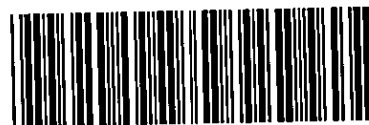


**Report of the Directors and
Financial Statements
for the Year Ended 31 December 2010
for
Development Initiatives Poverty Research
Ltd
(A company limited by guarantee)**

FRIDAY



AWYMZXZL

A84

30/09/2011

283

COMPANIES HOUSE

Development Initiatives Poverty Research Ltd

Contents of the Financial Statements for the Year Ended 31 December 2010

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	7
Income and Expenditure Account	9
Balance Sheet	10
Notes to the Financial Statements	11

**Development Initiatives Poverty Research
Ltd**

**Company Information
for the Year Ended 31 December 2010**

DIRECTORS:

A C German
Ms J Randel
C Childs
Ms C Sayer

SECRETARY:

M J Bowe

REGISTERED OFFICE:

1st Floor
Keward Court
Keward Business Park
Wells
Somerset
BA5 1DB

REGISTERED NUMBER:

6368740 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

Mrs S R Jenkins

Development Initiatives Poverty Research Ltd

Report of the Directors for the Year Ended 31 December 2010

The directors present their report with the financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of undertaking research, educational and advisory activities in connection with poverty, development and humanitarian issues

REVIEW OF ACTIVITIES

Development Initiatives Poverty Research Ltd (DIPR) was established as a not for profit company in 2007 with the following objects

- To undertake research, education, advisory and operational activities designed to
 - increase access to and understanding of statistical and other information relating to poverty, development cooperation human rights, humanitarian and development assistance, and
 - increase awareness of the factors which cause and perpetuate poverty

Over 2010, DIPR's main efforts focused on two programmes

- (i) **aidinfo** - focusing on increasing access to transparent information on resource flows especially aid) and
- (ii) our **Global Humanitarian Assistance (GHA)** programme which tries to answer the questions
 - Who provides humanitarian aid?
 - Where do they spend it?
 - What do they spend it on?
 - Who do they spend it through?

Funding for the aidinfo programme came principally from the Hewlett Foundation and the Bill and Melinda Gates Foundation, as well as from an accountable grant from DFID for work by the aidinfo team supporting the International Aid Transparency Initiative (IATI) Secretariat Funding for the GHA programme comes from Sida (Sweden), the Netherlands, CIDA (Canada), DFID (UK) and Denmark

GHA

The publication of the 2010 GHA report was a major achievement by the GHA team. It is the centrepiece of the GHA programme with an annual report which is increasingly relied upon by people wanting objective and reliable data on humanitarian flows. The reputation GHA has gained gives us the opportunity to draw attention to issues which seem to have been overlooked such as the role of domestic response in the overall humanitarian picture which was highlighted in the report jointly written by DIPR and our Ugandan partners, Development Research and Training (DRT). Special reports were also produced in 2010 on Bangladesh (also on domestic response) and the scale of needs in Haiti and South Sudan.

The complete revamp of the GHA website during 2010 means that we now have an extremely attractive and accessible way to showcase not just the GHA report but also resources such as Country Profiles. Looking ahead we expect that online communications will grow in importance relative to printed materials. There is an inherent value in producing substantive well researched material people can rely on and use as a source of reference in their day-to-day work. But the second role of GHA relates to our commitment to changing people's thinking and practice on poverty reduction and vulnerability. GHA's increasing emphasis on external engagement during 2010 - the GHA helpdesk, meetings and events, presentations, informal discussions with a wide range of stakeholders - are all aimed at communicating evidence and analysis drawn from data, making it useful to policymakers and therefore contributing to impact on poverty. The substantial spending by DIPR on travel, meetings and conferences during 2010 reflects a firm view that statistics and analysis have to be well communicated and that direct engagement is an essential part of ensuring that analysis can be applied to policy and practice.

Development Initiatives Poverty Research Ltd

Report of the Directors (continued) for the Year Ended 31 December 2010

REVIEW OF ACTIVITIES (continued)

The Pakistan updates quickly produced and updated by the GHA team are excellent illustrations of how we have tried to increase our capacity to make numbers and analysis available almost in real time – because in humanitarian situations people need data and analysis quickly as part of the overall humanitarian response

aidinfo

Less than three years ago there was no aidinfo team, no proposal for an international standard for exchanging poverty related resource flow data, the issue of transparency was seen as being largely to do with corruption rather than making aid more effective and donors more accountable. Following the Accra aid effectiveness meeting in 2008 when the proposal for an International Aid Transparency Initiative was put forward, DIPR has been working hard to promote this idea and get it implemented in line with our commitment to the effective use of information for poverty reduction.

