



A.C.O.R.D.

**(AGENCY FOR CO-OPERATION AND RESEARCH IN
DEVELOPMENT - ASSOCIATION DE COOPERATION
ET DE RECHERCHES POUR LE DEVELOPPEMENT)**

(A company limited by guarantee)

Report and Financial Statements

31 December 1998

**Deloitte & Touche
Stonecutter Court
1 Stonecutter Street
London EC4A 4TR**



REPORT AND FINANCIAL STATEMENTS 1998

CONTENTS	Page
Legal and administrative details	1
Directors' report	3
Auditors' report	6
Statement of financial activities	7
Balance sheet	8
Cash flow statement	9
Reconciliation of changes in resources to net cash inflow from operating activities	9
Notes to the accounts	10

LEGAL AND ADMINISTRATIVE DETAILS

MEMBERS

Comité Catholique contre la Faim et pour le Développement (CCFD) (France)
 Comitato Di Coordinamento Delle Organizzazioni Per Il Servizio Volontario (COSV) (Italy)
 Groupe Développement (France)
 HEKS (Switzerland)
 Inter Pares (Canada)
 Mani Tese (Italy)
 Nederlandse Organisatie Voor Internationale Ontwikkelingssamenwerking (NOVIB) (Netherlands)
 Oxfam Hong Kong
 Oxfam GB
 The Stromme Memorial Foundation (Norway)
 VECO (Vredeseilanden) (Belgium)

DIRECTORS/TRUSTEES

Name	Representing	Nationality
Marc Berger (Chair to 13/11/98)	CCFD	French
Nigel Cross (Chair from 13/11/98) (P)(A)	Independent	British
Moussa Ba	Independent	Senegalese
Ivan Godfroid (appointed 13/11/98)	VECO	Belgian
Brendan Gormley	Oxfam GB	British
Molly Kane (appointed 13/11/98)	Inter Pares	Canadian
Lise Latremouille (resigned 12/6/98)	Inter Pares	Canadian
Gertrude Mongella	Independent	Tanzanian
Maggie Pankhurst (Hon. Treasurer) (A)	Independent	British
Michiel Vanderkechove (resigned 13/11/98)	VECO	Belgian

(A) member of the Audit Committee, (P) member of Policy Evaluation Committee (PEC)

REGISTERED OFFICE

Dean Bradley House
 52 Horseferry Road
 London
 SW1P 2AF

BANKERS

National Westminster Bank plc
 1st Floor
 180 Brompton Road
 London SW3 1HL

PRINCIPAL OFFICERS

David Bennetts, Director of Finance (I)
 Celia Clarke, Head of Funding
 Judy El-Bushra, Acting Director of Research and Policy Programme (from 1/2/99)
 Peter James, Programme Director (I)
 Anna Stobart, Director of Personnel and Administration
 David Waller, Executive Director and Secretary (from 15/3/99) (I)

(I) indemnity insurance provided

LEGAL AND ADMINISTRATIVE DETAILS

SOLICITORS

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London EC2V 6BB

AUDITORS

Deloitte & Touche
Chartered Accountants
Stonecutter Court
1 Stonecutter Street
London EC4A 4TR

CHARITY REGISTRATION NUMBER

283302

DIRECTORS' REPORT

The directors are pleased to present their report and the audited financial statements for the year ended 31 December 1998.

OBJECTIVES

The memorandum of association states that the objects of the charity are *to relieve poverty, to advance education, to relieve sickness and to preserve and protect health, all of which may be carried out anywhere in the world.*

ACORD's main role is to improve understanding of the specific causes of poverty and find ways to remove them and to help poor women and men to win their basic fights and cope with conflict and build peace.

In order to achieve its objectives ACORD pursues operational activities in Africa, as well as research and policy activities which are designed to improve the quality of ACORD programmes and scale up the impact of the charity's work by disseminating the results to others.

ORGANISATION

ACORD is a company limited by guarantee and a registered charity governed by memorandum and articles of association. ACORD is a consortium of eleven non-governmental organisations (NGOs) from Europe, Asia and North America. These eleven members form the General Assembly, the sovereign body of the charity, which meets once a year. The Assembly elects Board members (directors/trustees), discusses broad policy issues and adopts the agency's strategic plan.

