

TB Alert
Private company limited by guarantee
Financial Statements
for the year ended 31 March 2006

Charity Number : 1071886
Company Number : 03606528

Sinclairs
Registered Auditors
32 Queen Anne Street
London
W1G 8HD

TB ALERT

CONTENTS

FOR THE YEAR ENDING 31 MARCH 2006

	Page
Company Information	1
Report of the Trustees	2 - 9
Auditors' Report	10-11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Accounts	14-21

TB ALERT

COMPANY INFORMATION

YEAR ENDED 31 MARCH 2006

Trustees	Chair Secretary Treasurer	Mr Paul SOMMERFELD Prof Peter DAVIES Ms KATHLEEN McCOY Mr Chris BUTTON Mrs Carol HORNER Mrs Margaret KNIGHT Dr Deepti KUMAR Mr David REED Mr Edward SADLER Dr Noel SNELL Mr Owain TUCKER
-----------------	---------------------------------	--

Secretary	Prof Peter Davies
------------------	-------------------

Chief Executive (Volunteer)	Mr Paul SOMMERFELD
------------------------------------	--------------------

Registered Office	Laytons Carmelite 50 Victoria Embankment Blackfriars London EC4Y 0LS
--------------------------	--

Company Number	03606528
-----------------------	----------

Charity Number	1071886
-----------------------	---------

Auditors	Sinclairs Registered Auditors 32 Queen Anne Street London W1G 8HD
-----------------	--

Bankers	HSBC 31 Euston Road London NW1 2ST
----------------	--

Solicitors	Laytons Carmelite 50 Victoria Embankment Blackfriars London EC4Y 0LS
-------------------	--

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

TB Alert presents its annual report and accounts for the year ended 31st March 2006.

Structure, Governance and Management

The charity was established as a company on 30th July 1998. It exists to promote awareness of tuberculosis and to support measures to advance the care and treatment of individuals affected by the disease worldwide.

The charity is registered with the Charity Commissioners under No. 1071886 in the original name of *TB Alert*.

The charity is a company limited by guarantee registered in England and Wales under No. 3606528. The charity is governed by its Memorandum and Articles of Association which require that it has a minimum of three Trustees but specify no maximum.

The Directors and Trustees during the period to 31st March 2006 were:

Paul Sommerfeld	Chair
Prof. Peter Davies	Company Secretary
Kathleen McCoy	Treasurer (co-opted 14 th December 2005)
Chris Button	Co-opted 28 th September 2005
Carol Horner	
Margaret Knight	
Dr. Deepti Kumar	
David Reed	Co-opted 28 th September 2005
Dr. Noel Snell	
Edward Sadler	
Dr Owain Tucker	

The following additional Director/Trustee served in the period to 31st March 2006:

Geethanjali Rabindrakumar, previously Treasurer, resigned with effect from 18th May 2005

New Trustees are elected at the *TB Alert* Annual General Meeting at which all Ordinary Members may vote. Trustees are elected for a period of 3 years, and therefore one third of the Trustees are put up for re-election each year. The Trustees may appoint a person who is willing to act to be a Trustee during the year. These Trustees are identified by personal enquiry or through advertisement. A Trustee so appointed will hold office only until the next following Annual General Meeting at which point they will be proposed for reappointment.

New Trustees are provided with induction materials describing the activities of the charity and outlining their responsibilities and meet with relevant members of the charity's staff.

TB Alert does not at present have a permanent Director and day to day activities which would otherwise form part of this role are undertaken by the Chair.

The Trustees are responsible for the governance of *TB Alert*. The aim is to include within the trustee body a range of skills and experience appropriate to the aims and management of the charity. Currently the trustee body includes those with relevant medical, community health, NGO, field project, lobbying, IT, financial and legal skills. The Trustees with medical and community health experience are leading practitioners in the field of tuberculosis. They also provide a link with charities, pharmaceutical companies and medical societies working in related fields.

The Trustees work predominantly through committees (whose members can include external specialists): finance and organisation; fundraising; projects; advocacy; awareness. The staff are accountable to the relevant committee.

TB Alert is an organisational member of the International Union against Tuberculosis and Lung Disease (IUATLD) and affiliated with the Stop TB Partnership, the members of which are organisations with

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

consistent aims. These relationships do not impact on the governance of *TB Alert*. The Chair of the Trustees is also Chair of Global STOP TB Partnership Advocacy Committee.

TB Alert operates with a related organisation, TB Alert India. *TB Alert* funds the salaries of one full-time and two part-time employees of TB Alert India. Funds raised by *TB Alert* for projects in India may be channeled via TB Alert India and *TB Alert* relies on the staff and Trustees of TB Alert India to monitor the activities and performance of those projects.

