

MAKE-A-WISH FOUNDATION® UK
(Company Limited by Guarantee)

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2010

Registered Charity Number (England and Wales): 295672

Registered Charity Number (Scotland): SC037479

Company Number: 2031836

MAKE-A-WISH FOUNDATION UK
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2010

CONTENTS	Page
Report of the Trustees	1-6
Independent Auditors' Report	7-8
Statement of Financial Activities	9
Consolidated and Charity Balance Sheets	10
Notes to the financial statements	11-19

MAKE-A-WISH FOUNDATION UK
REPORT OF THE TRUSTEES
YEAR ENDED 31ST DECEMBER 2010

The Trustees, who are also directors and members of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and the group for the year ended 31 December 2010. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number

2031836 (England and Wales)

Registered Charity Numbers

295672 (England and Wales)
SC037479 (Scotland)

Registered office

329 - 331 London Road
Camberley
Surrey
GU15 3HQ

Trustees

A C Buxton
M L D Cash
J Hinds
P Jacobs
M Jones
D Maloney Chairman
T Seidenstein
D G Stedman
J A Watson
P Carte (appointed 21 February 2011)

Senior Management Team

Neil Jones	Chief Executive
Lynne Mackintosh	Director of Finance
Karen England	Director of Fundraising
Fiona Brydon	Head of PR and Celebrities
Emma Cronin	Head of Volunteering
Joanne Micklewright	Head of Wishgranting

Company Secretary

N P Jones

Auditors

haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

MAKE-A-WISH FOUNDATION UK

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31ST DECEMBER 2010

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Solicitors

Penningtons
Highfield
Brighton Road
Godalming
Surrey GU7 1NS

Principal Bankers

Lloyds TSB Plc
1st Floor
Navigation House
Walnut Tree Close
Guildford
Surrey GU1 4TR

MAKE-A-WISH FOUNDATION UK

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31ST DECEMBER 2010

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated on 26th June 1986. It is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment, appointment and induction of new trustees

The Company's Articles of Association provide for a minimum of 4 and maximum of 12 Trustees and where there is a requirement for new Trustees these would be identified and appointed by the Chairman and existing Trustees. The Chairman and Chief Executive are responsible for the induction of any new Trustees, which involves awareness of a Trustee's responsibilities and the history and philosophical approach of the charity.

Organisational structure

The Trustees delegate the day-to-day running of the charity to the Chief Executive and he, in turn, works with senior managers across the organisation. In terms of decision-making, the Trustees' main contribution is at a strategic and major policy level, with the finances of the organisation given greater scrutiny by the Finance Committee and wishes formally considered by the Wishgranting Committee, sub-groups of the Trustees.

The Head Office is in Camberley, Surrey and there are two regional fundraising offices in Belfast and Edinburgh.

Make-A-Wish Foundation UK has a wholly-owned subsidiary, Make-A-Wish Promotions Limited which, in effect, is the trading division of the Foundation. All operating profits of Make-A-Wish Promotions are gifted to Make-A-Wish Foundation UK.

Make-A-Wish Foundation International

Make-A-Wish Foundation UK is affiliated to Make-A-Wish Foundation International and, as such, is a member of the largest wishgranting network in the world: a Make-A-Wish Foundation now exists in thirty six different countries across the globe. Make-A-Wish Foundation UK licenses the name Make-A-Wish and associated marks from Make-A-Wish Foundation International, which in turn licenses the name from Make-A-Wish Foundation of America.

Related parties

Mr Stedman is an employed consultant at Pennington's solicitors and Mr Cash is a partner at the same firm. The charity used the legal services of this firm during the year: these transactions are performed on an arm's length basis. Mr Malcolm Jones is employed at Barclays. The charity started to use Barclays for deposit and investment services in 2011.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. This is done regularly on an informal basis and more formally once a year.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Make-A-Wish Foundation UK is a wishgranting charity that aims to grant magical wishes to children and young people fighting life-threatening illnesses. To do this, we carry out a programme of fundraising activities, the aim of which is to generate enough funds to meet current demand and maintain appropriate cash reserves. We aim to ensure that we can grant a wish to every eligible child who is referred to the organisation in the foreseeable future. By the end of 2010, we had granted nearly 6,500 wishes over more than twenty four years.

