

REGISTERED CHARITY NUMBER: 1164916

**Report of the Trustees and  
Unaudited Financial Statements for the Period 17 December 2015 to 31 December 2016  
for  
The Buddy Bag Foundation  
(A Charitable Incorporated Organisation)**



**buddy bag**  
**foundation**  
making a difference to children in emergency care

Morgan Reach Chartered Certified Accountants  
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West Midlands  
B16 9NX



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The Buddy Bag Foundation

## REPORT OF THE TRUSTEES



The trustees present their first report together with the financial statements of the Buddy Bag Foundation (the charity) for the period from incorporation on 17 December 2015 to 31 December 2016.

The financial statements have been prepared using the accounting policies set out in note 1 to the financial statements and comply with the Charitable Incorporated Organisation's trust deed, applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Buddy Bag Foundation is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission for England and Wales on 17 December 2015.



## Founder's Report

My name is Karen Williams. I am passionate about making a difference to the lives of others.

### Where did the Buddy Bag idea come from?

During a visit to Australia in 2014, I was inspired by an article about the Alannah and Madeline Foundation ([www.amf.org.au](http://www.amf.org.au)) which has delivered more than 50,000 Buddy Bags to children in emergency care since 2007. On my return from Australia, I researched the facilities available to children in emergency care in the UK and discovered a huge need for Buddy Bags here. To ensure as many children as possible can benefit from the Buddy Bag scheme, I set up the Live Love Laugh Foundation (which later became the Buddy Bag Foundation) and launched the Buddy Bag appeal in the UK, with the help and support of The Alannah and Madeline Foundation.

### Our goal

To restore a sense of safety and security into a child's life during a traumatic time is one of the first steps to recovery. Buddy Bags are something a child can call their own, no matter where they go. Tailored across a wide age range, from new born babies to teenagers, they contain all the essential items a child needs straight away - such as toiletries, pyjamas, socks and underwear. They also include comfort items, including as a book, a photo frame and a teddy bear.

Starting in the West Midlands, our aim is to deliver 20,200 Buddy Bags to 300 refuges across the UK by 2020. To help support this aim, we are looking for companies or individuals that would like to get involved in a community project. They can do this by either sponsoring Buddy Bags in their local area, by donating funds to help pay for the items that go into the bags, or by donating their time to help fill the bags.

***Me and my daughter came with nothing, and the buddy bag saved me – her face lit up. Thank you so very much for your help.***

***Sky and Annabella***

### How the scheme works

Buddy Bags are funded through fundraising, sponsorship and donations. Groups of items can either be donated or sponsored. Individual volunteers, or companies looking for community projects to support, can meet at venues throughout UK every fortnight to help fill the back packs.

We are committed to 100% of the monies raised going into the supply of Buddy Bags!

All our services are supplied by companies who have chosen us as their Charity of the Year and donate their services free of charge.

Karen Williams  
Founder and Trustee



## Objectives and Activities

The objective of the charity is:

- The relief of material hardship and need, for the public benefit, in England and Wales, by providing personal items of basic necessity and comfort to children and young people in emergency situations, through charities or other organisations, working with children and young people when they arrive in crisis accommodation without vital personal essentials.

### Our mission

Providing Buddy Bags for Children in Emergency Care.

We have created the Buddy Bag Foundation in response to the rising number of children who enter emergency care after fleeing violent situations at home.