The Trustees have considered the main risks to which *TB Alert* could be susceptible. Of these the most significant is dependence on volunteers for key functions of direction and administration, such that replacement would be a serious problem if certain individuals were to move on or become incapacitated for any reason. The Trustees have identified this as their first priority to resolve. The Trustees also keep other risks under review.

Objectives and Activities

Our objects, as defined in our Memorandum of Association, are:

- (a) to support medical scientific social and humanitarian activities throughout the world for the relief and rehabilitation of persons affected by tuberculosis and related medical and social conditions and for the prevention and control of that disease.
- (b) To educate persons throughout the world regarding the effects of tuberculosis so as to heighten awareness of the need for better detection, treatment and rehabilitation of persons affected by tuberculosis and related medical and social conditions.

Our Mission Statement, adopted in early 2004, continues to be that:

TB Alert exists to work towards the control and ultimate eradication of TB by increasing access to effective treatment for all.

TB – still a global emergency

- 1/3 of the world's population – nearly 2 billion people - are infected with the TB bacteria.
- Almost 9 million people develop active TB disease every year and 2 to 3 million individuals die.
- TB is one of the top three killer diseases worldwide (along with Malaria and HIV). One quarter of all preventable deaths in adults under 65 are due to tuberculosis.
- TB is on the increase in the UK – it was never eradicated and never will be until it is controlled worldwide.
- Most people die of TB because they do not know they can be cured or cannot get access to treatment.
- TB is airborne and can affect anyone but it more commonly hits people with weak immune systems, for example those who are malnourished or HIV positive. TB is the biggest killer of people living with HIV.
- TB takes its highest toll on the poorest and most marginalised in society. At the same time it makes them poorer because they cannot work and subjects them to further stigma and discrimination.

TB Alert

TB Alert is the only specialist TB charity working in the UK and internationally to fight Tuberculosis. *TB Alert* works to ensure that poverty and ignorance are no longer a barrier to accessing TB treatment and to eliminate the stigma and discrimination associated with tuberculosis. Our mission is the control and ultimate eradication of TB by increasing access to effective treatment for all.

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

Achievements and Performance

Our main priority for this year – as highlighted in our last accounts, was to establish a fund which could be invested in building our charity's capacity and infrastructure to provide a stable base for planned future growth. With a core funds donation from a Trust donor we have been able to set up the fund, although more fundraising is needed before we can begin the process of recruiting our first paid director and establishing an office base.

In the UK, as planned, we have significantly increased our awareness raising activities due to the employment of our Awareness Officer. This post has been funded by, and is working in close collaboration with the Department of Health especially in promotion of the awareness aspects of the National TB Action Plan.

As regards work in high burden countries, *TB Alert* has started to become engaged in initiatives in India, which draw local non-governmental and community based organisations into greater involvement with TB detection in collaboration with the national TB programme. In Africa, we have retained the part time services of Winstone Zulu, an internationally known advocate on HIV issues. With his help we aim to build a patient-based network for communicating information about the linkages between TB and HIV and the opportunities for accessing TB as well as HIV treatment. Our ongoing projects in both continents continue to be successful and we have started to make further contacts to increase our portfolio of activities.

During the year we worked with our partners at country level and with those active in the Stop TB Partnership and World Health Organisation in the preparation and launch of the second *Global Plan to Stop TB 2006-2015*. This was published in early 2006 and provides a framework for TB activity over the next ten years in line with the Millennium Development Goals – that annual deaths worldwide from tuberculosis will be at least halved by 2015.

Finally this year we joined MP's in congratulating our Honorary President Sir John Crofton on his award of the Union Medal. The International Union Against TB and Lung Diseases (IUATLD) presented Sir John with their highest award, which recognises outstanding contributions to the control of tuberculosis and lung disease, at the 36th IUATLD World Conference. We are honoured to have the support of such an eminent pioneer of TB control.

Awareness Activities

TB Alert's Awareness Officer joined the HPA National Knowledge Service TB Pilot Project Board in July 2005. This aims to bring together current sources of information and knowledge on tuberculosis for healthcare professionals and patients, identify and bridge gaps – e.g. materials now being produced for prisoners, prison staff, homeless project managers and workers, substance misusers, those working with substance misuse and those working with asylum seekers.

TB Alert was involved in the consultation process for the National Institute for Clinical Excellence TB guidelines published March 2006. We were also delighted to be consulted on the scripting of an episode of the BBC drama "Doctors", as it is vital that programmes such as this cover the complex issues behind TB sensitively and accurately.

