

**EngineerAid**  
**(A company limited by guarantee)**

**Annual Accounts including Directors Report**  
**For the Year Ended 31 January 2009**

**Charity Number SC037124**  
**Company Number SC295533**

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30/09/2009  
COMPANIES HOUSE

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**For the Year Ended 31 January 2009**

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## **Directors' Report for the year ended 31 January 2009**

The Directors are pleased to present their report and the consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 January 2009.

### Reference and Administrative Information

<b>Charity Name:</b>	EngineerAid
<b>Charity registration number</b>	SC037124
<b>Company registration number</b>	SC295533
<b>Registered Office and operational address</b>	The Moffat Centre The Centre for Entrepreneurship Napier University Craiglockhart Campus Edinburgh EH14 1DJ
<b>Bank</b>	Bank of Scotland
	A/C Number 06004365
	Sort Code 80-02-85
	Bank of Scotland
	A/C Number 06002335
	Sort Code 80-11-94

### Principle Activities

EngineerAid is operating to the following mission statement:

"To create a global community together with developing countries and engineers across the world to share expert knowledge."

EngineerAid's vision is to:

"help people at grass root levels with technical and engineering problems through the on-going sharing of knowledge. Our vision is to be in direct communication and collaboration with engineers across the globe to advocate self-help and long term sustainability of the expert knowledge and skills provided. We aim to provide a service with open access, giving simple, direct and timely advice, working independently and in collaboration with other NGOs"

A database of volunteer engineers, most of whom are accredited by at least one professional institute, has been maintained and expanded. Sources of new projects have been identified and relationships with existing collaborative partners have been further developed. The EngineerAid e-platform facilitates the specification of the engineering problem, the communication between the engineer and the party with the problem, and, once the problem is solved, the capturing of the solution for application for future use in other locations. EngineerAid has further developed and improved this process which matches the two groups effectively and cost efficiently.

### Directors during year period ending 31<sup>st</sup> Jan 2009

<b>Name</b>	<b>Role</b>
Mrs S Laing	Chair
Mr J P McKeown	Secretary

#### Directors' Interests

The Directors who held office at 31 January 2009 had, at that date, the following interests in the shares of the Company:

Name	Ordinary Shares
Mrs S Laing	1
Mr J P McKeown	1

There has been no change in Directors' interests in shares since the year-end.

No Director was or is materially interested in any contract with the company subsisting during or existing at the end of the financial year which was significant in relation to the company's business.

#### Political Contributions

During the year the Company made no political contributions (2008: £nil).

#### Charitable Donations

During the year the company has made no charitable donations (2008: £nil) to communities in the UK.

#### Authority to Purchase Own Shares

At present there is no authority given for the company to purchase its own shares or to issue a charge against them.

#### Governing Document

The organisation is a charitable company limited by guarantee and was incorporated and registered as a charity on 16 January 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event that the company is being wound up members are required to contribute an amount not exceeding £1

#### Recruitment and appointment of Management Committee

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Management Committee. Under requirements of the Memorandum of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

#### Trustee Induction and Training

When volunteers are recruited they are also inducted by the Chairman and Chief Executive regarding the aims and objectives of EngineerAid, and their role as a volunteer in the Charity.

On-going team development of all volunteers and board members takes place on a quarterly basis.

#### Equal Opportunities

The Company is committed to the principal of equal opportunity in employment and to ensuring that no applicant or employee receives less favourable treatment on the grounds of gender, marital status, race, colour, nationality, ethnic or national origin, religion, HIV status, disability, sexuality, or unrelated criminal convictions and without arbitrary restrictions in respect of age, or is disadvantaged by conditions or requirements which cannot be shown to be justified. The Company applies employment policies which are fair and equitable and which ensure entry into and progression within the Group. Appointments are determined solely by application of job criteria, personal ability and competency. The Company gives full and fair consideration to the possibility of employing disabled persons wherever suitable opportunities exist.

