

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2013  
FOR  
BABY MILK ACTION  
(A COMPANY THE LIABILITY OF WHOSE  
MEMBERS IS LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 30 SEPTEMBER 2013**

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**BABY MILK ACTION  
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**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**DIRECTORS:**

F Duby  
H Simon  
P Buchanan  
S Saunby  
J Neesam

**SECRETARY:**

L C Woodburn

**REGISTERED OFFICE:**

34 Trumpington Street  
Cambridge  
CB2 1QY

**REGISTERED NUMBER:**

01924050

**AUDITORS:**

Chater Allan LLP  
Chartered Accountants  
& Statutory Auditors  
Beech House  
4a Newmarket Road  
Cambridge  
Cambridgeshire  
CB5 8DT

**BABY MILK ACTION  
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**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

The directors present their report with the financial statements of the company for the year ended 30 September 2013.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2012 to the date of this report.

F Duby  
H Simon  
P Buchanan  
S Saunby  
J Neesam

Other changes in directors holding office are as follows:

R O'Leary ceased to be a director after 30 September 2013 but prior to the date of this report.

**STATUS**

The company is limited by guarantee. The liability of each member is limited to £1. The company has been granted exemption from the use of the word Limited as part of its name under the Companies Acts.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Chater Allan LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**BABY MILK ACTION  
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**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

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

**ON BEHALF OF THE BOARD:**

.....  
L C Woodburn - Secretary

Date: .....

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BABY MILK ACTION**

We have audited the financial statements of Baby Milk Action for the year ended 30 September 2013 on pages six to eleven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BABY MILK ACTION**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Stuart Graham Berriman (Senior Statutory Auditor)  
for and on behalf of Chater Allan LLP  
Chartered Accountants  
& Statutory Auditors  
Beech House  
4a Newmarket Road  
Cambridge  
Cambridgeshire  
CB5 8DT

Date: .....

**BABY MILK ACTION  
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**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

	Notes	2013 £	2012 £
<b>INCOME</b>	2	121,689	117,243
Direct costs		70,491	68,658
<b>GROSS SURPLUS</b>		51,198	48,585
Administrative expenses		45,922	44,001
		5,276	4,584
Other operating income		-	(56)
<b>OPERATING SURPLUS and SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	5,276	4,528
Tax on surplus on ordinary activities	5	-	-
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		5,276	4,528

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the surpluses for the current year or previous year.



**BABY MILK ACTION (REGISTERED NUMBER: 01924050)**  
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**BALANCE SHEET**  
**30 SEPTEMBER 2013**

	Notes	2013	2012
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	7	1,345	1,882
<b>CURRENT ASSETS</b>			
Stocks		6,454	7,702
Debtors	8	3,743	5,433
Cash at bank and in hand		8,737	6,965
		<u>18,934</u>	<u>20,100</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	6,528	13,507
<b>NET CURRENT ASSETS</b>		<u>12,406</u>	<u>6,593</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>13,751</u></u>	<u><u>8,475</u></u>
<b>RESERVES</b>			
Income and expenditure account	10	<u>13,751</u>	<u>8,475</u>
	13	<u><u>13,751</u></u>	<u><u>8,475</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on ..... and were signed on its behalf by:

.....  
S Saunby - Director

**BABY MILK ACTION  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Financial reporting standard number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Revenue**

Revenue represents monies received from sponsoring organisations, subscriptions, donations and sales, excluding value added tax, of publications and materials as shown in note 2 to the full financial statements.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 33% on cost and 25% on reducing balance

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into the profit and loss account for the year

**2. INCOME**

The income and surplus before taxation are attributable to the one principal activity of the company.

**3. STAFF COSTS**

	2013	2012
	£	£
Wages and salaries	55,452	56,983
Social security costs	4,560	4,801
Other pension costs	2,512	2,474
	<hr/>	<hr/>
	62,524	64,258
	<hr/> <hr/>	<hr/> <hr/>

**BABY MILK ACTION  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**3. STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

	2013	2012
Campaign	1	1
Administration	1	1
	<u>2</u>	<u>2</u>

There are four part time workers; the above numbers represent full time equivalents.

**4. OPERATING SURPLUS**

The operating surplus is stated after charging/(crediting):

	2013	2012
	£	£
Hire of plant and machinery	1,228	1,173
Depreciation - owned assets	537	665
Loss on disposal of fixed assets	-	56
Auditors' remuneration	2,200	2,060
Foreign exchange differences	81	(2)
	<u>      </u>	<u>      </u>
Directors' remuneration and other benefits etc	-	-
	<u>      </u>	<u>      </u>

**5. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 30 September 2013 nor for the year ended 30 September 2012.

**6. PENSION COSTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,512 (2012: £2,474)

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**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**7. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 October 2012 and 30 September 2013	9,283
<b>DEPRECIATION</b>	
At 1 October 2012	7,401
Charge for year	537
At 30 September 2013	7,938
<b>NET BOOK VALUE</b>	
At 30 September 2013	1,345
At 30 September 2012	1,882

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013 £	2012 £
Trade debtors	745	2,325
Other debtors	2,998	3,108
	<u>3,743</u>	<u>5,433</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013 £	2012 £
Trade creditors	3,003	4,639
Taxation and social security	1,185	1,346
Other creditors	2,340	7,522
	<u>6,528</u>	<u>13,507</u>

**10. RESERVES**

	Income and expenditure account £
At 1 October 2012	8,475
Surplus for the year	5,276
At 30 September 2013	<u>13,751</u>

**11. RELATED PARTY DISCLOSURES**

The company is controlled jointly by the directors.

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**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**12. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

**13. RECONCILIATION OF MOVEMENTS IN RESERVES**

	2013	2012
	£	£
Surplus for the financial year	5,276	4,528
<b>Net addition to reserves</b>	<b>5,276</b>	<b>4,528</b>
Opening reserves	8,475	3,947
<b>Closing reserves</b>	<b>13,751</b>	<b>8,475</b>

**14. GOING CONCERN**

The company's ability to continue as a going concern is based on maintaining cost control and securing grants, donations and other income as forecast in the company's budget.

The directors have considered the financial position of the company and believe it is well placed to manage its business risks successfully. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus continuing to adopt the going concern basis of preparation in preparing the financial statements.