Due to general increases in awareness as a result of our new post, and to government changes in BCG policy, information requests from the general public have increased significantly during the year. In response to queries about BCG, TB Alert produced a new leaflet explaining the new policy and advising the public how to access BCG if required.

Over the year TB Alert has increased joint working with other organisations, including the London TB Network and Mobile X-ray Unit Project, advised Addaction on their TB policy, and conducted various presentations on TB to at-risk groups and companies. We also collaborated with Masterclass to arrange workshop sessions about TB for their Turning the Tide nursing course.

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

Further joint working with DoH produced a new national awareness raising resource – a pictorial card depicting symptoms of TB and with simple short awareness message in 10 languages - feedback from health professionals on this resource has been overwhelmingly positive. These were launched for World Stop TB day (March 24th) 2006. TB Alert also provided support and materials to health professionals for around 80 World TB Day events.

Finally a major tool in our awareness and fundraising was launched during this year. Our new website, created by a volunteer at software cost of just £200, can be updated by staff. This allows us to react to news stories and other events as well as ensure that our information is always current. We believe that the time and expertise to create this site would have cost us several thousand pounds at commercial rates.

Advocacy

Tuberculosis is a massive global challenge which cannot be resolved by the efforts of a single small organisation. Since its inception, therefore, *TB Alert* has been active in drawing the attention of the public and of decision-makers in government, business, and research to the actions needed to confront the disease both in Britain and worldwide.

During 2005-06 we were especially active, together with other TB-interested agencies both in the UK and abroad, in the preparation and launch of the new *Global Plan to Stop TB: 2006-2015*. The TB world has a good reputation for practical cooperation and robust planning. The targets of the previous 2001-2005 Global Plan for ambitious increases in case detection and treatment completion were largely achieved. The new Plan fits with the Millennium Development Goals and envisages halving deaths from TB and turning back the number of new cases within ten years.

The new Plan was launched in January 2006 by Gordon Brown MP – drawn in through *TB Alert* efforts – together with the President of Nigeria and the philanthropist, Bill Gates, at an event during the World Economic Forum in Davos. There was also a satellite press launch on the same day at the Science Media Centre, London, which *TB Alert* helped with.

Working together with Results UK and AMREF, we were even more engaged in a conference on 23rd March 2006 in Portcullis House (the MP's office block), hosted by Keith Vaz MP, aimed at making politicians, NGOs and those involved in TB in the UK, more aware of the Global Plan.

The other major focus of advocacy in 2005 was a Consultation by the Department for International Development (DFID) on the future of its malaria and TB policies. *TB Alert* both helped DFID with the mechanics of the consultation process and prepared a full and detailed response. The outcome was a DFID Practice Paper, *The Challenge of TB and Malaria Control*, which reflected many of the concerns we had raised.

Preparation of the *TB Alert* response was the first major achievement of our newly-established Advocacy Committee whose members cover a range of TB knowledge and of lobbying skills.

We also worked with Stop TB Partnership (linked to World Health Organisation), DFID and Results UK to arrange meetings in July 2005 and February 2006 aimed at increasing the understanding of UK-based international development non-governmental organisations regarding the close medical and practical linkage between the TB and HIV pandemics

We were happy to arrange a number of opportunities to increase public awareness of TB/HIV links when a well-known activist from Zambia, Winstone Zulu who has lost three brothers to co-infection by both diseases, was in the UK in the Autumn of 2005.

Furthermore, it was a pleasure for our Chair to have the opportunity to speak of TB with HRH Princess Anne when she visited our stand at the annual conference of Rotary International in Britain and Ireland in Manchester.

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

UK and overseas initiatives

At the end of the year we entered into a partnership with Paul Thorn (author of The Tuberculosis Survival Handbook) - as a result of this book, The Tuberculosis Survival project has been formed - a website which provides a platform where people can tell their own stories of having TB.

During the first full year of our Hardship Fund, we were able to make grants totalling over £3,000 to 25 patients. This has been very much appreciated by TB nursing services as a tool to support patient compliance, but it has become clear that the number and level of grants we are able to currently provide is too low and we intend to seek support from other funders to increase our grant-making capacity.

Our decision to employ a full time programme officer in India (replacing one day per week of a UK staff member at lower cost) has improved our communication with our projects and enabled us to start to develop some initiatives which will be directly implemented by TB Alert India. One such initiative is Andhra Pradesh Coalition Against TB & HIV (APCATH) - a consortium of NGOs of six districts of Andhra Pradesh (Anantapur, Kadapa, Kurnool, Chittoor, Nellore and Prakashan). In the third quarter of 2005, a situation analysis was conducted, the first draft of the Situational Analysis report was finalised in March and as we move into the next financial year we aim to make applications to major potential funders for this activity.