#### Employee Involvement

The board of directors meets formally on a quarterly basis and the meetings are attended by the CEO. The CEO can have at various times both paid consultants and volunteer assistants to carry out activities such as fund-raising, ICT and new project development

#### Supplier Payment Policy

The company's policy, in relation to all of its suppliers, is to negotiate its terms of payment when agreeing the terms of the transactions, to ensure that those suppliers are made aware of the terms of payment and to abide by those terms provided that it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The company does not follow any universal code or standard on payment practice but subsidiary companies are expected to establish payment terms consistent with local procedures, custom and practice.

#### Business Review and Dividends

In line with the special provision for small companies in Section 246(4(a)) of the Companies Act 1985 the directors' decline to detail a fair review of business and amount to be paid as a dividend normally required by Section 234(1)(a) and (b). The appended information does not constitute part of the formal director's report but included here in the interests of transparency.

#### Achievements and performance

EngineerAid during this year was successful in increasing the awareness of the organisation both within the engineering and amongst the wider community. As a result of this it attracted an increased total value of donations made to the charity. These donations were from a range of sources including sponsorship for a range of activities undertaken by supporters. These were reported in the news section of our website and regular updates helped to foster a sense of involvement for supporters.

The quality and breadth of projects sourced and undertaken has improved due to effective communication links which have been set up between partner organisations and EngineerAid.

The Directors recommend that no shares dividend is paid relating to the accounting period as the company is intended to be operated as a charitable not-for-profit enterprise.

#### Financial review

EngineerAid's funds have increased during this financial year by a modest amount. This came as a result of a relative cut in expenditure whilst our supporters have increased in both numbers and overall fundraising activity. It is felt that a significant further rise in the value of donations would be particularly challenging to illicit from our current sources without employing a method of producing development results more efficient in terms of labour. Therefore, in order to progress the charity to higher level of activity – undertaking projects in greater numbers and scope – it has been necessary to take stock of current reserves and plan an investment in systems that will increase our operational efficiency. Until such systems are in place we will try to maintain a much reduced expenditure.

#### Risk Management

A continuing review of the risks associated with the charity's operations has been conducted and systems to mitigate the risks are in place. Internal controls have been established to ensure that all commitments and expenditure are authorised in advance. Procedures are in place to ensure the health and safety of volunteers, board members and visitors to the university space used by the charity. The board recognises the need to take reasonable steps in minimizing the risk exposure of those receiving engineering advice. We propose ongoing assessment of such risk alongside taking proportionate steps to mitigate both these risks and the charity's liability.

#### Plans for future periods

As indicated in the Financial Review planning has focused on increasing efficiency with which we deliver our online engineering consultancy service. Methods employed so far have been effective but are time-intensive for volunteers and staff in EngineerAid's administration. We aim to shift the focus of our organisation so that we can be an online service that requires minimal intervention from administrative staff during the normal course of communications. Modern web-portal tools should be utilised to replace manual maintenance of email addresses and management by spreadsheets. Highlighting and assigning key outstanding tasks and generation of performance statistics should take place automatically. Details of each project will be automatically stored in a searchable format and shared online (when appropriate). This will create a knowledge base of typical projects which can then be referred to easily by both engineers and enquirers. It will also help in the task of demonstrating the value of our work to potential donors and supports by providing an immediacy and a level of detail not previously available.

We will continue to create partnerships in less developed countries to support the implementation of EngineerAid solutions.

EngineerAid enables skilled professional engineers to provide solutions to remote areas of the world without having to travel there and has proved that the processes are cost effective and efficient but we are striving to improve this even further. It is also clear that there is significant demand for the service and a large pool of engineering talent keen to help.