The Board exercises the functions of the trustees of the charity and the directors of the company, controlling the work of the Secretariat. The Board usually meets twice a year. Normally, one third of the directors and trustees must be elected annually by a majority vote of the Assembly.

The Board is assisted by three sub-committees:

The Policy and Evaluation Committee (PEC) which submits comments and recommendations on the performance of ACORD programmes, and in policy and research areas; the Gender Committee which comments and makes recommendations on the full integration of the "gender in society" policy of ACORD in all aspects of its activities, and the Audit Committee which reviews the annual audited accounts and internal controls with ACORD's auditors.

The Secretariat is currently based in London and is made up of just over 30 staff, headed by the Executive Director, who is also the Company Secretary. The Programme Department is responsible for management and supervision of, and support to, overseas programmes. The Research and Policy Programme (RAPP) is responsible for research and policy work in support of overseas programmes. The other three Secretariat departments, Administration and Personnel, Funding and Finance provide the necessary support to programmes and research.

ACORD employs 646 staff (1997 – 659) in its overseas programmes of whom 638 (650 in 1997) were employed on local contracts. These programmes are managed overseas by a variety of management structures, Regional Staff, Country Coordinators and/or Programme Coordinators, who report to the Programme Department in the Secretariat.

REVIEW OF ACTIVITIES

Consistent with its 1997-2001 Strategic Plan, throughout 1998 ACORD continued to focus on enhancing the capacity of people in Africa in areas of intervention whether they were experiencing, emerging from, or being threatened by conflict.

DIRECTORS' REPORT

At the end of December 1998, ACORD was implementing 44 programmes in 18 countries, using a wide range of programme approaches, strategies and methodologies as appropriate to the complexity of the situation chosen for interventions and within the guidelines of the Strategic Plan 1997-2001. During 1998 ACORD began programming in Botswana for the first time while also developing new initiatives in new areas of southern Sudan. Conflict and tension in the Congo, Uganda and Burundi meant ACORD reorganising or developing new responses. The majority of programmes, however, were implemented broadly as planned.

REVIEW OF TRANSACTIONS

Income fell from £10.6 million to £8.8 million during the year, principally as a result of an absence of emergencies in which ACORD programmes were involved. ACORD's four largest donors (Novib, DFID, the EC and Oxfam Hong Kong) made grants totalling £5.7 million in 1998 representing 64.8% of ACORD's income for the year. Member contributions represented 46.7% of total income, a similar proportion to the previous year.

Expenditure on overseas programmes fell by 29% to £6.9 million, and represented 82% of expenditure for the year. The decline in expenditure reflected the decline in income referred to above. Of the total overseas programme expenditure, £3.0 million was spent in three country programmes – Mali, Rwanda and Uganda. Total expenditure on Programme Support, Programme Research and Management and Administration rose by 4% compared with 1997. The proportion of administration and support expenditure to overall expenditure was 13.8%, within the range of 12-15% set by the 1997 – 2001 Strategic Plan.

FINANCIAL POSITION AND RESERVES

Restricted funds increased by £504,000, however unrestricted funds showed a decrease of £61,000, largely as a result of a decline in overall income from £10,608,000 to £8,765,000. The 1999 budget assumes a similar level of income to that received in 1998, and has the objective of there being no further reduction in unrestricted funds.

FUTURE ACTIVITIES

In 1996, ACORD developed, through an organisation-wide consultation process, a strategic plan for implementation over the period 1998-2001. In 1998 ACORD commenced a strategic review to evaluate the impact of developments in the environment in which it works and to recommend any organisational changes necessary for it to adapt to such developments. This work is expected to be completed during 1999.

ACORD has just completed the second year of its five-year institutional funding agreement with one of its members. Two other members now provide funding which is flexible by country, while another gave a small amount of core funding in 1998. Another member will be providing subsidised travel to ACORD during 1999 which will help to reduce costs both in the Secretariat and on programmes.

YEAR 2000

ACORD has carried out a review of the impact of the "Year 2000" on the hardware and software used in the London office. Steps are being taken to replace during 1999 all equipment identified as non-compliant. A similar review is currently being undertaken at all African locations. Since the majority of ACORD's systems in Africa consists of standard word processing and accounting packages, many of which are recent, it is not currently expected that the financial impact of the "Year 2000" will be material.