Over the year TB Alert has supported the following projects in Asia: DOTS Centres in Delhi; Nav Jivan Hospital TB programme, Jharkhand State; Krishna Community Health Interventions Programme (KRISCHIP) in partnership with LEpra, Andhra Pradesh; Gandhi Memorial Leprosy Foundation (GMLF), Vizianagram District, Andhra Pradesh; LAMB TB outreach, Bangladesh. Over the year TB Alert has continued to discuss with Emmanuel Hospital Association (EHA) potential partnership strategies for the future.

In Africa TB Alert has continued to support activities in Malawi (Mzimba Active Case Finding and Queen Elizabeth Central Hospital Paediatric TB), Zambia (Bwafwano Home Based Care Organisation), and Zimbabwe (Murambinda Mission Hospital TB Programme). Highlights for us included the training of volunteer caregivers, already trained as TB treatment supporters, to support patients on Anti-Retro Viral Treatment (ART) for HIV at Bwafwano.

Fundraising

As ever the challenge for our fundraiser is to ensure that we can maintain and increase commitments to partners to bring maximum benefits to TB patients, people at risk of TB/HIV and their families, whilst also covering the costs of running the organisation, and building our capacity to help more people in future. Over the year 80% of our expenditure went on direct charitable aims, with just 4% going to management, admin and governance of the charity and the remaining 16% spent on generating future income.

Our grateful thanks to all of our donors, individuals and organisations, who have contributed to a successful year of fundraising - just a few highlights of the year include:

- Our last concert as Barts Choir Charity of the year was held in April. The concert at the Royal Festival Hall was a successful end to our year with the choir, and the relationship resulted in a donation of £4,500 from the choir in addition to the funds received in the previous financial year from collections and sponsorship.
- A summer appeal to our donors resulted in over £2,000 worth of new annual donations by standing order, meaning that we now receive over £11,000 a year by this method. This is very welcome as regular gifts like this help us to plan and budget for the future.
- Three TB Alert volunteers visited our Murambinda project (at no cost to us), and following their trip came back with an incredible enthusiasm for fundraising. Their ensuing activities raised over £12,000 in donations for the project, much of which will also attract gift aid – making it worth over £15,000 once we claim the tax back.

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

- Some of the supporters raising money for Murambinda did so by taking part in our second “Ladies who Lunch” – the antidote to charity sponsored walks – held on a glorious September day in Regents Park.
- Other active supporters raised money through sponsored activities including the London Marathon and the Great North Run. Currently TB Alert relies on “own-place” runners for the London Marathon, however at the end of this year we were delighted to hear that after a long negotiation as part of a consortium of charities, TB Alert was awarded a “Silver Bond Place” for 2007. Our chance for a place will only come around every 4-5 years so we plan to make the most of it!
- Autumn of 2005 saw our first charity dinner and Auction, held in Henley-on-Thames. A great time was had by all and most importantly we raised over £3,200 after all costs were taken into account.
- TB Alert was delighted to be chosen as Lilly UK’s charity for 2006 and the year started off well with several employee events including a World Cup ticket Raffle and a sponsored leg wax!
- TB Alert supporters all over the country held various collections throughout the year – including a Carol singing collection in Trafalgar Square, a week of collecting outside the Royal Academy, various collections outside supermarkets and joint awareness and fundraising events for World TB Day on 24th March arranged by TB nurses and other health professionals. Our thanks to all those involved.

Finally we continued to attract support from the Overseas Aid Committees of the Island States of Jersey, Guernsey and the Isle of Man for which we are very grateful. This grant funding makes up a strong component of our restricted funding for projects.

Financial Review

The 2005-06 saw a further growth in income to £275,338, inclusive of a core funds donation from a Trust donor of £50,000. TB Alert relies on the continued support of regular individual and company donors, income from its trading activities and sales of its leaflets to provide over half of its unrestricted income. A restricted grant of £33,500 from the Department of Health finances the activities of the Awareness Officer.

Resources expended remained stable at £219,246. Of this amount, £174,437 was spent directly on charitable activities, £47,962 of which was funded from unrestricted funds.

Reserves policy

The Trustees have established a policy, reviewed annually, that the free reserves held by the charity should be between 3 and 6 months total unrestricted expenditure, which equates to between £24,000 and £48,000 in general funds. This provides enough funds to allow the charity to continue its current operations in the event of a drop in income.

Free reserves at the year end were £47,096, in line with policy.

Restricted reserves are held for the minimum period possible between date of receipt and allocation to the designated purpose.

