
 REPRESENTED BY			
Revenue Reserves		<u>79,919</u>	<u>50,931</u>

**SIGNED FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS**

DIRECTOR

DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention. This means that all assets and liabilities are shown at their original cost, less depreciation if appropriate. Therefore the balance sheet values shown do not necessarily equate to market value.

(b) Cash Flow Statement

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

(c) Income

Income includes gifts, donations and other cash received and receivable.

Income was attributable to the one principal activity of the company carried on within the United Kingdom and Europe.

c) Fixed Assets and Depreciation

Fixed Assets are stated in the balance sheet at cost, less accumulated depreciation. Depreciation is calculated to write off the cost of fixed assets evenly over their estimated useful lives. The rates of depreciation used are as follows:

Plant and Machinery	33 ¹ / ₃ %
---------------------	----------------------------------

2 OPERATING SURPLUS/(DEFICIT)

	2008	2007
	£	£
is stated after charging		
Auditors' remuneration (including VAT)	2,233	2,233
and after crediting		
Interest Received	3,001	403

3 DIRECTORS EMOLUMENTS

All Directors give their services as Board members on a voluntary basis, and no remuneration is paid to them for this work.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

4 PARTICULARS OF EMPLOYEES

The analysis by function of the average number of people employed by the company during the period (excluding directors) was:

	2008	2007
	£	£
Administrative	1	2
Support staff	5	5
	6	7
	6	7

Their remuneration was:

Wages and administrative expenses	60,268	61,232
Employer's national insurance	4,064	2,840
	64,332	64,072
	64,332	64,072

5 FIXED ASSETS

	Plant & Machinery
	£
COST	
At 31 March 2007	22,013
Additions	-
At 31 March 2008	22,013
	22,013
DEPRECIATION	
At 31 March 2007	22,013
Charge for the year	-
At 31 March 2008	22,013
	22,013
NET BOOK VALUE	
At 31 March 2008	-
	-

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

6 SHARE CAPITAL

The company is limited by guarantee, the maximum liability of each member being £1.

7 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 25 April 2008.