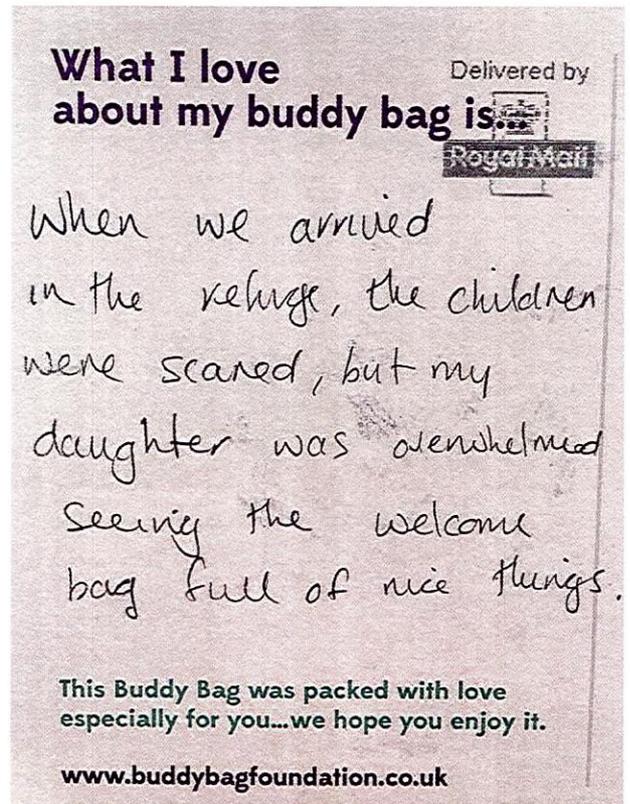
Restoring a sense of safety and security into a child's life during a traumatic time is one of the first steps to recovery. By providing these children with a few essential items, we can help make the transition into emergency care a little easier.

To support children in this situation we have created the Buddy Bag to provide comfort when all else has been removed.

We guarantee that 100% of all donations will go towards providing the Buddy Bags for children in need. Administration costs are covered by the Founders.

### Background

Karen Williams founded the Live Love Laugh Foundation. On 17 December 2015 this became a Charitable Incorporated Organisation with the new name of The Buddy Bag Foundation.





## What is a Buddy Bag?

A Buddy Bag is a backpack that contains all the essential items a child needs. They include toiletries, pyjamas, socks and underwear. They also include comfort items such as a book, a photo frame and a teddy bear. A Buddy Bag is something a child can call their own, no matter where they go.

Buddy Bags are tailored to suit babies, children and young people, according to age groups and gender.

Buddy Bags are donated to women's refuges. Each refuge receives 30 Buddy Bags at a time to meet the needs of different age groups and genders.

Each Buddy Bag costs the Charity approximately £25.

*I love my Cinderella bag and my pyjamas. My teddy goes everywhere with me.*

*Kate, aged 4*



## Buddy Bag Brigades

A Buddy Bag Brigade is an event which brings around 20 volunteers together for two hours, working together to pack 180 Buddy Bags. The packed bags are delivered to six women's refuges. Where possible, Buddy Bags are distributed locally, but the charity works to support women's refuges all over the country.





The brigades are a great team building opportunity, encouraging people to think about the children who will receive a bag, a teddy bear, and the much needed essentials, on their first night in emergency care. These events make a real difference to children in crisis.

Buddy Bag Foundation is committed to positively influencing the local communities in which we work and live.

#### Public benefit

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit during the performance of their duties.

22<sup>nd</sup> April 2016

Dear Buddy Bag Foundation,

Where do we begin to say thank you?

On behalf of the staff, children and residents of Bexley Women's Aid we would like to say a huge thank you for your extremely kind donation and support to our service. The support we get from you is unbelievable and so generous!

Domestic abuse affects one in four women at some point in their Lives and therefore there are many children who are also living with this situation. We are working hard to provide services and support to as many as we can and we rely greatly on the generosity of others like yourself to assist us in our pledge.

Your donation of Buddy Bags has played a significant role in the Services that we provide at Bexley Women's Aid and we greatly appreciate your support. The children were absolutely thrilled with the bags!! We hope you enjoy the thank you cards!

Once again thank you for your generosity!

Kind regards,

A handwritten signature in black ink, appearing to read 'Ainslie'.