As the Trustees have designated £60,000 of unrestricted income for the purpose of appointing a full-time Director, restricted funds at 31st March 2006 stand at £88,450 compared with an opening position of £15,128.

Investment policy

Cash surpluses, in excess of immediate operational needs, are invested in money market deposits.

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

Plans for future periods

The Trustees believe that *TB Alert* is now in a position to markedly increase its impact by leveraging support from major donors but for that it needs an enhanced institutional base in order to manage large programmes. *TB Alert* has, over the last year, developed a comprehensive business plan which sets out what we hope to achieve in the next five years, and the resources required to meet those objectives. The trustees have agreed to set aside a £60,000 designated fund for infrastructure investment, and using the business plan as well as supporting material, staff and trustees aim to approach core funding donors to seek further funding. That funding will be used to appoint a full time Chief Executive to lead expanded advocacy and awareness programmes and ensure international projects deliver maximum value. With investment in fundraising as well as increased core and project staff capacity, our plan shows that with a donation of £100,000 per annum for three years the charity could create a sustainable level of self-generated core and project funding.

Initiatives in India and Zambia have reached the stage where we are now ready to apply for significant statutory funding grants, while the second year of our Department of Health grant in the UK will enable us to build on the foundations laid in the first year and reach a more targeted at-risk groups with awareness raising materials. Working with a collaborative network led by ActionAid we hope to gain funding to enhance our Advocacy work in the UK and Europe.

Significant Post Year End Events and Developments

Success in gaining funding for the ActionAid-led Advocacy network has led to the planned recruitment of a Global Health Advocacy Officer (one of three in a UK network with Interact Worldwide and International HIV/AIDS Alliance). A lease has been signed on our first official office space in Brighton into which we move in November 2006. And a successful appeal by Archbishop Desmond Tutu on Radio 4 has led to over £17,000 worth of donations, and together with various news stories on the fears about virtually untreatable "XDR-TB", a new level of interest in our cause.

Auditors

Messrs Sinclairs have expressed their willingness to continue as auditors.

TB ALERT
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2006

Trustees' Responsibilities

Charity Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- value assets and liabilities in accordance with the Statement of Recommended Accounting Practice by Charities, state whether or not the accounts have been prepared in accordance with any applicable accounting standards and statements of recommended practice and to give particulars of any material departure from those standards and practices and the reasons for such departure; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the requirements of the Companies Act 1985 and the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

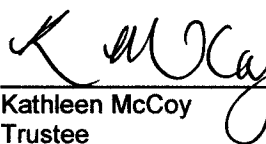
This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities 2005 – and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Trustees on 13th December, 2006 and signed on their behalf by



Paul Sommerfeld
Trustee

50 Victoria Embankment
London
EC4Y 0LS



Kathleen McCoy
Trustee

TB ALERT
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2006

We have audited the financial statements of *TB Alert* for the year ended 31 March 2006 which comprise the Statement of Financial Activities, 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 charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Trustees and the Auditors

The trustees' (who are also the directors of *TB Alert* for the purposes of company law) responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

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

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 Act 1985. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charity 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 trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees 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 (UK and Ireland) 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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

TB ALERT
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2006

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Trustees is consistent with the financial statements.



SINCLAIRS
Registered Auditors
62 Queen Anne Street
London
W1G 8HD

DATE

13th December, 2006

TB ALERT**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2006**

	Note	Unrestricted Funds 2006 £	Restricted Funds 2006 £	Total Funds 2006 £	Total Funds 2005 £
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income	2a	111,631	53,093	164,724	129,891
Activities for generating funds	2b	11,734	-	11,734	13,183
Investment income	2c	2,907	-	2,907	319
		<u>126,272</u>	<u>53,093</u>	<u>179,365</u>	<u>143,393</u>
<i>Incoming resources from charitable activities</i>	2d	9,269	86,704	95,973	100,258
<i>Other incoming resources</i>	2e	-	-	-	14,412
Total incoming resources		<u>135,541</u>	<u>139,797</u>	<u>275,338</u>	<u>258,063</u>
Resources expended					
<i>Cost of generating funds:</i>					
Fundraising costs of grants and donations	3a	31,840	-	31,840	25,260
Commercial trading activities	3b	4,107	-	4,107	1,763
		<u>35,947</u>	<u>-</u>	<u>35,947</u>	<u>27,023</u>
<i>Charitable activities</i>	3c	47,962	126,475	174,437	186,935
<i>Governance costs</i>	3d	3,218	-	3,218	2,747
<i>Other resources expended</i>	3e	5,644	-	5,644	4,399
Total resources expended		<u>92,771</u>	<u>126,475</u>	<u>219,246</u>	<u>221,104</u>
Net incoming resources before transfers		<u>42,770</u>	<u>13,322</u>	<u>56,092</u>	<u>36,959</u>
Transfer to designated fund	4	(60,000)	60,000	-	-
Net incoming resources		<u>(17,230)</u>	<u>73,322</u>	<u>56,092</u>	<u>36,959</u>
Net movement in funds		<u>(17,230)</u>	<u>73,322</u>	<u>56,092</u>	<u>36,959</u>
Funds b/f at 1 April 2005		<u>64,326</u>	<u>15,128</u>	<u>79,454</u>	<u>42,495</u>
Funds c/f at 31 March 2006	11	<u>47,096</u>	<u>88,450</u>	<u>135,546</u>	<u>79,454</u>

