



PAUL O'GORMAN LIFELINE

Charity number 1108060

Trustees' Report for the period to 31 December 2009

Reference and Administrative Details of the Charity, its Trustees and Advisers

The full name of the Charity is Paul O'Gorman Lifeline registered number 1108060.

The Charity was entered into the Central Register of Charities with effect from 14th February 2005, Registered Number 1108060 and is subject to the Declaration of Trust dated 17th December 2004.

The Trust deed requires the Trust to be administered by a body of Trustees, as named below.

Carolyn D.K Finlay-Notman	appointed 17th December 2004
Jeremy G Seddon	appointed 17th December 2004
Rodney G Seddon (Chairman & Treasurer)	appointed 17th December 2004
Patrizia Drago	appointed 1 st January 2007

ADDRESS

Long Barn, Houghton, Arundel, West Sussex BN18 9LN
E-mail lifeline@venik.freeserve.co.uk Website: www.lifelinegb.org

BANKERS

Bank of Scotland, Edinburgh Branch

AUDITORS

Manser Hunot, Highland House, Albert Drive, Burgess Hill, West Sussex RH15 9TN

MEDICAL ADVISERS

Dr. Judith E Kingston, London, UK
Dr. Simone Cesaro, Verona, Italy

Structure, Governance and Management

The charity is managed by its trustees. It had no employees in 2009, but in January 2010 it has employed a manager tasked with fund-raising and developing plans for the long-term continuity of the charity.

Day to day executive management is carried out by the Chairman, but the Trustees consult on all significant policy and management matters.

The governing document is a trust deed and the charity is constituted as a trust.

It is the intention of the trustees to seek further trustees in the years ahead, and the recruitment and appointment of new trustees will be determined by their qualifications in the fields in which we are working, their experience of charity governance and their ability to contribute positively to the achievement and furtherance of the charity's objects.

The policies and procedures adopted for the induction and training of trustees:

The charity has a written policy document "Declaration of Trustee eligibility, and policy regarding new trustees and employees". New trustees will be given all documents about the current operation of the charity, its policies and plans for the future. Discussion between existing and new trustees will confirm that a new trustee understands the information and considers it sufficient to permit him/her to fulfil the functions and responsibilities of trustee.



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The organisational structure of the charity and how decisions are made:

The charity has two main activities:

i) supporting medical projects in the countries where we work aimed at improving facilities for the treatment of children with life-threatening conditions. This includes providing medicines or money to buy medicines for individual patients in the countries where we work.

ii) arranging medical treatment abroad for children with life-threatening conditions for whom medical treatment is not available in their home country. We have written procedures setting out how this is carried out, how patients are assessed and accepted and how treatment is arranged. These procedures have been agreed by the trustees and the charity's medical advisers, and the Chairman implements them in co-operation with the medical advisers.

The charity works very closely with Lifeline Italia ONLUS, an Italian charity. The Chairman of Paul O'Gorman Lifeline is a 'consigliere' (equivalent to trustee) of Lifeline Italia ONLUS and the President of Lifeline Italia is a trustee of Paul O'Gorman Lifeline. For the patients who go to Italy for treatment, Lifeline Italia arranges their accommodation, travel and living support while they are in Italy. The Italian and the UK charities jointly liaise with hospitals and jointly support the patients (socially and financially). Lifeline Italia receives funding of its own, and also applies for Italian grants. The trustees of both the UK and Italian charities consider the joint income of the two charities when deciding how many patients can be accepted and where they are treated. We enjoy the closest possible relationship with our Italian colleagues with whom we are in daily contact.

In this report, and in our work generally, we refer to 'Lifeline' which encompasses the efforts and resources of Paul O'Gorman Lifeline and Lifeline Italia.

In Georgia, Kyrgyzstan, Russia and Ukraine, we have excellent working relationships with local charities and the success of our work is due in no small part to these relationships.