**Ainslie Stansfield  
Office Administrator  
Bexley Women's Aid**



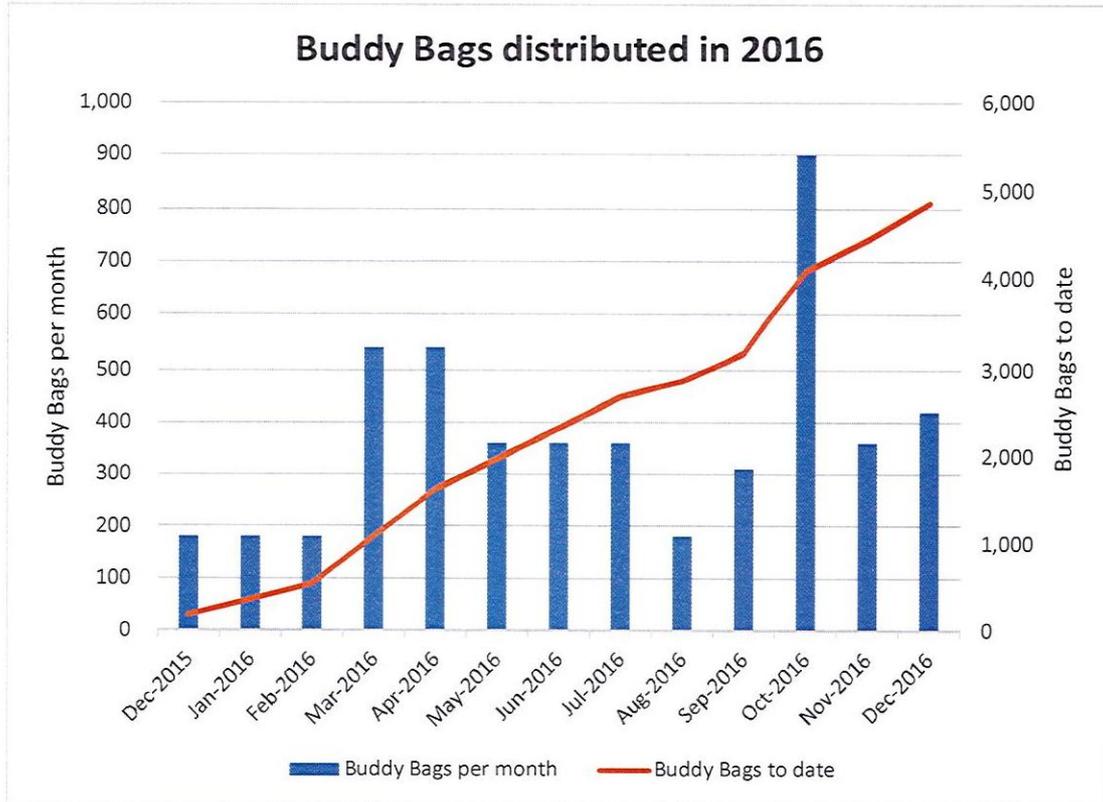
## Achievements and Performance

During the period from incorporation on 17 December 2015 to 31 December 2016:

27 Buddy Bag Brigades were held

1,053 volunteer hours were received

4,870 Buddy Bags were distributed to 162 women's refugees



Prior to incorporation on 17 December 2015, the Live Love Laugh Foundation had already distributed 1,280 Buddy Bags, giving a cumulative total of 6,150 Buddy Bags since inception.





Regular Buddy Bag Brigades have been held at Tamworth. Thanks to the work of volunteer Ambassadors, Buddy Bag Brigades have been held in Manchester, Cardiff, Milton Keynes and Bournemouth.

### Corporate Social Responsibility

The Charity engages with employers, demonstrating how partnering with the Buddy Bag Foundation can help impact Corporate Social Responsibility policies, and positively support their local community. With the opportunity to fundraise, whether through bake sales or bike rides, and volunteer with a Buddy Bag Brigade, the Buddy Bag Foundation provides great team building opportunities whilst making a difference to children in crisis.

### Fundraising and donations

Individuals, groups and companies are the lifeline of Buddy Bag Foundation. Together they have helped to achieve total income of £95,200.

The Charity is active in bidding for funding and during this period has been successful in securing funding from local Waitrose and John Lewis stores.