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

All the activities of the charity are classed as continuing.

The notes on pages 14 - 21 form part of these financial statements.

TB ALERT
BALANCE SHEET
AS AT 31 MARCH 2006

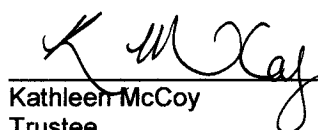
	Note	2006 £	2006 £	2005 £	2005 £
Current Assets					
Cash at Bank	7	158,891		68,863	
Debtors	8	18,805		32,121	
		<u>177,696</u>		<u>100,984</u>	
Creditors : Amounts falling due within one year	9	<u>(42,150)</u>		<u>(21,530)</u>	
Net Current Assets			135,546		79,454
Total Assets Less Current Liabilities			<u>135,546</u>		<u>79,454</u>
FUNDS					
Unrestricted Income Funds	10		47,096		64,326
Restricted Income Funds	10		88,450		15,128
TOTAL CHARITY FUNDS			<u>135,546</u>		<u>79,454</u>

These financial statements have been prepared in accordance with the Special Provisions for Small Companies under Part VII of the Companies Act 1985 relating to Small Entities and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements were approved by the Trustees on 13th December, 2006.
and are signed on their behalf by:



Paul Sommerfeld
Trustee



Kathleen McCoy
Trustee

The notes on pages 14 - 21 form part of these financial statements

1 ACCOUNTING POLICIES

a Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), Financial Reporting Standard for Smaller Entities (effective January 2005) and the Companies Act 1985.

b Incoming Resources

Grants and donations received or receivable in respect of specific restricted expenditures are recognised as income in the period in which the relevant expenditure occurs or as specified by the donor.

All other donations and gifts are accounted for when they are received. Tax recoverable on gift aid donations received is provided in full in the period in which the donation is received.

c Resources Expended

- 1 Project grant expenditure is charged to the Statement of Financial Activities when a constructive obligation exists, notwithstanding that they may be paid in future periods. All other expenditure is recognised in the period in which it is incurred. Expenditure includes VAT which cannot be recovered.
- 2 Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.
- 3 Governance costs are costs associated with the governance arrangements of the charity as opposed to costs associated with charitable or fundraising activities.
- 4 Expenditure is allocated to the particular area where the cost relates directly to that area. The salary costs of the fundraiser is allocated across each area, based on time spent, and the amount attributable to each area is as follows:

Project	10%
Awareness	20%
Fundraising	60%
Administration	10%

The salaries of the project worker and awareness officer are entirely attributable to the 'project' area.

d Capitalisation and depreciation of tangible fixed assets

All assets costing more than £1,000 are capitalised. Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset, as follows:

Computer equipment - straight line over 3 years

TB ALERT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

e Funds Accounting

Funds held by the charity are:

Unrestricted income funds

These are funds which can be used in accordance with the charitable objects.

Restricted income funds

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

Further explanation of the nature and purposes of each fund is included in the notes to the accounts.

f Pensions Policy

The charity operates a money purchase (defined contribution) pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

These contributions are invested separately from the charity's assets.