During 2010 DIPR's aidinfo team spread their efforts over two main areas

- 1 Working with a wide range of organisations (governments, civil society, multilateral agencies) to produce evidence on the demand for data and how data is used to track resources and shape development policy
- 2 Working to help develop the IATI standard by providing support to the IATI Secretariat, the Technical Advisory Group and to individual agencies interested in implementing IATI or using newly available data

During 2010 we commissioned an external evaluation of our work on aidinfo from former DAC chair Richard Manning. The evaluation said

"I am satisfied that aidinfo's work has been absolutely critical to the establishment and development of IATI. It is too early to judge how successful IATI will prove to be. But I conclude that its basic concept is innovative and plausible. It has the potential to be quite transformational over time."

Within the next quarter the first concrete results of IATI will be delivered in the form of some data being published by donors such as the UK and Netherlands much earlier than would have been the case without IATI. Eighteen donors have already signed up to the standard and other key players such as the USA and Gates Foundation have said that they will work to implement the standard – offering the prospect of around 60% of ODA data being IATI compliant.

This success has taken a great deal of effort at political and technical level and DIPR has been pleased to work during 2010 alongside partners such as DFID, UNDP, PWYF, Development Gateway/aiddata.org, Openaid and TAG Chair Brian Hammond. Together we have helped reshape the debate on transparency and aid effectiveness in line with our objective of delivering a quantum leap in access to resource flow data.

Our mantra "Better Information, Better Aid" is meant to encapsulate our theory of change – that better information can lead to improvements in how the \$129 billion spent on aid during 2010 is used. Evidence suggests that better information on resource flows leads both to greater accountability and to better decision-making, resulting in increases in efficiency and effectiveness which can lead to more impact on the lives of the poorest. Significant amounts of the funding we have received have been used to consult extensively with people in donor and developing countries on the demand for information, how financial resources are tracked by donor and developing country systems and on the bureaucratic and technical challenges of introducing a new standard for data exchange. Our substantial investments in consultancy in support of IATI, in travel and meetings has been warranted by the overriding need to engage and communicate with stakeholders to promote transparency in general and IATI in particular. We feel that Richard Manning's words help explain the value of this investment in personal engagement and communication.

Development Initiatives Poverty Research Ltd

Report of the Directors (continued) for the Year Ended 31 December 2010

REVIEW OF ACTIVITIES (continued)

"I have been struck by the very positive view of pretty well every organisations with which I have discussed the matter of the advice, training, materials and not least of the 'de-mystifying' of the world of official aid provided by DIPR and aidinfo. Interlocutors used words and phrases like 'godsend', 'very professional, clear vision and highly effective', 'open', 'think the world of them', 'resourceful', 'passion and drive' to describe their experience of DIPR and aidinfo"

The success of aidinfo programme to date owes much to the leadership and energy of Owen Barder whose 3 year stay with DIPR came to an end at the close of 2010. The directors thank Owen for all his efforts and we look forward to keeping in close touch.

Organisational Review

During 2010, Development Initiatives International Ltd (DII) Directors and the DIPR board decided to commission an external review of how DII and DIPR were working together in the interests of poverty elimination. The review was undertaken by former Charity Commissioner Andrew Purkis, whose report was delivered in July 2010. (Both this review and the aidinfo evaluation are available on request from info@devinit.org)

Key points in the external review included

- a) the need for a stronger sense of shared strategy across aidinfo, GHA and our DII consulting work with synergies being fully exploited across the whole organisation,
- b) the need for more effective management of staff and resources without eroding the DI group's (DI) distinctive ethos and strengths,
- c) the observation that DI had managed to "attract some exceptional staff with high levels of motivation, initiative and effectiveness, who feel they have the space to make a major individual impact. Their productivity is striking"

The review said that DI's financial control mechanisms were improving and in particular that DI had been "thorough and conscientious" in ensuring a proper separation between the finances of DII and DIPR. But he suggested that in view of the ten-fold growth in DI since 2006, it would be prudent to carry out a short external financial review to see if our systems were robust enough and if there were ways that we could 'work smarter' (This was commissioned during Q4 2010 to be undertaken Q1 2011)

The organisational review recommended the recruitment of a Chief Operating Officer (COO). The recruitment process was also initiated during Q4 2010 and completed in April 2011. It is expected that the COO will help to improve coordination and internal communication, manage opportunities and workloads and promote more integrated working between DII and DIPR – a key recommendation of the external review aimed at maximising the synergies between the two organisations and therefore their potential shared impact on poverty reduction.

The review also recommended that DI-wide strategy process be undertaken to produce the first-ever group strategy document to ensure, within the context of an expanding organisation, that everyone had a clear view of the organisation's goals, values, current activities and future opportunities, as well as each individual's role and contribution within the overall picture. An internal strategy process was initiated during September 2010 with a view to producing a comprehensive strategy document during 2011.