Public Benefit

The Trustees confirm that that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit in determining the activities undertaken by the charity.

As a charity, we are keen to emphasise the public benefit that we believe our work provides. We are driven by our children's wishes and the needs and concerns of them and their families. Whether a wish is to be a princess or a policeman for a day, own the latest computer equipment, meet a favourite celebrity or just enjoy some special time away from home with their family, a wish-come-true brings so

MAKE-A-WISH FOUNDATION UK

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31ST DECEMBER 2010

OBJECTIVES AND ACTIVITIES (continued)

Public Benefit (continued)

much to a child's life and provides memories for the family that last a lifetime: it can even provide a turning point in a child's recovery. Our wishes are available to any child or young person, aged 3-17, living in the UK, diagnosed as having a life-threatening illness and who has not previously received a wish from another wishgranting organisation

Significant activities

We recorded an increase of 15% in the wishes granted during the year and, at the same time, grew our income by 6%. Particularly impressive is the fact that this all took place against a background of economic uncertainty, with most charities being adversely impacted. The subsequent surplus recorded during the year has further increased the charity's financial stability: this means that we are now in a position to take a huge stride forward in our long-stated desire to reach 1,000 wishes by 2012 and, ultimately, to achieve our vision that every child in the UK living with a life-threatening illness deserves a Make-A-Wish wish.

<u>Year</u>	<u>Number of Wishes</u>	<u>Income</u>
2006	373	£2,930,836
2007	424	£4,162,787
2008	515	£5,018,993
2009	576	£5,219,777
2010	663	£5,513,419

Volunteers and supporters

In all of our activities, we are given great assistance by the efforts of more than 500 volunteers: without them we would only be able to do a fraction of what we do.

We have also been particularly fortunate in the substantial financial support provided by our major corporate supporters, including Cadbury, Fairy, NFU Mutual, Clothes Aid and British Gas. To them, and to all those who gave financial and in-kind assistance during the year, including the many celebrities who have supported our activities, we express our sincere gratitude.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In 2010, Make-A-Wish's income increased from £5,219,777 to £5,513,419. The charity invested £1,582,759 in raising this income, resulting in a balance of £3,930,660 available to be spent in furtherance of the charity's objectives. During the year £3,645,530 was spent on these charitable activities and the excess income has been carried forward to further the charity's objectives in the future.

In 2010, we began to see the benefits resulting from the restructuring carried out in the previous year. Not only were we able to withstand the prevailing trend and increase our voluntary income but, more importantly, we were able to increase significantly both our wishgranting capacity and the specialist skills we require. This resulted in major improvements in the speed with which we carry out all stages of the wishgranting process, together with an increase in the consistency of the standards to which we grant our wishes across the country. It also meant that we were able to establish a specialist team charged with the responsibility of providing the proper support and guidance to our volunteers that they deserve.

Although we approved the wish of every eligible child referred to us during the year, scheduling difficulties and limitations on availability meant that not all were actually granted during the period. Having set a target for 2010 of some 700 wishes, we granted 663 in the year but actually committed to and or paid for 853 wishes: this latter figure includes 72 wishes which sadly had to be terminated before they could be granted.

Every effort is made to ensure that whilst each wish is individually magical and personal to the child, the organisation of those wishes is as effective and business-like as it can be. As ever, there was an extraordinary range and variety in the wishes our children requested, with wishes revolving around holidays, particularly those involving Disney, or meeting favourite celebrities being the most popular. With year-on-year referrals increasing significantly and an estimated overall figure of 20,000 children in the UK living with a life-threatening illness, we believe we will continue to see the demand for our magical wishes

MAKE-A-WISH FOUNDATION UK

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31ST DECEMBER 2010

FINANCIAL REVIEW

Reserves policy

At the balance sheet date, the total reserves were £4,389,341, all of which is for unrestricted purposes. This figure has already taken into account our commitment towards wishes approved but not yet granted, where we make a full provision for all anticipated costs still to be incurred: for 2010, this amounted to 387 wishes totalling £1,448,827 (2009: 269 wishes, £873,907).

