

Company Registration No: 3201959
Charity Number: 1055675

Companies House

Chantrey Vellacott DFK

JUBILEE DEBT COALITION
formerly
DROP THE DEBT

FINANCIAL STATEMENTS

31 DECEMBER 2002



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JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING
formerly
DROP THE DEBT

Financial statements for the period ended 31 December 2002

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Chantrey VellacottDFK

Board of Trustees

In accordance with the Articles of Association, all directors retire from office at the Annual General Meeting and are eligible for re-election at the meeting.

A Bradstock

1055675

Solicitors

3201959

Bates, Wells and Braithwaite
London

Bankers

37-39 Great Guildford Street
London
SE1 0ES

Co-operative Bank
9 Prescott Street
London
E1 8QE

CCLA Investment Management Limited
for COIF Charities Deposit Fund
St Alphage House
2 Fore Street
London
EC2Y 5AQ

Chantrey Vellacott DFK
Derngate Mews
Derngate
Northampton
NN1 1UE

JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING
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Report of the Board of Trustees (incorporating the report of the directors)

The Board of Trustees submit their report together with the audited financial statements for the period ended 31 December 2002.

The Board of Trustees

The Board of Trustees constitutes the directors for the purposes of the Companies Act, and as required by the constitution are members of the Charity. They receive no remuneration for their services. The directors who served during the period are as shown on page 1. As referred to in note 1 to the financial statements, the Charity is a company limited by guarantee with no share capital. The liability of each member under guarantee does not exceed the sum of £1.

The trustees are responsible for matters of policy, direction, planning and development relating to the Charity. The trustees meet on a regular scheduled basis.

The day to day operation of the Charity is delegated by the trustees to the full time manager.

Objects

The principal objects of the Charity, as set out in the Memorandum of Association, are the relief of poverty in the Third World; in particular by advancing education relating to the problem of accumulated debts of Third World Countries.

Principal activities

The main activities of the Charity have been to raise money to carry out research, publish and distribute information of the problems of Third World Countries with severe indebtedness.

Review of developments, results for the period and campaign summary

The trustees have been responsible both for Jubilee Debt Coalition and its campaigning arm, Jubilee Debt Campaign, under which it has outworked its charitable purpose.

Jubilee Debt Coalition, under its former name of Drop the Debt, is one of three UK organisations that came into being as a result of the closing down of Jubilee 2000 on 31 December 2000. The Charity changed its name from Drop the Debt to Jubilee Debt Coalition at the end of September 2001, following the completion of work undertaken in the run up to, and over the period of, the 2001 G8 summit in Genoa. The mission of the Charity is to pursue the goal of full debt cancellation for the world's poorest countries, by fair and transparent means.

The first task of Jubilee Debt Coalition, following a specific project to mobilise of popular concern over debt at the 2002 G8 Summit in Genoa, was to regalanise the coalition that constituted Jubilee 2000. From a small base of around a dozen local/regional groups and half-a-dozen national organisations the coalition has, as a result of an ongoing process, grown to around 90 groups and 60 organisations.

The Jubilee Debt Coalition Board and Secretariat have in parallel focussed on developing systems for the provision of good quality information to coalition members. At a fundamental level this has taken the form of monthly briefings to members on both the activities of Jubilee Debt Coalition and on relevant political and economic developments within national and international arenas. Beyond this, Jubilee Debt Coalition has developed a series of factual summaries on themes pertinent to international debt relief processes, as well as a major exposition on the specific issue of the internationally agreed 2015 Millennium Development Goals. Commissioned and disseminated by Jubilee Debt Coalition, and written by sister organisation Jubilee Research, this latter publication (entitled "The Unbreakable Link – Debt and the Millennium Development Goals") argued that the meeting of these goals in Heavily Indebted Poor Countries (HIPC) was unrealistic without complete cancellation of their debts.

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Report of the Board of Trustees (incorporating the report of the directors)

Collaboration with Jubilee Research was emblematic of the work pursued by Jubilee Debt Coalition during this period, in which the Board and Secretariat endeavoured to work closely with individual coalition members on specific projects. Thus a major achievement early in 2002 was the successful promotion by Jubilee Debt Coalition and the World Development Movement of a parliamentary Early Day Motion linking debt cancellation to the achievement of the Millennium Development Goals. This Early Day Motion was one of the best supported of all before the House, commanding the support of a majority of MPs. With the same partners Jubilee Debt Coalition also organised and managed a major speaker tour later in the year, featuring spokespersons from Africa who gave keynote addresses at over 20 meetings around the country as well as giving input to NGO and government seminars and consultations. In a similar fashion, Jubilee Debt Coalition entered into productive co-operation with member organisation CAFOD to devise and mass distribute campaigns materials around the time of the G8 Summit, helping to maintain popular awareness on the matter of the G8's critical actual and potential role in modulating progress on poor country debt (especially that of sub-Saharan Africa).