DIRECTORS' REPORT

STAFF

In March 1999, David Waller replaced Idriss Jazairy as Executive Director and Secretary of ACORD. The Directors/Trustees wish to place on record their appreciation of the contribution to ACORD made by Idriss Jazairy during his six year period of office.

The directors/trustees wish to thank all staff for their continuing commitment to the aims and objectives of ACORD. Since many of ACORD's programmes are operating in conflict areas in Africa, particular recognition is due to them for serving under difficult circumstances.

Staff policies continue to be developed and 1998 saw the completion of ACORD's standard field personnel policy. ACORD has also been reviewing its pay structure and terms and conditions and recommendations will be made in 1999.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the surplus or deficit of the company for that period. In preparing those 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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, the charity's governing documents and the Statement of Recommended Practice. 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.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office and a resolution proposing their reappointment as auditors of the company will be submitted to the next Annual General Meeting in accordance with section 384 of the Companies Act 1985.

Approved by the Board of Directors and signed on their behalf by:



David Waller
Secretary

1st July 1999



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AUDITORS' REPORT TO THE MEMBERS OF A.C.O.R.D.

We have audited the financial statements on pages 7 to 20 which have been prepared under the accounting policies set out on pages 10 and 11.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1998 and of its incoming resources and resources expended, including its income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and
Registered Auditors

8 July 1999

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 December 1998

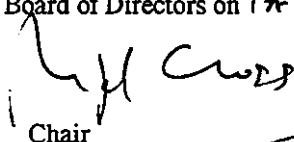
	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 1998 £'000	Total funds 1997 £'000
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
Grants receivable	2,19	1,122	7,520	8,642	9,976
Changes in grants deferred	3	-	79	79	557
Membership subscriptions		18	-	18	16
Investment income		26	-	26	22
Other income		-	-	-	37
		<u>1,166</u>	<u>7,599</u>	<u>8,765</u>	<u>10,608</u>
Total incoming resources					
RESOURCES EXPENDED					
Direct charitable expenditure					
Overseas programmes	1	-	6,865	6,865	9,637
Programme support	1,4	983	-	983	978
Programme research	1,4	83	222	305	265
		<u>1,066</u>	<u>7,087</u>	<u>8,153</u>	<u>10,880</u>
Other expenditure					
Management and administration of the charity	1,4	169	-	169	153
		<u>1,235</u>	<u>7,087</u>	<u>8,322</u>	<u>11,033</u>
Total resources expended					
Net incoming/(outgoing) resources for the year before transfers	5	(69)	512	443	(425)
Transfer between funds	12	8	(8)	-	-
		<u>(61)</u>	<u>504</u>	<u>443</u>	<u>(425)</u>
Net movement in funds					
Fund balances brought forward at 1 January 1998		581	969	1,550	1,975
		<u>520</u>	<u>1,473</u>	<u>1,993</u>	<u>1,550</u>
Fund balances carried forward at 31 December 1998	13				

There are no recognised gains or losses other than the net incoming/(outgoing) resources for the year and the preceding year which arise from continuing operations.

BALANCE SHEET
31 December 1998

	Note	1998 £'000	1997 £'000
TANGIBLE FIXED ASSETS	6	59	72
CURRENT ASSETS			
Debtors	7	1,223	1,384
Cash at bank and in hand	8	1,544	1,087
		2,767	2,471
CREDITORS: amounts falling due within one year	9	(833)	(993)
NET CURRENT ASSETS		1,934	1,478
TOTAL ASSETS LESS CURRENT LIABILITIES	13	1,993	1,550
FUNDS			
Restricted funds	11	1,473	969
Unrestricted funds		520	581
		1,993	1,550

Approved by the Board of Directors on 1st July 1999 and signed on its behalf by:


Chair


Honorary Treasurer

CASH FLOW STATEMENT
Year ended 31 December 1998

	1998	1997
	£'000	£'000
Net cash inflow from operating activities	819	141
Returns on investments and servicing of finance		
Investment income	26	16
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(388)	(519)
Increase/(decrease) in cash	457	(362)
Cash at 1 January	1,087	1,449
Cash at 31 December	1,544	1,087

RECONCILIATION OF NET INCOMING/(OUTGOING) RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1998	1997
	£'000	£'000
Net incoming/(outgoing) resources	443	(425)
Depreciation	401	464
Decrease in debtors	161	766
Decrease in creditors	(160)	(648)
Investment income	(26)	(16)
Net cash inflow from operating activities	819	141



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NOTES TO THE ACCOUNTS
Year ended 31 December 1998

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and they comply with the requirements of the charity's governing document. Specifically, they have been prepared in accordance with the Statement of Recommended Practice 'Accounting by Charities' issued in October 1997.