Extending this principle further means that we have an Applications Fund and a Support Fund, to ensure that we are able to meet our commitments to those children who have been referred to the charity but who have not yet reached the stage of having a wish approved: we never want to be in a position where we are unable to meet the expectations of children who turn to Make-A-Wish, due to lack of funding. Consistent with prior year's results, the Trustees also have a Fixed Assets Fund (representing the charities operational headquarters in Camberley) and have transferred the funds tied up in the Charity's fixed assets to this designated reserve. Taken together, these measures mean that the balance of free reserves at 31 December 2010 was £1,319,882 (2009 £1,832,443).

The free reserves are required by the Charity to meet its objectives of granting further wishes and to provide working capital to enable it to progress to completion its long-term development objectives, to protect its current activities and to allow the Trustees to meet their responsibilities and ensure that the Charity continues on a going concern basis. The Trustees constantly examine the needs, risks, challenges and prospects faced by the Charity and consider that these reserves are commensurate with the Foundation's needs for the foreseeable future.

Principal funding sources

Make-A-Wish has a broad funding base, attracting support from a wide range of sources, including fundraising events, commercial arrangements, corporate supporters (large and small) and individual donors (giving on either an ad hoc basis or in a more regular, committed way). The Trustees recognise the importance of developing and maintaining a variety of sources of revenue, thus providing continued stability of income in the future.

FUTURE DEVELOPMENTS

2011 and beyond

Last year, Make-A-Wish continued to grow in terms of both income received and wishes granted. In 2011, we plan to make the biggest step forward in our history, in terms of the wishes we grant – highly appropriate in a year in which we will be celebrating our 25th anniversary. If we achieve our ambition of granting more than 900 wishes in the year, we will leave ourselves well-placed to reach our long-stated goal of granting 1,000 wishes a year by 2012. Although we are also planning to increase our income, it is quite possible that we will still record a modest deficit for the year. We believe that our current financial stability and strong planning skills justify this ambitious approach.

As ever, the Trustees are committed to their vision that every child living in the UK with a life-threatening illness deserves to have their magical Make-A-Wish wish granted. In this context, we believe that the opportunities for Make-A-Wish remain both challenging and exciting beyond 2012: later this year, we will be carrying out a strategic planning exercise to explore new and different ways in which we can grow as an organisation and, most importantly, continue to bring hope and excitement into the lives of the children who we serve.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of the charitable company, are responsible for preparing the Report of the Trustees 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 profit or loss 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;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent

MAKE-A-WISH FOUNDATION UK

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31ST DECEMBER 2010

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

- 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.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

haysmacintyre were appointed during the year and offer themselves for re-appointment at the next Annual General Meeting.

ON BEHALF OF THE BOARD:


D Maloney - Trustee
Date: 16 May 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

MAKE-A-WISH FOUNDATION UK

We have audited the financial statements of Make-A-Wish Foundation UK for the year ended 31 December 2010 which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and the related notes. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 5 & 6, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 (APB'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 group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2010 and of the group's and charitable company's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF (continued)

MAKE-A-WISH FOUNDATION UK

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


Tracey Young, Senior Statutory Auditor
for and on behalf of haysmacintyre, Statutory Auditors

**Fairfax House
15 Fulwood Place
London
WC1V 6AY**

Date: 16 May 2011

MAKE-A-WISH FOUNDATION UK
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR YEAR ENDED 31ST DECEMBER 2010

	Notes	Unrestricted Funds £	Restricted Funds £	2010 Total £	Restated 2009 Total £
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	2,971,303	-	2,971,303	2,314,061
Activities for generating funds	3	2,516,781	-	2,516,781	2,866,713
Investment income	4	25,335	-	25,335	39,003
Total incoming resources		<u>5,513,419</u>	<u>-</u>	<u>5,513,419</u>	<u>5,219,777</u>
RESOURCES EXPENDED					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	5	1,582,759	-	1,582,759	1,135,019
<i>Charitable Activities</i>					
Wishgranting expenses	6	2,921,773	10,000	2,931,773	1,809,997
Wishgranting support costs		713,757	-	713,757	1,035,631
<i>Governance</i>	7	35,613	-	35,613	16,808
Total resources expended		<u>5,253,902</u>	<u>10,000</u>	<u>5,263,902</u>	<u>3,997,455</u>
Net incoming resources	8	259,517	(10,000)	249,517	1,222,322
<i>Other recognised losses</i>					
Loss on revaluation of freehold land and buildings					(160,400)
Net movement in funds	18	259,517	(10,000)	249,517	1,061,922
Total funds brought forward		<u>4,129,824</u>	<u>10,000</u>	<u>4,139,824</u>	<u>3,077,902</u>
Total funds carried forward		<u>£4,389,341</u>	<u>£-</u>	<u>£4,389,341</u>	<u>£4,139,824</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes on pages 11 to 19 form part of these accounts.