Equally important has been the effective re-launch of the campaign, tied in to the marking of the Queen's Jubilee Year. This began with the launch of new publicity materials at the beginning of 2002 referring to the objective of a "jubilee for the poor" that remains a unifying theme within the coalition, evolving into a petition to the Queen later in the year, which congratulated her on her Golden Jubilee but also called for an end to unpayable poor country debt. This was signed by over 110,000 people, half of whom being overseas partners and contacts of Jubilee Debt Coalition member organisation, the Mothers' Union.

In terms of definable objectives, as set out in Jubilee Debt Coalition's rolling three-year plan, achievements have been mixed. The coalition's objectives of re-creating substantial parliamentary interest in Third World debt has in no small part been achieved, but awaits fuller realisation.

Similarly significant if small successes have resulted from Jubilee debt Coalition's (and others') lobbying of government, such as official public acceptance that the Millennium Development Goals are off-track in Africa, but conversely there has yet been no recognition of Jubilee Debt Coalition's arguments that debt cancellation needs to be comprehensive to help rectify this outlook. If progress, whilst discernible, has been slow, this can be attributed to the nature of Jubilee Debt Coalition's challenge as compared to Jubilee 2000, namely to "achieve more with less", as well as external factors that have reduced attention of Third World Debt in public and political discourse.

In material terms this period has witnessed an evolution from consolidation to implementation. Jubilee Debt Coalition now has a sound supporter base, significant reserves and a Secretariat that (aside from volunteers) as grown from one full-time staff member to two, with two more part-time staff in the process of being recruited. It has initiated contacts with similar coalitions in Africa and has played a key role in initiating a cross-European campaign effort on debt. The programme of work has commensurately increased, both in terms of scale and the impact that is aimed for. The outcome is perforce uncertain, but the directors and staff are confident that Jubilee Debt Coalition will further increase its ability to articulate the concerns of poor indebted countries in 2003.

The Board and Secretariat wish to thank all those coalition members who continue to give strong support to the work of the coalition, and to the many volunteers without whose efforts the proper functioning of Jubilee Debt Coalition's office would not be possible. Particular gratitude is due to War on Want who have housed the Jubilee Debt Coalition Secretariat free of charge. Similarly, thanks are expressed to all those individuals, groups and organisations that have provided Jubilee Debt Coalition with the financial assistance required for its continued existence.

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Report of the Board of Trustees (incorporating the report of the directors)

The trustees have awarded a grant to Jubilee 2000 USA of £7,877. In addition, grants have been authorised to member organisations in the UK totalling £3,500.

The Charity's subsidiary company, Jubilee Debt Campaign Limited, has contributed a small surplus of £5,549 which will be gift aided to the charity.

The period under review has resulted in net incoming resources of £49,133. This is consistent with the trustees' expectations and this surplus will be added to existing reserves.

Reserves policy

Jubilee Debt Coalition has operated a policy of building up a reserve during 2002 that is large enough to enable prudent expansion of the Secretariat in 2003. The objective is to hold half of this reserve in place for use on 2004, contingent on the success of fundraising efforts, at the end of which year Jubilee Debt Coalition will review its mission.

Risk Review

The trustees have conducted their own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. The trustees continue to review this area on an ongoing basis.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period, which give a true and fair view of the financial activities during the period and of its financial position at the end of the period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

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Report of the Board of Trustees (incorporating the report of the directors) (continued)

Auditors

Chantrey Vellacott DFK were appointed as auditors in the period and have indicated their willingness to continue in office. A resolution to reappoint them will be proposed at the Annual General Meeting.

Approved by the Board of Trustees
and signed on its behalf



Andrew Bradstock
Company Secretary

Date: 27 MARCH 2003

Chantrey Vellacott DFK

JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING
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Independent Auditors' Report to the members of Jubilee Debt Coalition

We have audited the financial statements of Jubilee Debt Coalition for the period ended 31 December 2002 which are set out on pages 8 to 15. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985 and section 43 of the Charities Act 1993. 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 auditor's 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 the charitable 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 described in the Statement of Directors' Responsibilities the company's directors, who are the charitable trustees, are responsible for the preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees and directors' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Trustees' Annual Report and consider whether it is inconsistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board of the Accountancy Foundation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING

Independent Auditors' Report to the members of Jubilee Debt Coalition (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2002 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



CHANTREY VELLACOTT DFK
Chartered Accountants
Registered Auditors

NORTHAMPTON
27 March 2003

Chantrey Vellacott DFK

JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING
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Consolidated statement of financial activities
for the period ended 31 December 2002
(Incorporating an Income and Expenditure Account)