Since the statement of financial activities provides the information required by the Companies Act 1985, no separate statement of income and expenditure has been provided.

Fund accounting

General unrestricted funds comprise accumulated surpluses on general funds and are available for use at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific conditions imposed by the donors. The purpose of the restricted funds are set out in the notes to the financial statements.

Incoming resources

Incoming resources are reported gross and the statement of financial activities recognises all incoming resources becoming available to the charity during the year.

Grants receivable are accounted for when conditions for receipt have been complied with and are recognised when there is reasonable assurance of receipt.

Where a grant for expenditure in a future accounting period is received in advance, its recognition has been deferred. Deferred income is shown separately in creditors. Where only part of the grant is restricted to future accounting periods, the grant is apportioned over time on a pro rata basis.

Resources expended

Resources expended are shown as gross and an accruals adjustment has been made for all known liabilities at the year end.

Expenditure on overseas programmes comprises all direct programme expenditure, and all the staff and related costs of country and regional offices.

Programme support costs compose expenditure incurred in respect of the UK based staff responsible for the management and supervision of, and support to, overseas programmes and the fundseeking thereof. These costs also include an appropriate allocation of central overheads.

Programme research costs comprise expenditure incurred in respect of the UK based staff responsible for research and policy work in support of overseas programmes and an appropriate allocation of central overheads.

Central overheads are allocated to programme support and programme research only on the basis of their use of central support services.

NOTES TO THE ACCOUNTS
Year ended 31 December 1998

1. ACCOUNTING POLICIES (continued)

Resources expended (continued)

Management and administration costs comprise central management and administration costs not allocated to other activities, that is the costs of management of the charity's assets, organisational (as opposed to programme) management and administration, and compliance with constitutional and statutory requirements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Leasehold premises	over the period of the lease
Office equipment	25%
Computer equipment	33%
Assets held overseas (all categories)	100%

The directors consider it prudent to depreciate fully equipment and motor vehicles purchased or donated for use overseas in the year of their acquisition, since their anticipated lives cannot be readily determined due to the uncertainty and diversity of conditions overseas. It is the charity's policy to write these assets out of the accounting records after a period of three years, although assets continue to be monitored after this period by means of fixed asset inventories.

Foreign currencies

Transactions in foreign currencies during the year are translated into sterling at the rates ruling in the country at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the year end exchange rate. All translation differences arising are dealt with in the statement of financial activities.

Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity.

Operating leases

Rentals payable under operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities in equal annual amounts over the lease term.

Credit funds

All inputs to credit funds are treated as expenditure in the year of the input. All bank and cash balances held in Africa relating to credit funds are included in bank and cash balances, but are also included in creditors as funds immediately available for lending.

Credit loans and interest due to ACORD are not included in the accounts as debtors because the funds are operated as revolving credit funds, with repayments and interest received being used to make further loans.

Loans made to individuals by ACORD are managed and monitored by ACORD, whilst grants made to intermediary organisations which manage the loans continue to be monitored by ACORD until phased out of the programme.