MAKE-A-WISH FOUNDATION UK

CHARITY AND GROUP BALANCE SHEETS

Company number 2031836

AT 31ST DECEMBER 2010

	Notes	Group 2010 £	2009 £	Charity 2010 £	2009 £
FIXED ASSETS					
Tangible assets	11	529,000	530,898	522,568	519,667
Investments	12	31	31	33	33
		<u>529,031</u>	<u>530,929</u>	<u>522,601</u>	<u>519,700</u>
CURRENT ASSETS					
Stocks	15	20,849	20,635	20,849	20,635
Debtors	16	796,946	231,216	932,457	231,961
Cash at bank and in hand		4,861,880	4,471,240	4,665,220	4,454,177
		<u>5,679,675</u>	<u>4,723,091</u>	<u>5,618,526</u>	<u>4,706,773</u>
CREDITORS: amounts falling due within one year	17	(1,819,365)	(1,114,196)	(1,751,786)	(1,086,649)
NET CURRENT ASSETS		<u>£3,860,310</u>	<u>£3,608,895</u>	<u>£3,866,740</u>	<u>£3,620,124</u>
NET ASSETS		<u>£4,389,341</u>	<u>£4,139,824</u>	<u>£4,389,341</u>	<u>£4,139,824</u>
FUNDS					
Restricted funds		-	10,000	-	10,000
Unrestricted funds					
General funds		1,319,882	1,832,443	1,319,882	1,832,443
Fixed asset fund		529,000	530,898	529,000	530,898
Support fund		1,513,064	1,201,793	1,513,064	1,201,793
Applications fund		1,027,395	564,690	1,027,395	564,690
TOTAL FUNDS	18	<u>£4,389,341</u>	<u>£4,139,824</u>	<u>£4,389,341</u>	<u>£4,139,824</u>

The financial statements were approved and authorised for issue by the Board of the Trustees on 2011 and were signed below on its behalf by:

.....
Trustee

The notes on pages 11 to 19 form part of these accounts.

MAKE-A-WISH FOUNDATION UK
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2010

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The group financial statements consolidate the financial statements of the parent company and its subsidiary undertakings for the year ended 31 December 2010.

In the charitable company's financial statements, investments in subsidiary undertakings are stated at cost.

Charitable company Statement of Financial Activities

A separate Statement of Financial Activities, dealing with the results of the charitable company, has not been presented as permitted by Section 408 of the Companies Act 2006. A surplus of income over expenditure for the year of £249,518 (2009: £1,061,922) has been dealt with in the financial statements of the charitable company.

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005 and any subsequent amendments or variation to this statement.

Financial Reporting Standard Number 1

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

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income

Income is accounted for on a cash received basis. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Activities for generating funds

Income is accounted for on a cash received and accruals of known income basis unless related to an event scheduled to take place in a later accounting period in which case it is deferred until after the event has taken place. The main sources of income are analysed in the Notes.

Investment income

Investment income reflects the amount receivable for the year.

Subsidiary's income

Sponsorship and royalty income represents net invoiced sales of services, excluding value added tax. The sponsorship income is included in the profit and loss account as it is earned.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Irrecoverable value added tax (VAT)

Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

Cost of generating funds

These costs reflect costs of staff members who are engaged directly in fund raising, and also include the cost of publicity campaigns to generate income, and an appropriated proportion of their use of shared facilities and central services.

1. ACCOUNTING POLICIES (continued)

Cost of generating funds continued

These costs are incurred in relation to the fundraising events which are organised throughout the United Kingdom. As well as the direct costs associated with each event, costs are included in relation to staff members who are engaged directly in fund raising events, publicity costs and an appropriate proportion of their use of shared facilities and central services.

Charitable activities

Liabilities for wish granting expenses are recognised as resources expended as soon as there is a specific commitment creating an obligation and an expectation that a wish will be fulfilled.