### Fundraising events



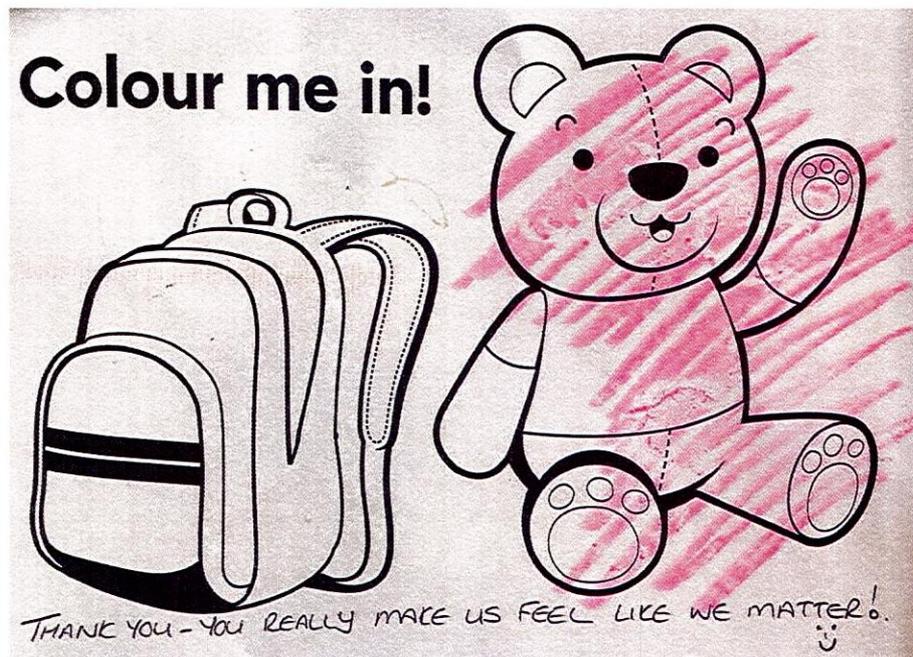


A network of volunteer Ambassadors has been created across the country. They co-ordinate fundraising collections, recruit supporters and volunteers, inspire family, friends, colleagues and connections to support the Charity. They give presentations to community and networking groups, give talks in schools, build relationships with local businesses, seek out fundraising opportunities and link with local media with press releases. They are key to shaping the future of the Buddy Bag Foundation and supporting children who are taken into emergency care.

The hugely successful fundraising events organised by the Charity and its Ambassadors and supporters have raised £21,000 during this period.

### Raising awareness

The Charity is successfully building awareness through its public relations activities. Publicity has been obtained through newspaper articles appearing in the Burton Mail and the Tamworth Herald. The Charity has been featured on BBC Midlands Today TV programme and on BBC Radio WM and Radio Derby.



## Financial Review

### Donations received

The Charity relies on the generous cash donations received from individuals 75%, groups 13% and companies 12%. During this period unrestricted cash donations of £56,000 were received.

### Donated goods, professional services and donated facilities

The Charity is very grateful for the generous donations of goods, professional services and facilities it has received.

We thank the hundreds of volunteers who have each donated two hours of their time to support the 27 Buddy Bag Brigades, and the many volunteers who generously hand knit so many cuddly toys. These add a very personal touch to the Buddy Bags.



We are grateful to the organisations which generously sponsor and donate some of the articles that are packed into the Buddy Bags, and the individuals and organisations that have generously donated their professional services.

We would also like to thank the organisations that have kindly donated their halls and rooms to allow us to hold Buddy Bag Brigades and to host fundraising events.

Together, our work becomes possible.

As stated in the accounting policy note 1, donated goods, donated professional services and donated facilities are recognised as income in the Statement of Financial Activities. The general volunteer time of the volunteers attending Buddy Bag Brigade events and other events is not recognised.

Donated facilities, goods and services received during the period have been valued at £13,000.