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NOTES TO THE ACCOUNTS
Year ended 31 December 1998

2. GRANTS RECEIVABLE

	1998 £'000	1997 £'000
Members	4,070	4,708
Other private institutions	1,227	1,484
Multilateral funding institutions	2,245	2,901
Bilateral funding institutions	1,179	1,440
	<u>8,721</u>	<u>10,533</u>

3. CHANGES IN GRANTS DEFERRED

	Balance 1 Jan 1998 £'000	Grants Received £'000	Utilised in Year £'000	Balance 31 Dec 1998 £'000
Grants receivable	<u>201</u>	<u>7,520</u>	<u>7,599</u>	<u>122</u>

4. ANALYSIS OF UK EXPENDITURE

	1998 £'000	1997 £'000
Staff costs	1,097	1,088
Depreciation	33	28
Premises	107	76
Communications	44	43
Public information and reports	16	20
Office expenses	67	51
Computer expenses	17	34
Auditors' remuneration	14	15
Board/Assembly/PEC meetings	9	25
Bank interest	-	11
Other costs	8	5
Strategic review	18	-
Exchange rate loss/(gain)	27	(17)
Total UK expenditure	<u>1,457</u>	<u>1,396</u>
Apportioned as follows		
Programme support	983	978
Programme research	305	265
Management and administration	169	153
	<u>1,457</u>	<u>1,396</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 1998

5. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR BEFORE TRANSFERS

	1998 £'000	1997 £'000
The net incoming/(outgoing) resources for the year is stated after charging/(crediting):		
Auditors' remuneration - audit	14	15
Depreciation of tangible fixed assets	401	464
Rentals under operating leases:		
Hire of plant and machinery	8	27
Other operating leases	75	27
Exchange rate losses/(gains)	27	(17)
Bank interest payable	-	11
	<u> </u>	<u> </u>

6. TANGIBLE FIXED ASSETS

	Leasehold premises £'000	Office and computer equipment £'000	Assets held overseas £'000	Total £'000
Cost				
At 1 January 1998	35	84	1,744	1,863
Additions	-	22	366	388
Disposals	-	(5)	(809)	(814)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1998	35	101	1,301	1,437
Accumulated depreciation				
At 1 January 1998	3	44	1,744	1,791
Charge for the year	4	29	368	401
Disposals	-	(3)	(811)	(814)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1998	7	70	1,301	1,378
Net book value				
At 31 December 1998	<u> </u> 28	<u> </u> 31	<u> </u> -	<u> </u> 59
At 31 December 1997	<u> </u> 32	<u> </u> 40	<u> </u> -	<u> </u> 72

The leasehold property and the office and computer equipment are held in the UK and are used for programme support, programme research and the management and administration of the charity.

Assets held overseas are all used for overseas programmes, either directly or by country and regional offices.


NOTES TO THE ACCOUNTS
Year ended 31 December 1998
7. DEBTORS

	1998	1997
	£'000	£'000
Programme debtors	1,043	1,027
Other debtors	123	308
Prepayments	57	49
	<u>1,223</u>	<u>1,384</u>

8. CASH AT BANK AND IN HAND

	1998	1997
	£000	£000
Cash held in UK	364	-
Cash held in Africa	810	1,002
Credit funds held in Africa	370	85
	<u>1,544</u>	<u>1,087</u>

The credit funds held in Africa are immediately available to be lent to clients who satisfy ACORD's criteria for assistance. For this reason these credit funds are also included in creditors (see note 9).

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998	1997
	£'000	£'000
Bank overdraft	-	86
Working resources loans (note 10)	40	51
Credit scheme funds (note 8)	370	85
Taxation and social security	40	26
Trade creditors	36	9
Other creditors	156	400
Accruals	69	135
Deferred income	122	201
	<u>833</u>	<u>993</u>

10. WORKING RESOURCES LOANS

	1998	1997
	£'000	£'000
NCOS	-	11
NOVIB	40	40
	<u>40</u>	<u>51</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 1998

11. RESTRICTED FUNDS

	Movement in resources				Balance 31 Dec 1998 £'000
	Balance 31 Dec 1997 £'000	Incoming £'000	Outgoing £'000	Transfers (Note 12) £'000	
Angola	34	357	(299)	-	92
Botswana	-	55	(43)	-	12
Burkina Faso	47	114	(131)	-	30
Burundi	86	238	(201)	-	123
Chad	(7)	210	(206)	-	(3)
Congo (Democratic Republic)	72	153	(101)	-	124
East Africa and Great Lakes	-	36	(19)	-	17
Eritrea	51	289	(324)	-	16
Ethiopia	149	646	(510)	-	285
Guinea	76	100	(139)	-	37
Mali	185	926	(1,005)	-	106
Mauritania	46	53	(97)	-	2
Mozambique	132	304	(272)	-	164
Namibia	(63)	227	(143)	(8)	13
Rwanda	110	851	(885)	-	76
Somalia	-	490	(406)	-	84
Sudan	60	622	(632)	-	50
Southern Sudan	-	53	(47)	-	6
Tanzania	11	282	(287)	-	6
Uganda	(39)	1,312	(1,077)	-	196
Project Identification Fund	1	45	(41)	-	5
Research and Policy Programme (RAPP)	18	236	(222)	-	32
	<u>969</u>	<u>7,599</u>	<u>(7,087)</u>	<u>(8)</u>	<u>1,473</u>