The trustees of Paul O'Gorman Lifeline take this opportunity to thank the many colleagues who help our activities, particularly:

Georgia:	"Charity Foundation of Badri Patarkatsishvili"
Germany:	University of Freiburg Division of Pediatric Hematology and Oncology
Italy:	"Lifeline Italia ONLUS"
Kyrgyzstan:	Charity "Juravlik Nadegzdy"
Russia:	Charity "MBOO Venik"
Ukraine:	"Children of Chernobyl Relief and Development Fund" and "Live Tomorrow"
UK:	"Children with Leukaemia"/"Children with Cancer UK"

We also thank the many hospitals and other charities in Italy, the UK and the above countries for their collaboration and help. We particularly thank our medical advisers who freely and generously give their time and expertise, and the many volunteers who interpret for and provide moral support for our patients and families.



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RISK ASSESSMENT

1. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and procedures are being established to manage those risks. Some of these require on-going work, for instance the long-term continuity of the charity and minimising its current dependence on key personnel.
2. **FUNDING** – we are grateful to Children with Leukaemia who have advised that they hope to continue their long-standing support for our work. But the demands for treatment and medicines increase year by year and we need to find additional funding if we are to meet these needs. Our funding is sufficient for 2010.
3. **CURRENCY RATES** – more than 90% of the charity's payments are made in € (euros) and so the bulk of our assets are held in euros. The €:£ exchange rate continued to be volatile during 2009 which affected the rate at which we can exchange new £ sterling donations. We continue to keep exchange rates under close review regarding converting future donations into euros.
4. **SECURITY OF BANK CASH DEPOSITS** –there is still no guarantee for the deposits of charities in UK clearing banks, only for private depositors. We continue to hold the majority of our assets in € euros fixed interest bonds.
5. **LONG-TERM NEEDS OF OUR PATIENTS** - the trustees are very conscious of the importance of risk assessment and management, particularly as many of our patients will require medium/long-term treatment and follow-up. We need to find a solution to the long-term needs of our patients, and in the future we will consider allocating a cash reserve for these obligations.

It is a priority to address all these questions of risk and find satisfactory solutions – we cannot claim that we have solved them all already, but we will continue to work to find early and satisfactory answers.



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Charity number 1108060

Trustees' Report for the period to 31 December 2009

OBJECTIVES AND ACTIVITIES

The objects of the charity as set out in its governing document are:

- 1) the relief of children and young adults suffering from leukaemia and other cancers.
- 2) to relieve sickness and to preserve the health of children and young adults suffering from leukaemia and other cancers by providing or assisting in the provision of equipment, facilities and services.
- 3) to provide assistance and support to children and young adults in need anywhere in the world, by such means as is charitable at law.

In practice our work comprises:

- a) trying to improve medical facilities in the countries where we work (mainly Georgia, Kyrgyzstan and Ukraine) mainly in the field of haematology and oncology.
- b) arranging treatment for children and young people suffering from life-threatening conditions where facilities do not yet exist to treat them in their own country.
- c) providing financial support, mainly by buying medicines, for poor families who cannot pay for life-saving drugs for treatment in their own countries (in all of the countries where we work families are expected to pay for the majority of drugs).

Our wish is that as soon as possible facilities should be developed so that we no longer have to bring children abroad for treatment, but we regret to say that progress towards this aim is very slow. A large part of the problem is that the diseases our patients suffer from require very expensive treatments, and their home countries are simply too poor to afford either all the medicines or the hospital facilities to provide, for example, stem cell transplantation. The only way to overcome this obstacle in the short/medium term would be if we could find sponsors for large amounts of money so that we would not have to require the governments to contribute matched funding. Countries like Georgia, Kyrgyzstan and Ukraine are unlikely to have sufficient wealth in the near future to be able to progress the projects we have proposed for them.

The charity recognises the need to develop a strategy for the support of existing patients who relapse or develop second malignancies or other long-term consequences of their treatment. The charity has already started to develop patient-held treatment summaries with advice on surveillance of late effects to assist clinicians who may become involved with the care of these patients in the future.

Patients

During 2009 we dealt with 153 referrals (including patients already under treatment at the start of 2009) of whom 57 were new referrals in 2009 (2008 = 45). 47 (2008 = 32) children travelled abroad for treatment and 10 stem cell transplants were performed.