Gifts in kind

The Foundation receives the benefit of work carried out by volunteers, the value of which is not included in these accounts. Gifts of a tangible nature are included at their estimated cost.

Gifts for wishes

Gifts donated for wishes are included at their estimated cost. However, the value of time given freely by celebrities in connection with the granting of wishes is not quantifiable and therefore not included in the accounts.

Committed wishes

Wishes that have been committed to at the year end are included in the accounts as a creditor due within one year and are expensed to the Statement of Financial Activities.

Leases

Payments under operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

Cost of administration

These costs are allocated to cost of generating funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Tangible fixed assets

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

Freehold property	- 2% on cost of freehold buildings
Improvements to property	- 25% on cost
Office equipment	- 33% on cost
Computer equipment	- 25% on cost

Tangible fixed assets bought by the company have been capitalised at cost. Assets donated during the year have been capitalised at their estimated purchase cost.

Freehold properties are stated at valuation. Valuations are carried out periodically by external valuers on the basis of existing use value as required by FRS 15 Tangible Fixed Assets.

Stocks

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

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

1. ACCOUNTING POLICIES (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

The Designated funds represents funds earmarked for specific reasons as decided by the Board of Trustees.

Restricted funds are those whose purpose has been restricted by the donor.

Further explanation of the nature and purpose of the each fund is included in the notes to the financial statements.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

2. VOLUNTARY INCOME	2010	Restated 2009
	£	£
Donations	2,603,179	2,097,080
Legacies	368,124	216,981
	<u>£2,971,303</u>	<u>£2,314,061</u>

3. ACTIVITIES FOR GENERATING FUNDS	2010	Restated 2009
	£	£
Fundraising events	1,921,425	2,298,221
Shop income	32,158	17,715
Subsidiary's income	563,198	550,777
	<u>£2,516,781</u>	<u>£2,866,713</u>

2009 fundraising events have been restated to reflect the gross income of activities £2,298,221 (2009 previously stated £2,203,515), which is consistent with the accounting policy in 2010.

4. INVESTMENT INCOME	2010	2009
	£	£
Deposit account interest	<u>£25,335</u>	<u>£39,003</u>

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

5. COSTS OF GENERATING VOLUNTARY INCOME	2010 Total £	Restated 2009 Total £
Staff and related costs	581,047	319,100
Telephone	5,069	21,010
Postage and stationery	43,141	35,338
Fundraising costs	534,771	434,850
Advertising	8,411	13,972
Subscriptions	1,015	740
Agency fees	133,712	128,253
Staffing costs	51,700	13,436
Travelling	19,996	23,911
Sundry expenses	1,056	-
Website costs	32,362	7,500
Equipment	30,750	24,345
Merchandise	25,117	51,264
Payroll giving	47,462	61,300
Subsidiary's expenses	20,777	-
Office costs	46,373	-
	<u>£1,582,759</u>	<u>£1,135,019</u>

2009 fundraising costs have been restated to reflect the gross costs of activities £434,850 (2009 previously stated £340,144), which is consistent with the accounting policy in 2010

6. CHARITABLE ACTIVITIES COSTS - Group and charity

Wish granting expenses	Unrestricted £	Restricted £	2010 Total £	2009 Total £
Travel	680,284	-	680,284	577,819
Accommodation	647,206	-	647,206	469,232
Spending allowance and direct costs	43,239	-	43,239	27,978
Insurance	100,724	-	100,724	83,523
Wish items and sundries	1,450,320	10,000	1,460,320	635,730
Donation	-	-	-	15,715
	<u>£2,921,773</u>	<u>£10,000</u>	<u>£2,931,773</u>	<u>£1,809,997</u>

Wish granting support costs

	Staff and related costs £	Other direct costs £	2010 Total £	2009 Total £
International registration fee		76,288	76,288	59,590
Administration costs	36,982	37,933	74,915	225,230
Finance	-	2,498	2,498	11,276
Office costs	489,466	70,590	560,056	718,304
Legal and professional fees	-	-	-	21,231
	<u>£526,448</u>	<u>£187,309</u>	<u>£713,757</u>	<u>£1,035,631</u>

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

7. GOVERNANCE	2010	2009
	£	£
Trustees Expenses	1,160	2,587
Accountancy Fees	4,453	10,196
Auditors' remuneration	9,945	4,025
Legal & Professional fees	20,055	-
	<u>£35,613</u>	<u>£16,808</u>

8. NET INCOMING RESOURCES	2010	2009
	£	£
Net incoming resources are stated after charging:		
Auditors' remuneration	£9,945	£4,205
Depreciation – owned assets	£46,895	£41,367
	<u>£56,840</u>	<u>£45,572</u>

9. TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

There were no trustees' remuneration or other benefits for the year ended 31 December 2010 nor for the year ended 31 December 2009.