Development Initiatives Poverty Research Ltd

Report of the Directors (continued) for the Year Ended 31 December 2010

REVIEW OF ACTIVITIES (continued)

The strategy process during 2010 noted many shared objectives of DII and DIPR, including a focus on the role of information and the need for a strong focus on Africa. In late 2008, DRT in Uganda helped DI organise a Kampala workshop on access to and use of resource data, and after several discussions, in 2009 the DI group and DRT agreed a Memorandum of Understanding committing both organisations to closer collaboration on issues including humanitarian action, chronic poverty and effective aid. During 2010 DIPR and DRT agreed to take this collaboration a stage further by jointly applying to DFID for a Programme Partnership Agreement (PPA). DIPR and DRT's application for a PPA covering the area of conflict, humanitarian, insecurity and justice was approved in principle in December 2010 - one of around 40 PPA's being granted in response to applications from around 400 organisations.

In addition to committing itself to working more closely with DRT, DIPR and DII also agreed to the principle of ensuring that some of its analysis work would in future be done in Africa by basing DI staff in the region.

Working transparently

In line with the approach of our aidinfo programme and our work on IATI, we are aiming to be as transparent as possible in how we manage our use of funds. So during 2011 we will start to apply the IATI standard to our own work. Whilst DIPR is a not for profit company, it is not a registered charity, but our Directors have made a commitment to producing our accounts in line with the Statement of Recommended Practice (SORP) standards developed by the UK Charity Commission. Our partner organisation DII has changed its financial year to bring it into line with DIPR's financial year, to make it easier for people to compare both sets of accounts. Both documents are available from info@devinit.org.

The Income and expenditure statement shows a substantial rise in staff costs from 2009 to 2010, reflecting significant recruitment in line with programmes which are continuing to expand, with 35 staff being employed on either a part time or full time basis at the end of 2010. We expect this expansion to continue through 2011 and into 2012 as the scope of our work continues to expand, but we will take every opportunity to look for efficiencies.

DIPR purchases a range of services, including HR, office accommodation, finance and admin support and statistical analysis, from DII on an independently verified at-cost basis. The amounts can be seen at note 9 on page 13.

Conclusion

Overall 2010 has been a key year for DIPR, with the substantive achievements outlined above being matched by key decisions on and significant progress towards a strategy shared by DII and DIPR and organisational enhancements which the Directors feel will position the DI group well to make a concrete contribution to poverty elimination between 2011 and 2015.

DIRECTORS

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

A C German
Ms J Randel
C Childs
Ms C Sayer

**Development Initiatives Poverty Research
Ltd**

**Report of the Directors (continued)
for the Year Ended 31 December 2010**

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, Milsted Langdon, 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:



Ms J Randel - Director

Date

23/1/11

Report of the Independent Auditors to the Members of Development Initiatives Poverty Research Ltd

We have audited the financial statements of Development Initiatives Poverty Research Ltd for the year ended 31 December 2010 on pages nine to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Directors' Report 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 31 December 2010 and of its deficit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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
Development Initiatives Poverty Research
Ltd**

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



Sarah Jenkins (Senior Statutory Auditor)
For and on behalf of
Milsted Langdon LLP
Chartered Accountants and Statutory Auditors
Bristol

Date

27/9/11

Development Initiatives Poverty Research Ltd

Income and Expenditure Account for the Year Ended 31 December 2010

	31 12 10		31 12 09
	£	£	£
Sources of funding (note 2)			
Other operating income	145		530
Aidinfo - Hewlett	285,063		242,516
Aidinfo - Gates Foundation	124,665		495,777
Aidinfo - DFID	292,945		-
Aidinfo - Other	5,200		-
GHA - UK (DFID)	219,372		61,709
GHA - Canada	28,434		49,006
GHA - Denmark	96,957		114,299
GHA - Holland	57,067		125,997
GHA - Sweden	98,903		93,388
GHA - Other	1,650		-
	<hr/>		<hr/>
		1,210,401	1,183,222
Expenditure			
Directors' salaries	121,600		125,000
Directors' employer's NIC	14,102		-
Wages, recruitment and training	776,834		448,677
Infrastructure overheads	139,991		143,054
Travelling	107,282		69,500
Meetings and conferences	19,662		2,203
Accountancy & professional fees	70,580		1,213
Freelance/Outsourced contracts	265,371		150,705
Communications, web, printing	35,828		38,921
Depreciation of tangible fixed assets			
Plant and machinery	8,609		7,667
Bank charges	1,090		354
	<hr/>		<hr/>
		(1,560,949)	(987,294)
OPERATING BALANCE (note 3)			
(DEFICIT)/SURPLUS		(350,548)	195,928
		<hr/>	<hr/>
Deposit account interest		272	263
OPERATING BALANCE ON ORDINARY ACTIVITIES BEFORE TAXATION		(350,276)	196,191
Tax on ordinary activities (note 4)			
(deficit)/surplus		(57)	(55)
		<hr/>	<hr/>
OPERATING BALANCE FOR THE FINANCIAL YEAR (DEFICIT)/SURPLUS		(350,333)	196,136
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**Development Initiatives Poverty Research
Ltd**
(Company registered number 6368740)
Balance Sheet
31 December 2010