At the end of 2009 seventy nine patients were under active treatment or review, and each week we receive new referrals. Most of our patients now go to Italy for cost reasons (as well as the excellence of their hospitals) and in 2009 our colleagues in Lifeline Italia looked after 118 children and accompanying relatives, an increase of 60% over 2008. Our 2009 patient numbers were:

Georgia:	22
Kyrgyzstan	58
Russia	9
Ukraine	57
Others	7

In addition, Lifeline provided chemotherapy and other drugs for 32 children in Ukraine and several hundred in Kyrgyzstan. We currently fund 75% of Kyrgyz paediatric oncology medicines, although we hope that in the future additional support will be received from the International Monetary Fund.



PAUL O'GORMAN LIFELINE

Charity number 1108060

Trustees' Report for the period to 31 December 2009

Financial Review

The charity received donations of £1,501,030 in the period (2008 = £251,881) plus interest receivable of £161,060 (2008 = £45,929) making total income of £1,662,090 (2008 = £297,810). Expenditure was £1,637,664 (2008 = £400,203).

Income

We are grateful once again to donors in Italy, and particularly the support that Lifeline Italia receives from regional government authorities. In 2009 our patients again benefited from humanitarian grant aid from various Italian Regions, representing more than €1 million and thereby greatly increasing our budget and the number of patients we can accept. Regrettably no equivalent humanitarian programmes appear to exist in the United Kingdom, which would enable us to bring more patients to the UK.

We are also very grateful to Children with Leukaemia for their donations in 2009.

And finally we would like to thank our auditors, Messrs. Manser Hunot of Burgess Hill, West Sussex, for auditing the charity's accounts since inception without charge. We greatly appreciate their generosity.

Reserves

Once we accept a patient for treatment our procedure is to make a full financial provision for the costs of treatment. Because of delayed hospital billing this provision, or designation of our funds, is essential to meet our commitments. The 2009 designated amount of £1,569,675 (2008 = £1,060,000) is a provision for the costs of patients already accepted. We anticipate this reserve will be progressively paid out over the next 2 years as these patients complete treatment.

Investment policy

We keep the majority of our reserves in euros fixed interest bonds.

Future income

Due to the indication from Children with Leukaemia that they will continue to support our work, our funding for 2010 is secure - we thank them most sincerely. But the charity urgently needs to find additional sponsors to continue and expand its work, both in patient care and to effect improvements to overseas medical facilities.



PAUL O'GORMAN LIFELINE

Charity number 1108060

Trustees' Report for the period to 31 December 2009

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 Venik Trust and of the results for that period. In preparing those accounts the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, subject to any material departures being disclosed and explained in the accounts;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed R.G. SEDDON

Trustee

Signed J.G. SEDDON

Trustee

AUDITOR'S REPORT TO THE TRUSTEES OF THE

PAUL O'GORMAN LIFELINE

We have audited the financial statements for the period ended 31 December 2009 set out on pages 8 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

Respective responsibilities of trustees and auditors

As described on page 6 the charity's trustees are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion on those statements, based on our audit, and to report our opinion to you.

Basis of opinion

We conducted our audit under s43 of the Charities Act 1993 and in accordance with regulations made under s44 of that Act, and in accordance with auditing standards issued by the Auditing Practices Board. An audit includes an 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 in the preparation of the financial statements, and an assessment of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit in order to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, 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 of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources for the period then ended, and have been properly prepared in accordance with the Charities Act 1993.