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By Order of the Board

*John Paul McKeown*

**John Paul McKeown**

Company Secretary

Date: *29th Sept 2009*

**EngineerAid****Statement of Financial Activities (including Income & Expenditure Account) for the year ended 31 January 2009**

	Notes	Unrestricted funds 2008 £	Restricted funds 2008 £	Total funds 2008 £	Total funds 2007 £
<b><u>Incoming Resources</u></b>					
<b>Incoming resources from generated funds</b>					
Donations and grants	2	8041	2150	10191	2949
Interest		76	1	77	43
<b>Total incoming resources</b>		<b>8117</b>	<b>2151</b>	<b>10267</b>	<b>2992</b>
<b><u>Resources Expended</u></b>					
<b>Resources expended</b>	3	<b>90</b>	<b>0</b>	<b>90</b>	<b>2784</b>
<b>Net incoming resources before other recognised gains</b>		<b>8026</b>	<b>2151</b>	<b>10177</b>	<b>207</b>
<b>Other recognised gains</b>		<b>0</b>		<b>0</b>	<b>0</b>
<b><u>Reconciliation of Funds</u></b>					
Fund balances brought forward at 31 January 2008 as reported		3528	0	3528	3321
<b>Total funds carried forward at 31 January 2009</b>		<b>11554</b>	<b>2151</b>	<b>13705</b>	<b>3528</b>

The statement of financial activities included all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

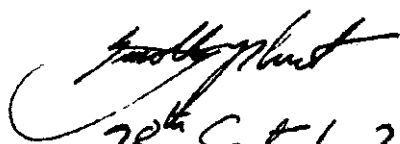
**EngineerAid**  
**Balance Sheet as at 31 January 2009**

	Notes	Unrestricted	Restricted	Total 2008	Total 2007
<b>Fixed Assets</b>		0	0	0	0
<b>Current Assets</b>					
Debtors	4	820	135	955	2003
Cash at bank and in hand		11554	2151	13705	3528
		<u>12375</u>	<u>2285</u>	<u>14660</u>	<u>5531</u>
Creditors amounts falling due within one year	5	0	0	0	0
<b>Net Current Assets</b>		<u>12375</u>	<u>2285</u>	<u>14660</u>	<u>5531</u>
<b>Net Assets</b>		<u>12375</u>	<u>2285</u>	<u>14660</u>	<u>5531</u>
<b>Total funds</b>		<u>12375</u>	<u>2285</u>	<u>14659</u>	<u>5531</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

For the year ended 31st January 2009 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2). The directors acknowledge their responsibility for: i) Ensuring that the company keeps accounting records which comply with section 221; and ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the management committee on  
and signed on its behalf by:

  
28<sup>th</sup> September 2009  
TIMOTHY KENT, DIRECTOR

Notes forming part of the Financial Statements for the year ended 31 January 2009

## **1. Accounting Policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

### **Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

### **Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not condition on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Clothing and other items donated for resale through the charity's shop are included as incoming resources within activities for generating funds when they are sold

Investment income is included when receivable

Incoming resources from charitable trading activity are accounted for when earned

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

### **Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

All costs are allocated between the expenditure between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in note 4.

#### Fixed Assets

There are no fixed assets.

#### 2. Donations

	Unrestricted	Restricted
	£	£
Donations made via website	758	0
Cash and Cheque donations	7282	2150

#### 3. Resources expended

	Unrestricted	Restricted
	£	£
Scottish Malawi Partnership membership fees	75	0
Tax	15	0

#### 4. Debtors

	Unrestricted	Restricted
	£	£
Tax refund on gift aid donations (carried over from '07)	342	0
Tax refund on gift aid donations this year	455	134
Tax refund on interest paid (carried over from '07)	8	0
Tax refund on interest paid	15	0

#### 5. Creditors

	Unrestricted	Restricted
	£	£
n/a	0	0

#### 6. Staff Costs and Numbers

There were no employees during the year.

#### 7. Trustee Remuneration & Related Party Transactions

No members of the management committee received any remuneration during the year. No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year 2008.

#### 8. Taxation

As a charity, EngineerAid is exempt from tax on income and gains falling within section 505 of the Taxes Act 1088 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

9. Movement in Funds					
	At 1 February 2008	Incoming resources	Outgoing resources	Transfers	At 31 January 2009
Unrestricted funds	3528	8116	90	-	11554

Restricted funds	0	2151	0	-	2151
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