	Notes	31 12 10 £	£	31 12 09 £	£
FIXED ASSETS					
Tangible assets	5		13,646		18,485
CURRENT ASSETS					
Debtors	6	324,139		294,300	
Cash at bank		<u>367,731</u>		<u>684,581</u>	
		691,870		978,881	
CREDITORS					
Amounts falling due within one year	7	<u>(417,751)</u>		<u>(359,268)</u>	
NET CURRENT ASSETS			<u>274,119</u>		<u>619,613</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>287,765</u>		<u>638,098</u>
RESERVES					
Income and expenditure account	8		<u>287,765</u>		<u>638,098</u>
			<u>287,765</u>		<u>638,098</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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved and authorised for issue by the board on
were signed on its behalf by

23/1/11

and



Ms J Randel - Director

Development Initiatives Poverty Research Ltd

Notes to the Financial Statements for the Year Ended 31 December 2010

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Grant income

Grant income is recognised on the accruals basis and included within the financial statements as it becomes payable by the grant donor

Tangible fixed assets

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

Plant and machinery etc - 25% on cost

Foreign currencies

Transactions recorded in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included within the income and expenditure account.

2 OPERATING INCOME

The operating income and deficit (2009 - surplus) before taxation are attributable to the one principal activity of the company

An analysis of operating income by geographical market is given below

	31 12 10	31 12 09
Overseas	57 24%	94 74%
UK	<u>42 76%</u>	<u>5 26%</u>
	<u>100 00%</u>	<u>100 00%</u>

3 OPERATING BALANCE (DEFICIT)/SURPLUS

Surpluses on the operating balances occur because the Company has received funds in the current year for activities planned for the following year

Deficits on the operating balances occur because the Company has used money received in the previous year to fund activities taking place in the current year

These fluctuations are reflected in changes to reserves held on the Balance Sheet

The operating deficit (2009 - operating surplus) is stated after charging

	31 12 10	31 12 09
	£	£
Depreciation - owned assets	8,609	7,667
Audit fees	<u>3,500</u>	<u>-</u>
Directors' remuneration and other benefits etc	<u>121,600</u>	<u>125,000</u>

Development Initiatives Poverty Research Ltd

Notes to the Financial Statements - continued for the Year Ended 31 December 2010

4 TAXATION

Analysis of the tax charge

The tax charge on the deficit (2009 - surplus) on ordinary activities for the year was as follows

	31 12 10	31 12 09
	£	£
Current tax		
UK corporation tax	<u>57</u>	<u>55</u>
Tax on (deficit)/surplus on ordinary activities	<u><u>57</u></u>	<u><u>55</u></u>

5 TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2010	30,663
Additions	<u>3,770</u>
At 31 December 2010	<u>34,433</u>
DEPRECIATION	
At 1 January 2010	12,178
Charge for year	<u>8,609</u>
At 31 December 2010	<u>20,787</u>
NET BOOK VALUE	
At 31 December 2010	<u><u>13,646</u></u>
At 31 December 2009	<u><u>18,485</u></u>

6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 10	31 12 09
	£	£
Trade debtors	312,310	273,256
Amounts owed by connected companies	8,628	-
Other debtors	<u>3,201</u>	<u>21,044</u>
	<u><u>324,139</u></u>	<u><u>294,300</u></u>

Development Initiatives Poverty Research Ltd

Notes to the Financial Statements - continued for the Year Ended 31 December 2010

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 10	31 12 09
	£	£
Trade creditors	14,070	42,193
Amounts owed to connected companies	-	4,375
Taxation and social security	21,971	55
Other creditors	<u>381,710</u>	<u>312,645</u>
	<u>417,751</u>	<u>359,268</u>

8 RESERVES

	Income & expenditure account £
At 1 January 2010	638,098
Deficit for the year	<u>(350,333)</u>
At 31 December 2010	<u>287,765</u>

9 RELATED PARTY DISCLOSURES

Two members of the company are also controlling directors of DI International Ltd (DIIL). During the year the company paid to DIIL the sum of £236,501 (2009 £201,042) for the provision of staff and £107,432 (2009 £121,373) for overhead costs. At the end of the year, the cross charging overhead adjustment between DIIL and DIPR was £8,628 (2009 £4,375 creditor).

10 COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have any share capital. Each of the members is liable to contribute an amount not exceeding £100 towards the assets of the company in the event of liquidation.