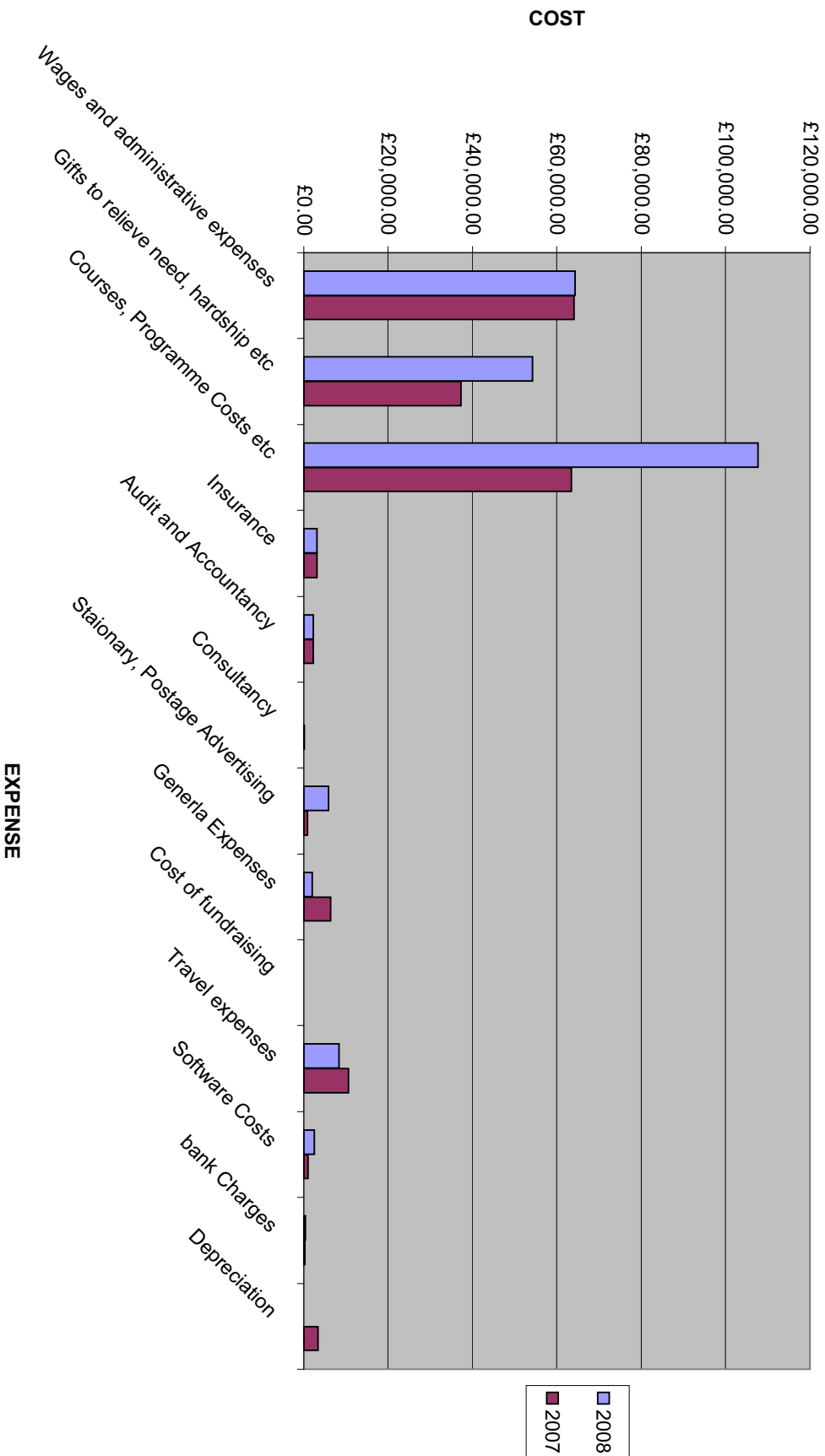
PROFIT AND LOSS ACCOUNT SCHEDULE

YEAR ENDED 31 MARCH	Dec'd Members Families etc		Serving and Retired Officers	
	2008	2007	2008	2007
INCOME	£	£	£	£
NIO Grants	244,767	156,588	-	-
SEUPB Grants	4,258	35,850	-	-
Serving and Retired Members	-	-	42,283	41,270
	249,025	192,438	42,283	41,270
OPERATING EXPENSES				
Wages and administrative expenses	64,332	64,072	-	-
Gifts to relieve need, hardship etc.	54,237	37,200	12,748	9,152
Courses, Programme Costs etc.	107,610	63,365	-	-
Insurance	3,174	3,176	-	-
Audit and Accountancy	2,233	2,233	-	-
Consultancy	-	70	-	-
Stationery, Postage Advertising	5,851	813	-	-
General Expenses	1,973	6,396	-	-
Cost of fund raising	-	-	1,898	-
Travel Expenses	8,319	10,553	-	-
Software costs	2,488	950	-	-
Bank Charges	422	302	36	24
Depreciation	-	3,313	-	-
Total Expenses	250,639	192,443	14,682	9,176
OTHER INCOME				
Interest Received	1,614	5	1,387	398
SURPLUS FOR THE YEAR	-	-	28,988	32,492