During the year £1,160 was reimbursed to 3 trustees for mileage and telephone costs (2009: £2,587 – three trustees).

10. STAFF COSTS	2010	2009
	£	£
Salaries	968,099	883,667
Social security costs	91,355	84,754
Pension costs	47,939	43,880
	<u>£1,107,393</u>	<u>£1,012,301</u>

The number of higher paid staff whose taxable emoluments falling into higher salary bands were:

	2010	2009
	Number	Number
£60,001 to £70,000	1	-
£70,001 to £80,000	1	1
	<u>2</u>	<u>1</u>

The average number of employees, in terms of full time equivalents and analysed by activity	Number	Number
Wishgranting and PR	12	10
Administration	8	7
Fundraising	14	7
Regional staff	-	10
Volunteer management	3.5	2
	<u>37.5</u>	<u>36</u>

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

11. TANGIBLE FIXED ASSETS	Freehold Property £	Improvement To Property £	Office Equipment £	Computer Equipment £	Total £
Group					
Cost or valuation					
At 1 January 2010	470,000	40,641	72,895	79,375	662,911
Additions	-	-	3,308	41,689	44,997
Disposals	-	-	-	-	-
At 31 December 2010	<u>470,000</u>	<u>40,641</u>	<u>76,203</u>	<u>121,064</u>	<u>707,908</u>
Accumulated depreciation					
At 1 January 2010	-	21,342	52,961	57,710	132,013
Depreciation charge for year	9,400	10,160	11,394	15,941	46,895
Disposals	-	-	-	-	-
At 31 December 2010	<u>9,400</u>	<u>31,502</u>	<u>64,355</u>	<u>73,651</u>	<u>178,908</u>
Net book value					
At 31 December 2010	<u>£460,600</u>	<u>£9,139</u>	<u>£11,848</u>	<u>£47,413</u>	<u>£529,000</u>
At 31 December 2009	<u>£470,000</u>	<u>£19,299</u>	<u>£19,934</u>	<u>£21,665</u>	<u>£530,898</u>
Charity					
Cost or valuation					
At 1 January 2010	470,000	40,641	58,496	79,375	648,512
Additions	-	-	3,308	41,689	44,997
Disposals	-	-	-	-	-
At 31 December 2010	<u>470,000</u>	<u>40,641</u>	<u>61,804</u>	<u>121,064</u>	<u>693,509</u>
Accumulated depreciation					
At 1 January 2010	-	21,342	49,793	57,710	128,845
Depreciation charge for year	9,400	10,160	6,595	15,941	42,096
Disposals	-	-	-	-	-
At 31 December 2010	<u>9,400</u>	<u>31,502</u>	<u>56,388</u>	<u>73,651</u>	<u>170,941</u>
Net book value					
At 31 December 2010	<u>£460,600</u>	<u>£9,139</u>	<u>£5,416</u>	<u>£47,413</u>	<u>£522,568</u>
At 31 December 2009	<u>£470,000</u>	<u>£19,299</u>	<u>£8,703</u>	<u>£21,665</u>	<u>£519,667</u>

Land and buildings were revalued on 18 December 2009 by London Clancy Chartered Surveyors on existing use basis by James Gibb BSc MRICS IRRV.

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

12 FIXED ASSET INVESTMENTS	Listed £	Total £
Group and Charity		
Cost		
At 1 January 2010 and at 31 December 2010	£31	£31
Additions	—	—
Historical cost		
At 31 December 2010	£31	£31
Charity only		
Shares in group subsidiary		£2

13. RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES

The charity has two wholly owned trading subsidiaries, Make-A-Wish Promotions Limited (Promotions) and Make-A-Wish Limited, both of which are incorporated in Great Britain.

Promotions undertake collection of old clothing and sponsorship from Fairy™. A summary of the results of Promotions is shown below.