	Notes	Unrestricted funds Total 15 months to December 2002 £	Unrestricted funds Total 9 months to September 2001 £
Incoming resources			
Activities to further the Charity's objectives			
Donations	3	198,016	303,146
Gifts in kind	4	12,500	-
Investment and other income		281	1,501
		<hr/>	<hr/>
Total incoming resources		£210,797	£304,647
		<hr/>	<hr/>
Resources expended			
Cost of generating funds:			
Fund raising and publicity	5	4,864	3,946
Charitable expenditure:			
Grants payable	6	11,377	-
Costs in furtherance of charitable objectives	7	129,005	272,080
Management and administration	8	16,418	11,705
		<hr/>	<hr/>
Total resources expended		£161,664	£287,731
		<hr/>	<hr/>
Net incoming resources for the period		49,133	16,916
Fund balance brought forward at 1 October 2001		23,536	59,388
Amounts repaid to donors		-	(52,768)
		<hr/>	<hr/>
Fund balance carried forward at 31 December 2002		£72,669	£23,536
		<hr/>	<hr/>

All the above amounts relate to continuing operations of the Charity.

The statement of financial activities includes all gains and losses recognised in the period.

The notes on page 10 to 15 form an integral part of these financial statements.

JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING
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Balance sheets as at 31 December 2002

	Notes	Group December 2002 £	Group September 2001 £	Charity December 2002 £	Charity September 2001 £
Current assets					
Debtors	14	-	586	41,540	586
Cash at bank and in hand		86,943	25,888	44,403	25,888
		<u>86,943</u>	<u>26,474</u>	<u>85,943</u>	<u>26,474</u>
Current liabilities: amounts falling due within one year	15	(14,274)	(2,938)	(13,274)	(2,938)
		<u>72,669</u>	<u>23,536</u>	<u>72,669</u>	<u>23,536</u>
Net current assets					
		<u>72,669</u>	<u>23,536</u>	<u>72,669</u>	<u>23,536</u>
Net assets		<u>£72,669</u>	<u>£23,536</u>	<u>£72,669</u>	<u>£23,536</u>
Funds					
Unrestricted		<u>72,669</u>	<u>23,536</u>	<u>72,669</u>	<u>23,536</u>
		<u>£72,669</u>	<u>£23,536</u>	<u>£72,669</u>	<u>£23,536</u>

Signed on behalf of the Board of Trustees

Stephen Rand
Chairperson

Date:

27/3/3

The notes on pages 10 to 15 form part of these financial statements.

JUBILEE DEBT COALITION AND ITS SUBSIDIARY UNDERTAKING
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Notes to the financial statements
for the period ended 31 December 2002

1. Constitution

Jubilee Debt Coalition is a registered charity and is a company limited by guarantee with no share capital.

2. Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2000) issued in October 2000.

(b) Basis of consolidation

The group financial statements consolidate those of the Charity and its subsidiary undertakings drawn up to 31 December 2002. The results of the Charity's trading subsidiary, Jubilee Debt Campaign Limited, are consolidated on a line by line basis.

(c) Incoming resources

- i) Donations are recognised on a receivable basis.
- ii) Grants are accounted for on a receivable basis.
- iii) Gifts in kind are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.
- iv) Interest receivable is recognised on an accruals basis.

(d) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT, which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of the proportion of time spent by staff on those activities.

Grants payable to partner and member organisations are included in the statement of financial activities when approved by the trustees and agreed with the other organisations.

(e) Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for these purposes is charged to the fund together with a fair allocation of overhead and support costs.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the Charity.

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

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Notes to the financial statements
for the period ended 31 December 2002

	15 months December 2002	9 months September 2001
	£	£
3. Donations		
Tudor Trust	-	50,000
R Vere Trust	-	40,000
Network Foundation	-	12,660
Oxfam	26,000	49,000
CAFOD	40,490	20,000
United Reform Church	8,790	8,000
M Wells Trust	-	10,000
J A Clarke Charitable Trust	-	6,000
Universal	-	8,000
Unison/Prairie Trust	-	3,500
Christian Aid	10,400	30,000
Methodist Relief and Development Fund	6,170	5,000
Tearfund	18,800	10,000
AIM	-	10,000
PP Oxford Diocesan Board of Finance	1,000	-
World Development Action	5,000	-
For Lambeth Palace Dr George Carey account	1,000	-
USPG	6,500	-
Leeds Jubilee 2000	1,500	-
G W Cadbury Charitable Trust	10,000	-
Jenni Crisp	1,000	-
Bryan Hancock	2,000	-
Martin Dent	1,000	-
Vivienne Avery	1,000	-
Others (approximately 1,250 under £1,000)	57,366	40,986
	<u>£198,016</u>	<u>£303,146</u>
4. Gifts in kind		
Provision of office and related costs	12,500	-
	<u>12,500</u>	<u>-</u>
The above have been supplied by War on Want.		
In addition, Christian Aid have provided insurance cover for the Charity. The trustees have not been able to quantify the value of this gift.		
5. Fund raising and publicity	£	£
Web site and related cash	4,864	3,946
	<u>4,864</u>	<u>3,946</u>