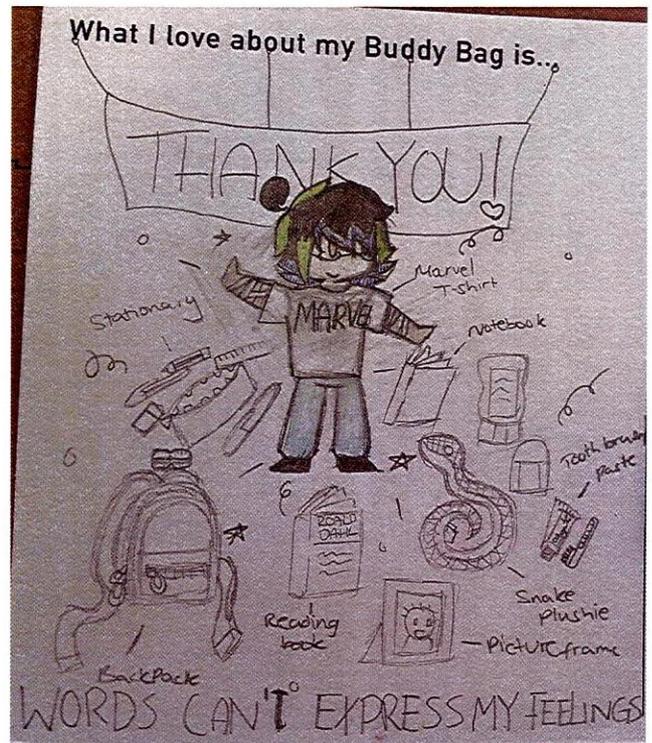
### Fundraising activities

During this period fundraising activities raised £21,000. The range of events held were many and diverse. These included individuals being sponsored to run marathons, undertake sponsored walks, being sponsored to shave the hair off their heads – to name a few activities. Individuals and Ambassadors holding raffles. The Board of Trustees organised events including a fashion show and co-hosted fundraising events with other organisations.

### Expenditure

Running Buddy Bag Brigades is at the heart of the Charity and cost £57,000 during this period.

Each Buddy Bag costs approximately £25. Expenditure on purchasing materials for the Buddy Bags amounted to £47,000.



In addition, each Buddy Bag Brigade relies on the generous support of volunteers donating their time for free; venues donating their facilities which have been valued at £1,000 and the donation of courier services which have been valued at £8,000. Other donations of knitted toys and other items have been valued at £700.

Due to the generous support of other professionals donating their services and resources, the Charity has received accountancy support, branding and design, corporate videos, printing, website and other services valued at £3,000.

### Financial position

The Trustees are very satisfied with the financial position at 31 December 2016. The charity had £34,000 at the bank. During this period the Charity made a surplus on unrestricted funds of £30,000, which is carried forwards.

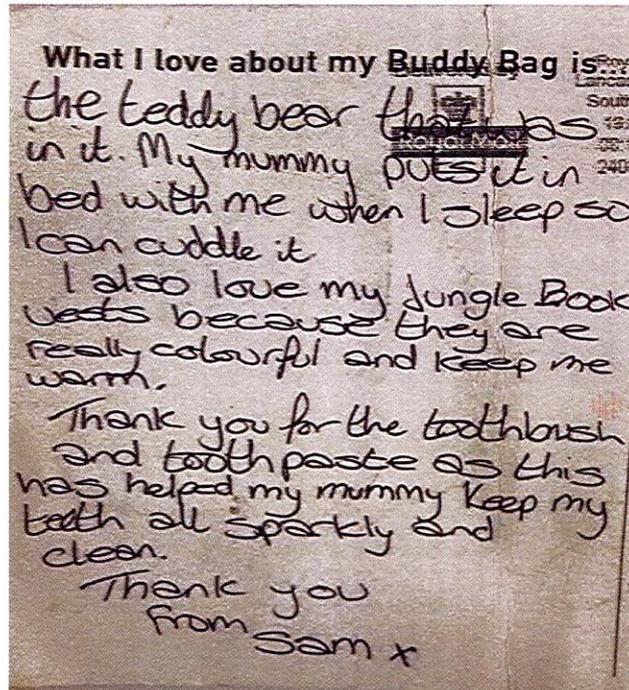
Currently the charity aims to hold reserves sufficient to fund at least three months of Buddy Bag Brigades. This is calculated as if the charity had to buy all facilities, goods and services at market values. This policy is regularly reviewed by the Trustees.

Live Love Laugh Limited generously makes donations to the Charity which are specifically designated to cover the administration costs.

Restricted funds carried forwards totalled £4,700.

### Fraud transaction

In November 2016, a fraud was committed on the Charity. A bank debit card was cloned and 30 transactions totalling £2,344.08 were fraudulently charged. As soon as the fraud was identified, the bank was notified and appropriate actions taken. Full reimbursement was received before 2 December 2016. The Charity has not suffered any loss. This fraud was reported to the Charity Commission as a serious incident and correspondence has been successfully concluded.





## Structure, Government and Management

### Governing document

The Buddy Bag Foundation is a Charitable Incorporated Organisation governed by its Constitution dated 6/10/2015. It is registered with the Charity Commission in England and Wales, registered number 1164916.

### Appointment of trustees

The Charity was incorporated with three trustees who were appointed for the following terms:

Karen Williams – 3 years

Sue Crowder – 2 years

Harry Williams – 2 years

Apart from the first trustees, every trustee must be appointed for a term of one year by a resolution passed at a properly convened meeting of the Charity trustees.