TB ALERT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

2 INCOMING RESOURCES	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
a) Donations				
Individuals				
Donations	6,835	2,604	9,439	39,074
Standing orders	11,462	-	11,462	10,309
Collections	2,558	-	2,558	2,374
Legacies and In memorium gifts	3,306	-	3,306	585
Sponsored Challenges	6,054	12,193	18,247	7,320
Gift Aid	9,132	-	9,132	8,869
Community Groups				
Rotary/Inner Wheel	300	-	300	4,835
Schools	141	-	141	2,325
Faith	185	-	185	350
Corporate	20,758	23,358	44,116	37,400
Trusts and foundations	50,900	14,938	65,838	16,450
	<u>111,631</u>	<u>53,093</u>	<u>164,724</u>	<u>129,891</u>
b) Activities to generate funds				
Christmas cards and gifts	2,373	-	2,373	2,365
Other trading income	1,248	-	1,248	85
Events	8,113	-	8,113	10,733
	<u>11,734</u>	<u>-</u>	<u>11,734</u>	<u>13,183</u>
c) Investment Income				
Interest received	2,907	-	2,907	319
d) Activities to further the charity's objects:				
Grants from government/statutory bodies				
Department of Health	-	33,500	33,500	
Island States	-	36,911	36,911	66,933
Other	726	16,293	17,019	24,251
Trading in furtherance of objectives	8,543	-	8,543	9,074
	<u>9,269</u>	<u>86,704</u>	<u>95,973</u>	<u>100,258</u>
e) Other Income				
Insurance proceeds	-	-	-	14,412
Total Incoming Resources	<u>135,541</u>	<u>139,797</u>	<u>275,338</u>	<u>258,063</u>

Current year income excludes £36,500 of grants and donations designated as funding for 2006/07 activities. A further legacy, estimated as £2,000 is anticipated, subject to the winding up of the deceased's estate.

TB ALERT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006**

3 RESOURCES USED	Unrestricted funds	Restricted funds	Total 2006	Total 2005
	£	£	£	£
a) Costs of Generating Funds				
Staff costs	24,070	-	24,070	17,248
Fundraising costs	7,770	-	7,770	8,012
	31,840	-	31,840	25,260
b) Commercial Trading Activities				
Christmas card costs	2,121	-	2,121	1,341
Non-Christmas sales items	1,175	-	1,175	-
Postage & packaging	268	-	268	422
Other commercial trading costs	543	-	543	-
	4,107	-	4,107	1,763
c) Charitable Activities				
(i) Project Costs				
(a) Direct Service				
Treatment diaries/packs	5	1,688	1,693	8,308
TB Survival project grant	-	500	500	-
UK hardship fund	1,205	2,530	3,735	970
(b) Grantmaking Expenditure				
EHA Nav Jivan Hosp TB prog.	-	3,628	3,628	3,063
GMLF	-	10,934	10,934	42
VHAD	21	10,652	10,673	4,029
Apcath	2,021	-	2,021	-
Krishna	827	9,110	9,937	26,206
Urban DOTS	1,452	-	1,452	-
LAMB	765	-	765	29,358
Mzimba active case finding	-	7,604	7,604	-
Zambia (core costs)	2,029	-	2,029	-
Bwafwano	-	20,574	20,574	43,300
Murambinda	-	15,318	15,318	2,570
QECH - Malawi	-	-	-	13,723
(c) Support Costs for Grantmaking Expenditure				
UK programme management costs	5,813	-	5,813	7,434
Overseas programme officer	8,215	-	8,215	12,280
India (core costs)	13,982	-	13,982	6,572
	36,335	82,538	118,873	157,855
(ii) Awareness Costs (Direct Service)				
Staff costs	5,179	27,276	32,455	10,348
Raising awareness - general	152	6,350	6,502	6,714
Raising awareness - leaflets	1,815	3,400	5,215	8,005
Newsletter/annual report	3,087	507	3,594	2,692
Conferences/exhibitions/advertising	325	404	729	1,321
	10,558	37,937	48,495	29,080
(iii) Advocacy Costs (Direct Service)				
Press advertising	800	-	800	-
PR consultancy	-	6,000	6,000	-
Other	269	-	269	-
	1,069	6,000	7,069	-
	47,962	126,475	174,437	186,935

TB ALERT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

3 RESOURCES USED (Continued)

	Unrestricted funds	Restricted funds	Total 2006	Total 2005
	£	£	£	£
d) Governance costs				
Meetings	1,075	-	1,075	621
Audit fees	1,762	-	1,762	1,812
Other	381	-	381	314
	3,218	-	3,218	2,747
e) Other resources expended				
Administrative staff costs	4,012	-	4,012	3,520
Bad debt writeoff	838	-	838	-
Other	794	-	794	879
	5,644	-	5,644	4,399
 Total Resources Expended	92,771	126,475	219,246	221,104

Payments were made to four Trustees during the year totalling £4,008. These consisted of reimbursement of expenses (mainly travel, subsistence, venue hire and entertainment costs) of £1,353 incurred in relation to fundraising, governance and administration activities and £2,655 directly related to charitable activities.