Make-A-Wish Limited is dormant.

Audited financial statements have been filed with the Registrar of Companies.

Make A Wish Promotions Limited	2010 £	2009 £
Summary Profit and Loss Account		
Royalties	293,035	240,777
Royalties gross profit	293,035	240,777
Sponsorship	270,163	310,000
Total gross profit	563,198	550,777
Administrative expenses	(17,140)	(7,369)
Operating profit for the year	546,058	543,408
Gift aid payment to parent company	546,058	(543,389)
Tax	-	(19)
Retained profit for the year	£-	£-

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

14. RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES (continued)		2010	2009
		£	£
Make-A-Wish Promotions Limited			
The assets and liabilities:			
Fixed assets		6,432	11,231
Current assets		471,926	84,042
Current liabilities		(478,357)	(95,272)
Total net assets		£ 1	£ 1
Aggregate share capital and reserves		£ 1	£ 1
15. STOCKS		Group and Charity	
		2010	2009
		£	£
Finished goods		£20,849	£20,635
16. DEBTORS		Group	Charity
	2010	2009	2010
	£	£	£
Trade debtors	266,129	46,979	140,109
Prepayments and accrued income	530,817	184,237	381,571
Amounts owed by group undertakings	-	-	410,777
	£796,946	£231,216	£932,457
			£231,961
17. CREDITORS: amounts falling due within one year		Group	Charity
	2010	2009	2010
	£	£	£
Trade creditors	132,143	11,000	121,956
Social security and other taxes	68,011	36,170	26,517
Committed wishes	1,448,827	873,907	1,448,827
Accrued expenses	170,384	193,119	154,486
	£1,819,365	£1,114,196	£1,751,786
			£1,086,649

At 31 December 2010 the committed wishes creditor represented wishes 387 at an average remaining cost of £3,744 (2009: 269 at an average cost of £3,200).

MAKE-A-WISH FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2010

18. MOVEMENT IN FUNDS

	Balance 1 January 2010 £	Incoming resources £	Resources expended £	Transfers	Balance 31 December 2010 £
Restricted funds					
Scottish Legacy	10,000	-	(10,000)		-
Unrestricted funds					
General fund	1,832,443	5,513,419	(5,253,902)	(772,078)	1,319,882
Designated funds					
Fixed Asset fund	530,898	-	-	(1,898)	529,000
Support fund	1,201,793	-	-	311,271	1,513,064
Applications fund	564,690	-	-	462,705	1,027,395
	<u>£4,139,824</u>	<u>£5,513,419</u>	<u>£(5,263,902)</u>	<u>£-</u>	<u>£4,389,341</u>

Scottish Legacy – these funds to be held for wishes to be granted in Aberdeenshire city and area. 5 wishes have been granted in this area to date with a total cost of £14,612.

The Fixed Asset Fund reflects the net book value of assets not available for immediate conversion to cash.

Applications Fund - To provide a reserve for applications received based on the conversion to wishes percentage at the average cost of wishes in progress at the end of that financial year.

Support Fund - To reflect the cost of carrying out those wishes and applications in progress over one year.

19. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Fund £	Designated Funds £	Unrestricted Funds £	Total Funds £
Fund balances at 31 December 2010 are represented by				
Tangible fixed assets	-	529,000	-	529,000
Investments	-	-	31	31
Current assets	-	3,989,286	1,690,389	5,679,675
Current liabilities	-	(1,448,827)	(370,538)	(1,819,365)
Total net assets	<u>£-</u>	<u>£3,069,459</u>	<u>£1,319,882</u>	<u>£4,389,341</u>

20. RELATED PARTY DISCLOSURES

At the year end £410,777 was due from Make-A-Wish Promotions Limited (2009: £67,726).

During the year the charity also made payments to Penningtons Solicitors of £12,955 (2009: £19,425) in respect of legal services, a firm in which Mr Stedman was an employee in the year under review. Mr Cash is a partner at the same firm. £0 was outstanding at the year end (2009: £4,025).

21. COMPANY LIMITED BY GUARANTEE

The company does not have share capital and it is limited by guarantee. In the event of the company being wound up, the maximum amount each member is liable to contribute is £1. There were 9 guarantor members at the balance sheet dated 31st December 2010 (2009: 9).