In selecting individuals for appointment as a Charity trustee, the Charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

### Trustee induction and training

New trustees receive a copy of the current version of the constitution and they will receive a copy of the latest Trustees' Annual Report and statement of accounts.

The CEO gives individual induction to new trustees, informing them about the work of the Foundation, the expectations of the board and the decision-making processes.

### Organisation

The Constitution provides for a maximum number of 6 trustees serving on the board of trustees, which administers the charity. The board of trustees meets between four and six times per year. From its members, the board of trustees nominates a Chairman, a Chief Executive and a Treasurer, who manage the day-to-day operations of the charity.

The board of trustees is supported by an advisory board, who provide additional advice and expertise. They make non-binding recommendations to the board of trustees. Members of the advisory board are appointed by the board of trustees, who also have the authority, in its sole and absolute discretion, to remove any member of the advisory board at any time for any reason.

The Foundation does not have any employees and it does not provide any remuneration to any of its volunteers, trustees, ambassadors or advisory board members.



## Related parties

Live Love Laugh Limited generously makes donations to the Charity which are specifically designated to cover the administration costs. Live Love Laugh Limited is controlled by Karen Williams (Trustee) and Chris Williams (Advisory Board Member).

Karen Williams (Trustee) and Chris Williams (Advisory Board Member) are the parents of Harry Williams (Trustee). The Charity's internal processes and procedures ensure that duties are segregated appropriately to trustees outside the Williams family.

Zeeshan Masood (Trustee) and Dr Kamran Shaikh (Advisory Board Member) are directors of Morgan Reach, who are accountants to the Charity. Morgan Reach generously donate professional services and sponsor some of the fundraising events.

### What I love about my buddy bag is...

My daughter wants to go everywhere with the bags all the fun she has been provided with. And the essential such as the tooth brush etc & sponge.

This Buddy Bag was packed with love especially for you...we hope you enjoy it.

[www.buddybagfoundation.co.uk](http://www.buddybagfoundation.co.uk)



**Buddy Bag Foundation**

**PO Box 8229  
Swadlincote  
DE11 1GA**

**buddy bag  
foundation**

making a difference to children in emergency care



## Reference and Administrative Details

Charity registered number: 1164916

Registered address: 10 Grange Farm Court, Linton, Swadlincote, DE12 6RP

### Trustees

The trustees serving during the period from incorporation on 17 December 2015 to 31 December 2016 and since the year end were as follows:

		<b>Date appointed/resigned as trustee</b>
Chairman (until 3 April 2017)	M Laffan-Butler	appointed 17 December 2015, resigned 3 April 2017
Chairman (from 4 April 2017)	H E Williams	appointed 17 December 2015
CEO	K S Williams	appointed 17 December 2015
Treasurer	Z Masood	appointed 17 December 2015
Trustees	S E Crowder	appointed 17 December 2015, resigned 27 January 2017
	A Henry	appointed 8 May 2017
	N S Wallis	appointed 6 May 2017
	R Halbert	appointed 23 August 2017

### Advisory board

The advisory board members serving during the period from incorporation on 17 December 2015 to 31 December 2016 and since the year end were as follows:

		<b>Date appointed to Advisory Board</b>
Advisory Board	C M Williams	appointed 17 December 2015
	Dr K H Shaikh	appointed 17 December 2015

By order of the board of trustees on 7 October 2017

And signed on its behalf by:

H E Williams (Chairman)



## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BUDDY BAG FOUNDATION

I report on the accounts for the period 17 December 2015 to 31 December 2016 set out on pages 18 to 23.