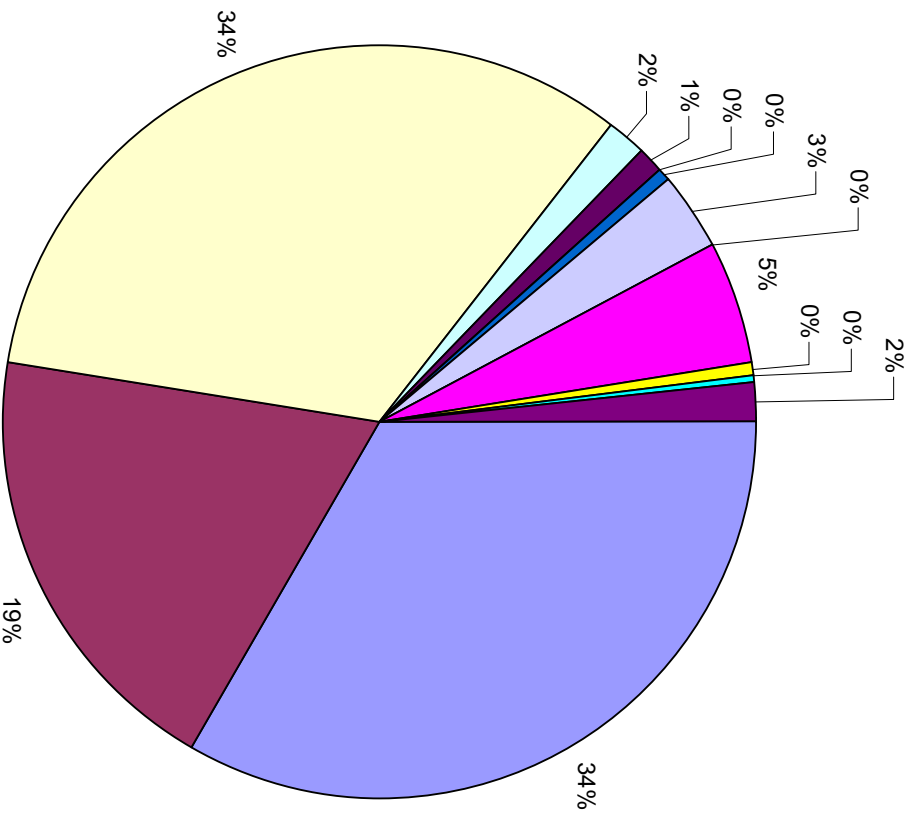
GRANT FUNDING
CASH FLOW RECONCILIATION

	2008	2007
	£	£
Total grants received from NIO in the period	277,000	189,000
Income received in the current year, carried forward against expenditure incurred in subsequent years		
Brought Forward	38,489	6,077
Carried Forward	(70,722)	(38,489)
	<hr/>	<hr/>
Turnover per accounts	<u>244,767</u>	<u>156,588</u>

OPERATING EXPENSES 2007/8

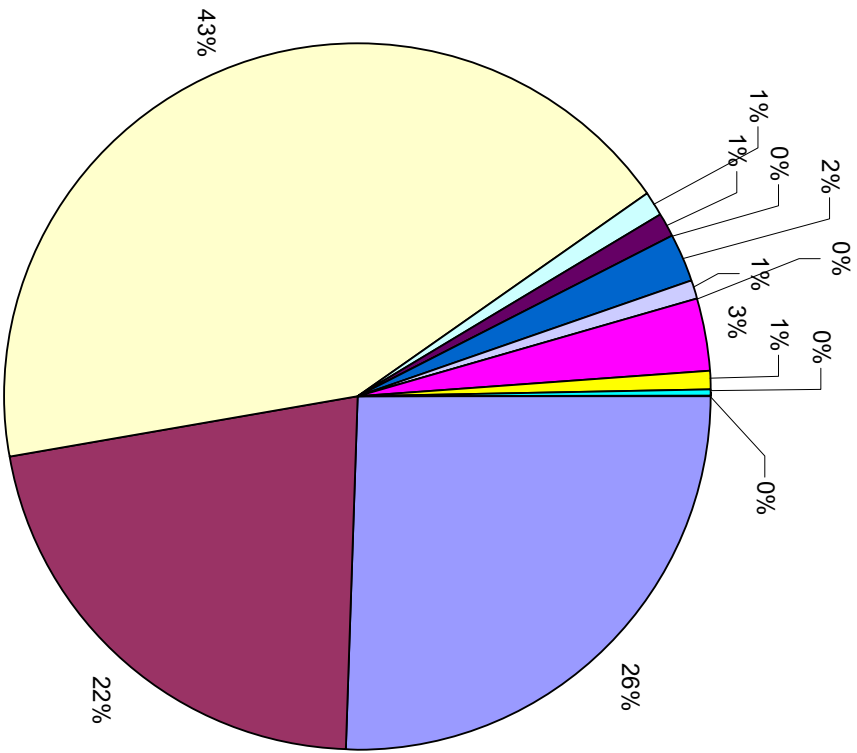


OPERATING EXPENSES 2007



- Wages and administrative expenses
- Gifts to relieve need, hardship etc
- Courses, Programme Costs etc
- Insurance
- Audit and Accountancy
- Consultancy
- Stationary, Postage Advertising
- Generala Expenses
- Cost of fundraising
- Travel expenses
- Software Costs
- bank Charges
- Depreciation

OPERATING EXPENSES 2008



- Wages and administrative expenses
- Gifts to relieve need, hardship etc
- Courses, Programme Costs etc
- Insurance
- Audit and Accountancy
- Consultancy
- Stationary, Postage Advertising
- General Expenses
- Cost of fundraising
- Travel expenses
- Software Costs
- bank Charges
- Depreciation