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Notes to the financial statements
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6.	Grants payable	15 months December 2002	9 months September 2001
		£	£
	Partner organisations	7,877	-
	Member organisations	3,500	-
		<hr/> £11,377	<hr/> £ -
		<hr/>	<hr/>
7.	Costs in furtherance of the Charity's objectives	15 months December 2002	9 months September 2001
		£	£
	Salaries	73,945	110,694
	Research and publications	18,255	22,040
	International campaign costs	2,482	41,665
	Phone, stationery and postage	18,825	31,249
	Travel	1,738	53,952
	Office and other expenses	13,760	12,480
		<hr/> £129,005	<hr/> £272,080
		<hr/>	<hr/>
8.	Management and administration	15 months September 2002	9 months December 2001
		£	£
	Salaries	3,892	5,826
	Auditors' remuneration	2,500	2,938
	Office and other expenses	10,026	2,941
		<hr/> £16,418	<hr/> £11,705
		<hr/>	<hr/>
9.	Income and expenditure account		
	A separate income and expenditure account has not been presented as the figures comprising net income for the period shown in the Statement of Financial Activities on page 8 give the information required under the Companies Act 1985, together with details of other recognised gains and losses.		

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Notes to the financial statements
for the period ended 31 December 2002

	15 months December 2002	9 months September 2001
10. Staff and trustee costs	£	£
Wages and salaries	70,915	104,382
Social security costs	6,922	11,289
Pension costs	-	849
	<hr/>	<hr/>
	£77,837	£116,520
	<hr/>	<hr/>

Average number of employees during the period was 2 (2001: 5).

No employee received emoluments at a rate in excess of £50,000 p.a. during the period (2001: Nil).

None of the trustees, nor any persons related or connected by business to them, received any emoluments from the Charity.

During the period travelling expenses were reimbursed to 4 (2001 : 1) trustees amounting to £907 (2001 : £231).

11. **Net income from trading activities of subsidiaries**

The Charity controls by virtue of board appointment, funding and strategy Jubilee Debt Campaign Limited, a company limited by guarantee, incorporated in England and Wales. - The company is engaged in trading activities on behalf of the Charity. A summary of the trading results is set out below. Audited accounts have been filed with the Registrar of Companies.

	Total 2002
	£
Turnover	7,754
Administration costs	(7,788)
Interest receivable	34
	<hr/>
Retained in subsidiary	£ -
	<hr/>

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Notes to the financial statements
for the period ended 31 December 2002

12. Surplus for the financial year

The surplus for the financial period amounted to £49,133 (2001: £16,916) of which a surplus of £Nil has been dealt with in the accounts of Jubilee Debt Campaign Limited stated after charging:

	Group		Charity	
	2002	2001	2002	2001
	£	£	£	£
Auditors' remuneration	2,500	2,938	1,500	2,938
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. Taxation

Jubilee Debt Coalition is a registered charity and as such, for taxation purposes, is entitled to exemption from United Kingdom taxation under the Income and Corporation Taxes Act 1988.

Corporation tax is payable on profits made by subsidiary companies.

14. Debtors

	Group		Charity	
	2002	2001	2002	2001
	£	£	£	£
Amount owed by subsidiary undertakings	-	586	41,540	586
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£ -	£586	£41,540	£586
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

15. Creditors: amounts falling due within one year

	Group		Charity	
	2002	2001	2002	2001
	£	£	£	£
Trade creditors	1,334	-	1,334	-
Accruals	12,940	2,938	11,940	2,938
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£14,274	£2,938	£13,274	£2,938
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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Notes to the financial statements
for the period ended 31 December 2002

16. Members' liability

The Charity does not have a share capital and is limited by guarantee. In the event of the Charity being wound up, the maximum amount which each member is liable to contribute is £1. There were 5 members at 31 December 2002.

17. Capital commitments

Neither the group nor the Charity had any capital commitments at 31 December 2002 or at 30 September 2001.

18. Contingent liabilities

There were no contingent liabilities at 31 December 2002 or at 30 September 2001.

19. Analysis of net assets

	Unrestricted fund 2002 £	Unrestricted fund 2001 £
Current assets	86,943	26,474
Current liabilities	(14,274)	(2,938)
	<hr/>	<hr/>
	£72,669	£23,536
	<hr/>	<hr/>