

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011
FOR
BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8
Trading and Profit and Loss Account	12

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2011

DIRECTORS: R O'Leary
F Duby
H Simon
P Buchanan
S Saunby

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
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

The directors present their report with the financial statements of the company for the year ended 30 September 2011.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of aiming to save infant lives and to end the avoidable suffering caused by inappropriate infant feeding by working within a global network to strengthen independent, transparent and effective controls on the marketing of the baby feeding industry worldwide. The company is non profitmaking and all the resources of the company are committed to the purposes for which the company was established. Income received and not utilised in the period will be utilised in subsequent periods.

REVIEW OF BUSINESS

Baby Milk Action's activities and achievements during the year were as follows:

- Advocacy for the International Code of Marketing of Breastmilk Substitutes and subsequent, Relevant Resolutions of the World Health Assembly in the UK, in national legislation and in international measures.
- Raising awareness and campaigning.
- Working with partners in the International Baby Food Action Network (IBFAN).
- Monitoring baby food companies and reporting violations
- Networking with partners in the UK and coordinating the Baby Feeding Law Group.
- Publishing and marketing materials and resources.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2010 to the date of this report.

R O'Leary
F Duby
H Simon
P Buchanan
S Saunby

Other changes in directors holding office are as follows:

J Dyball - resigned 27 June 2011
Y Wake - resigned 27 June 2011

L Northover ceased to be a director after 30 September 2011 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.

**BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

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 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;
- 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.

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: 26/06/2012

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 2011 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 three, 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. 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 2011 and of its loss 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.

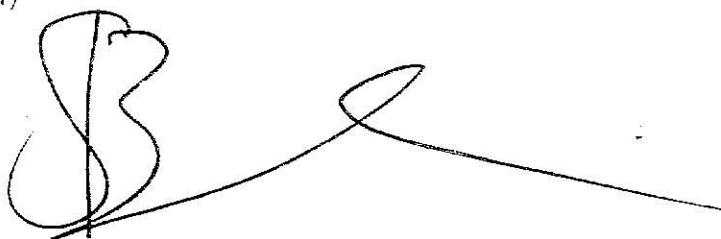
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BABY MILK ACTION**

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 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: 28 June 2012

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Notes	2011 £	2010 £
INCOME	2	113,179	93,527
Direct costs		<u>71,259</u>	<u>58,375</u>
GROSS PROFIT		41,920	35,152
Administrative expenses		<u>43,115</u>	<u>38,294</u>
		(1,195)	(3,142)
Other operating income		<u>-</u>	<u>75</u>
OPERATING LOSS	4	(1,195)	(3,067)
Interest receivable and similar income		<u>4</u>	<u>5</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,191)	(3,062)
Tax on loss on ordinary activities	5	<u>-</u>	<u>4</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(1,191)</u></u>	<u><u>(3,066)</u></u>

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 losses for the current year or previous year.

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

BALANCE SHEET
30 SEPTEMBER 2011

	Notes	2011	2010
		£	£
FIXED ASSETS			
Tangible assets	7	937	1,790
CURRENT ASSETS			
Stocks		7,153	7,569
Debtors	8	3,358	6,968
Cash at bank and in hand		5,288	7,099
		<u>15,799</u>	<u>21,636</u>
CREDITORS			
Amounts falling due within one year	9	12,789	18,288
NET CURRENT ASSETS		<u>3,010</u>	<u>3,348</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>3,947</u></u>	<u><u>5,138</u></u>
RESERVES			
Profit and loss account	10	<u>3,947</u>	<u>5,138</u>
	12	<u><u>3,947</u></u>	<u><u>5,138</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 26 June 2012 and were signed on its behalf by:


 R O'Leary - Director

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

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 profit and loss 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 loss before taxation are attributable to the one principal activity of the company.

3. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	62,193	51,583
Social security costs	5,264	3,678
Other pension costs	2,387	3,186
	<u>69,844</u>	<u>58,447</u>

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

3. STAFF COSTS - continued

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

	2011	2010
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 LOSS

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

	2011	2010
	£	£
Hire of plant and machinery	1,357	1,234
Depreciation - owned assets	1,084	1,076
Auditors' remuneration	2,400	2,050
Foreign exchange differences	(53)	(84)
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	-	-
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows:

	2011	2010
	£	£
Current tax:		
UK corporation tax	-	4
	<u> </u>	<u> </u>
Tax on loss on ordinary activities	-	4
	<u> </u>	<u> </u>

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 £2,387 (2010: £3,186)

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 October 2010	8,020
Additions	231
	<u>8,251</u>
At 30 September 2011	
DEPRECIATION	
At 1 October 2010	6,230
Charge for year	1,084
	<u>7,314</u>
At 30 September 2011	
NET BOOK VALUE	
At 30 September 2011	<u>937</u>
At 30 September 2010	<u>1,790</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade debtors	180	597
Other debtors	3,178	6,371
	<u>3,358</u>	<u>6,968</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	2,510	9,552
Taxation and social security	3,555	1,752
Other creditors	6,724	6,984
	<u>12,789</u>	<u>18,288</u>

10. RESERVES

	Profit and loss account £
At 1 October 2010	5,138
Deficit for the year	(1,191)
	<u>3,947</u>
At 30 September 2011	

11. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

BABY MILK ACTION
(A COMPANY THE LIABILITY OF WHOSE
MEMBERS IS LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued -
FOR THE YEAR ENDED 30 SEPTEMBER 2011

12. RECONCILIATION OF MOVEMENTS IN RESERVES

	2011	2010
	£	£
Loss for the financial year	(1,191)	(3,066)
Net reduction of reserves	(1,191)	(3,066)
Opening reserves	5,138	8,204
Closing reserves	3,947	5,138