Highland House
Albert Drive
Burgess Hill
West Sussex
RH15 9TN



MANSER HUNOT
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITOR

Dated 19/05/2010

PAUL O'GORMAN LIFELINE

STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD TO 31ST DECEMBER 2009

	Notes	Unrestricted Funds	Restricted Funds	Total 2009	Total 2008
INCOMING RESOURCES					
Voluntary Income	2	£1,501,030	£ -	£1,501,030	£ 251,881
Investment Income - Interest		161,060	-	161,060	45,929
Total Incoming Resources		<u>£1,662,090</u>	<u>£ -</u>	<u>£1,662,090</u>	<u>£ 297,810</u>
RESOURCES EXPENDED					
Charitable Activities	3	£1,637,545	£ -	£1,637,545	£ 400,203
Management and Administration		119	-	119	-
Other Resources Expended		-	-	-	-
Total Resources Expended		<u>£1,637,664</u>	<u>£ -</u>	<u>£1,637,664</u>	<u>£ 400,203</u>
INCOMING RESOURCES BEFORE TRANSFERS					
		£ 24,426	£ -	£ 24,426	£ (102,393)
Transfers Between Funds		-	-	-	-
NET INCOMING RESOURCES					
		£ 24,426	£ -	£ 24,426	£ (102,393)
Gains/(Losses) on Investment Income		927,396	-	927,396	238,352
NET MOVEMENT IN FUNDS					
Fund Balances Brought Forward		1,061,090	-	1,061,090	925,131
Fund Balances Carried Forward at 31st December 2009		<u>£2,012,912</u>	<u>£ -</u>	<u>£2,012,912</u>	<u>£1,061,090</u>

The notes on page 10 to 11 form part of these accounts

PAUL O'GORMAN LIFELINE

BALANCE SHEET AS AT 31ST DECEMBER 2009

	Notes	2009	2008
FIXED ASSETS			
Tangible Assets	4	£1,951,289	£1,295,478
CURRENT ASSETS			
Debtors	5	£ 4,175	3,559
Cash at Bank		<u>57,648</u>	<u>12,053</u>
		61,823	15,612
CURRENT LIABILITIES			
Creditors - Amounts falling due within one year	6	<u>200</u>	<u>250,000</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>61,623</u>	<u>(234,388)</u>
NET ASSETS		<u>£2,012,912</u>	<u>£1,061,090</u>
FUNDS			
Unrestricted	7		
General		£ 443,237	£ 1,090
Designated		<u>1,569,675</u>	<u>1,060,000</u>
		<u>£2,012,912</u>	<u>£1,061,090</u>

The notes on page 10-11 form part of these accounts

R.G. Seddon. J.G. Seddon

As Trustees of Paul O'Gorman Lifeline

Dated: 17th May 2010

PAUL O'GORMAN LIFELINE

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2009

1 ACCOUNTING POLICIES

GENERAL

These accounts have been prepared under the historical cost convention, and are in accordance with applicable accounting standards and the Statement of Recommended Practice on accounting by Charities.

DONATIONS

All donations are accounted for in the period they are received.

CASH FLOW

The accounts do not include a cash flow statement because the Trust, as a small reporting entity, is exempt from preparing such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

2 INCOMING RESOURCES

Donations of £1,501,030 were received in the year (2008 - £251,881).

3 CHARITABLE ACTIVITIES

£1,621,765 of this expenditure was the provision of funding to Lifeline Italia to enable them to accept patients for treatment.

4 TANGIBLE FIXED ASSETS

	2009	2008
Investments - Listed Securities		
At 1st January 2009	£ 867,306	£ -
Additions	5,615,357	699,509
Disposals	(5,698,215)	-
Net Gain/(Loss) on transactions/revaluation	916,841	167,797
Value at 31st December 2009	<u>£ 1,701,289</u>	<u>£ 867,306</u>
Guaranteed Bank Deposits	£ -	£ 428,172
Loan - repayable within 2 - 5 years	£ 250,000	£ -
Total Fixed Assets at 31st December 2009	<u>£ 1,951,289</u>	<u>£ 1,295,478</u>

5 DEBTORS

Accrued Interest	<u>£ 4,175</u>	<u>£ 3,559</u>
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6 CREDITORS - Amounts falling due within one year

Loan	£ -	£ 250,000
Sundry Creditors and Accruals	200	-
	<u>£ 200</u>	<u>£ 250,000</u>

PAUL O'GORMAN LIFELINE

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2009

7 DESIGNATED FUNDS

The Trustees have designated £1,569,675 of unrestricted funds to partially cover the costs of transport, accommodation and medical expenses of children already accepted for treatment.

8 ASSETS AND LIABILITIES SPLIT BY FUND

	Fixed Assets	Current Assets	Current Liabilities	Fund Balance
Unrestricted				
General	£ 381,614	£ 61,823	£ (200)	£ 443,237
Designated	1,569,675	-	-	1,569,675
Total	<u>£ 1,951,289</u>	<u>£ 61,823</u>	<u>£ (200)</u>	<u>£ 2,012,912</u>