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

### Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

### Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dr Kamran Shaikh  
Morgan Reach Chartered Certified Accountants  
Morgan Reach House  
136 Hagley Road  
Birmingham  
West Midlands  
B16 9NX

Date: 07/10/17



STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD 17 DECEMBER 2015 TO 31 DECEMBER 2016

	Notes	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	69,043	5,164	74,207
Other trading activities	3	20,993	-	20,993
Total		90,036	5,164	95,200
EXPENDITURE ON				
Raising funds		717	-	717
Charitable activities				
Direct Costs	4	59,409	-	59,409
Support costs		-	382	382
Total		60,126	382	60,508
NET INCOME		29,910	4,782	34,692
TOTAL FUNDS CARRIED FORWARD		<u>29,910</u>	<u>4,782</u>	<u>34,692</u>

The notes form part of these financial statements



BALANCE SHEET  
AT 31 DECEMBER 2016

	Notes	Unrestricted fund £	Restricted fund £	Total funds £
<b>CURRENT ASSETS</b>				
Stocks	6	100	-	100
Debtors	7	1,858	-	1,858
Cash at bank		28,885	4,782	33,667
		<u>30,843</u>	<u>4,782</u>	<u>35,625</u>
<b>CREDITORS</b>				
Amounts falling due within one year	8	(933)	-	(933)
		<u>29,910</u>	<u>4,782</u>	<u>34,692</u>
<b>NET CURRENT ASSETS</b>				
		<u>29,910</u>	<u>4,782</u>	<u>34,692</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
		<u>29,910</u>	<u>4,782</u>	<u>34,692</u>
<b>NET ASSETS</b>				
		<u>29,910</u>	<u>4,782</u>	<u>34,692</u>
<b>FUNDS</b>				
Unrestricted funds	9			29,910
Restricted funds				<u>4,782</u>
<b>TOTAL FUNDS</b>				
				<u>34,692</u>

The financial statements were approved by the Board of Trustees on 7 October 2017  
and were signed on its behalf by:

H E Williams (Chairman)

The notes form part of these financial statements



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 17 DECEMBER 2015 TO 31 DECEMBER 2016

### 1 Accounting policies

#### Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.

The Buddy Bag Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### Income

Donated goods, donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers attending Buddy Bag Brigade events and other events is not recognised. Refer to the trustees' annual report for more information about their contribution.

On receipt, donated goods, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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.

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.



Taxation

The charity is exempt from tax on its charitable activities.

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.

2 Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Donations from individuals	38,911	-	38,911
Donations from groups	6,766	-	6,766
Donations from companies	5,996	2,832	8,828
Donation from Live Love Laugh Foundation	-	2,332	2,332
Gift Aid	4,747	-	4,747
Donated facilities, goods and services	12,623	-	12,623
	<u>69,043</u>	<u>5,164</u>	<u>74,207</u>

3 Other trading activities

	£
Fundraising events	<u>20,993</u>

4 Direct cost of charitable activities

	£
Materials purchased for Buddy Bags	46,786
Donated goods, services and facilities for Buddy Bags and Buddy Bag Brigades	<u>9,673</u>
Cost of Buddy Bag Brigades	56,459
Other donated services	<u>2,950</u>
	<u>59,409</u>



5 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the period ended 31 December 2016.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 December 2016.

6 Stocks

	£
Stocks	<u>100</u>

7 Debtors: Amounts falling due within one year

	£
Trade debtors	<u>1,858</u>

8 Creditors: Amounts falling due within one year

	£
Trade creditors	169
Other creditors	<u>764</u>
	<u>933</u>

9 Movement in funds

	Net movement in funds £	At 31.12.16 £
Unrestricted funds		
Unrestricted fund	29,910	29,910
Restricted funds		
Restricted fund	4,782	4,782
<b>TOTAL FUNDS</b>	<u>34,692</u>	<u>34,692</u>



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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	90,036	(60,126)	29,910
Restricted funds			
Restricted fund	5,164	(382)	4,782
<b>TOTAL FUNDS</b>	<b>95,200</b>	<b>(60,508)</b>	<b>34,692</b>

## 10 Related party disclosures

Live Love Laugh Limited generously makes donations to the Charity which are specifically designated to cover the administration costs. Live Love Laugh Limited is controlled by Karen Williams (Trustee) and Chris Williams (Advisory Board Member).

Zeeshan Masood (Trustee) and Dr Kamran Shaikh (Advisory Board Member) are directors of Morgan Reach, who are accountants to the Charity. Morgan Reach generously donate professional services and sponsor some of the fundraising events.

Karen Williams founded the Live Love Laugh Foundation. On 17 December 2015 this became a Charitable Incorporated Organisation with the new name of The Buddy Bag Foundation. On this date the Live Love Laugh Foundation donated £2,332 to The Buddy Bag Foundation.