4 TRANSFER TO DESIGNATED FUND

	Unrestricted funds	Restricted funds	Total 2006	Total 2005
	£	£	£	£
Fund to facilitate hire of director	(60,000)	60,000	-	-

5 NET INCOMING RESOURCES

	2006	2005
	£	£
This is stated after charging:		
Auditor's remuneration	1,762	1,812
Indemnity Insurance	319	308
Depreciation	-	-

TB ALERT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

6 STAFF COSTS

	2006	2005
	£	£
Wages and salaries	72,647	42,570
Social security costs	5,827	4,881
Pension costs	3,934	6,042
	<u>82,408</u>	<u>53,493</u>
Number of employees in the UK:		
Fundraiser	1	1
Awareness officer	1	-
Project officer	-	1

No employee received emoluments in excess of £60,000 in the year.

7 CASH AT BANK

	2006	2005
	£	£
Current account	42,277	28,863
Money market investment	116,614	40,000
	<u>158,891</u>	<u>68,863</u>

8 DEBTORS

	2006	2005
	£	£
Trade debtors	3,151	922
Other debtors	5,988	28,061
Prepayments	1,202	278
Gift aid receivable	8,464	2,860
	<u>18,805</u>	<u>32,121</u>

9 CREDITORS

	2006	2005
	£	£
Trade creditors	-	9
Accruals	1,900	1,900
Other creditors (amounts due to projects)	3,750	19,621
Deferred income	36,500	-
	<u>42,150</u>	<u>21,530</u>

Provision has been made for the audit fee in respect of these accounts. Deferred income arises from a grant and donation in respect of 2006-07 activity.

The charity has made no firm commitments in respect of its grant-making activity that are not reflected in these accounts.

TB ALERT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

10 FUNDS BREAKDOWN

	2006	2005
	£	£
Unrestricted funds	47,096	64,326
UK awareness officer (DOH)	1,663	-
TB awareness - Zambia	5,641	-
UK hardship fund	-	530
Bwafwano, Zambia	3,402	3,227
EHA Nav Jivan Hospital TB programme	1,419	-
Murambinda Hospital	12,734	5,280
Mzimba active case finding	-	2,500
South Africa	3,591	3,591
Designated fund (director)	60,000	-
	<u>135,546</u>	<u>79,454</u>

	Restricted Funds at 1 April 2005	Restricted Income	Transfers	Restricted Expenditure	Unrestricted Expenditure	Total Expenditure	Restricted Funds at 31 March 2006
UK awareness officer (DOH)	-	33,500	-	31,837	-	31,837	1,663
Awareness - general	-	2,700	-	2,700	8,743	11,443	-
Awareness leaflets/translations	-	3,400	-	3,400	1,815	5,215	-
TB Survival project	-	500	-	500	-	500	-
TB awareness - Zambia	-	5,641	-	-	-	-	5,641
Treatment diaries/packs	-	1,688	-	1,688	5	1,693	-
UK hardship fund	530	2,000	-	2,530	1,205	3,735	-
UK advocacy -general	-	6,000	-	6,000	1,069	7,069	-
Bwafwano, Zambia	3,227	20,749	-	20,574	-	20,574	3,402
EHA Nav Jivan Hospital TB programme	-	5,047	-	3,628	-	3,628	1,419
GMLF	-	10,934	-	10,934	-	10,934	-
Murambinda Hospital	5,280	22,772	-	15,318	-	15,318	12,734
VHAD	-	10,652	-	10,652	21	10,673	-
Mzimba Active Case finding	2,500	5,104	-	7,604	-	7,604	-
Krishna	-	9,110	-	9,110	827	9,937	-
South Africa	3,591	-	-	-	-	-	3,591
Designated Fund (Director)	-	-	60,000	-	-	-	60,000
	<u>15,128</u>	<u>139,797</u>	<u>60,000</u>	<u>126,475</u>	<u>13,685</u>	<u>140,160</u>	<u>88,450</u>

	01/04/2005	Un- restricted Income	Transfers	Unrestricted Expenditure	31/03/2006
Unrestricted	64,326	135,541	(60,000)	92,771	47,096

The balances on the restricted funds will be used to continue to fund the project to which they relate. Descriptions of these projects are set out on page 6.

TB ALERT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

10 FUNDS BREAKDOWN (Continued)

Detailed information on the Department of Health grant towards the UK Awareness Officer's costs is as follows:

Department of Health Grant

	2006
Income:	£
Grant received from Department of Health	33,500
Expenditure:	
Staff costs -	
Wages and salaries	22,638
Social security costs	930
Pension costs	2,345
Recruitment and travel expenses	1,363
Office costs	976
Costs of evaluation and dissemination of information	3,585
	<u>31,837</u>
	<u>1,663</u>

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Current assets	48,996	128,700	177,696
Current liabilities	1,900	40,250	42,150
Net Assets at 31 March 2006	<u>47,096</u>	<u>88,450</u>	<u>135,546</u>