The trustees anticipate that the deficit balance on Chad will be covered by future income in excess of expenditure. Hence the trustees have decided to carry forward this deficit into future years.



NOTES TO THE ACCOUNTS

Year ended 31 December 1998

12. TRANSFERS BETWEEN FUNDS

The following transfer relates to fund balances previously treated as restricted fund balances but which can now be treated as unrestricted funds:

	£'000
Namibia	<u>(8)</u>

This transfer followed the closure of a programme with a surplus of £8,000 to which a transfer from unrestricted funds of £15,000 was made in 1997.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fund balances at 31 December 1998			
are represented by:			
Tangible fixed assets	59	-	59
Current assets	666	2,101	2,767
Current liabilities	(205)	(628)	(833)
	<u>520</u>	<u>1,473</u>	<u>1,993</u>



NOTES TO THE ACCOUNTS

Year ended 31 December 1998

14. EMPLOYEES

The average number of UK contracted employees throughout the year was:

	1998	1997
	No.	No.
Overseas programmes	10	12
UK expenditure	36	36
	<u>46</u>	<u>48</u>

The total remuneration of UK based employees was:

	1998	1997
	£'000	£'000
Salaries	836	844
Social security costs	81	76
Pension costs	59	56
Total	<u>976</u>	<u>976</u>

The total remuneration of UK contracted employees working wholly in Africa was:

	1998	1997
	£'000	£'000
Salaries	<u>224</u>	<u>277</u>

The number of staff whose emoluments fall into the following bands is:

	1998	1997
	No.	No.
£40,000 - £49,999	1	-
£50,000 - £59,999	<u>1</u>	<u>1</u>

15. TRUSTEES' REMUNERATION

No fees are paid to Trustees, as referred to on page one and in the Directors' report, for their services. Directly incurred travel and hotel expenses were reimbursed, if claimed, and in 1998 totalled £3,450 (1997 - £nil) in respect of three Trustees (1997 - nil).

Indemnity insurance is provided for all trustees and for three principal officers of ACORD. Premiums paid in 1998 were £4,316 (1997 - £4,316). The insurance is provided to indemnify the trustees and officers against the consequences of any neglect or default on their part.

NOTES TO THE ACCOUNTS
Year ended 31 December 1998

16. OPERATING LEASE COMMITMENTS

At 31 December 1998 ACORD was committed to making the following payments within the next twelve months in respect of operating leases:

	Land and buildings £'000	Others £'000	1998 Total £'000	1997 Total £'000
On leases which expire:				
Within two to five years	-	8	8	27
Over five years	75	-	75	75
	<u>75</u>	<u>-</u>	<u>75</u>	<u>75</u>

17. TAXATION

ACORD is a registered charity and is not liable for corporation tax on its charitable activities under Section 505 of the Income and Corporation Taxes Act 1988. The charity has borne VAT on its expenditure where appropriate.

18. STATUS

The charity is a company limited by guarantee and has no share capital. The maximum liability of each of its members is £1.

19. GRANTS RECEIVABLE

	1998 £'000	1997 £'000
MEMBER ORGANISATIONS		
CCFD	113	99
Deutsche Welthungerhilfe	12	23
Groupe Développement	83	142
HEKS (Swiss Interchurch Aid)	234	204
Inter Pares	121	100
NOVIB	2,626	3,041
Oxfam Hong Kong	582	532
Oxfam GB	241	274
Stromme Memorial Foundation	58	293
	<u>4,070</u>	<u>4,708</u>



A.C.O.R.D.
(AGENCY FOR CO-OPERATION AND RESEARCH IN DEVELOPMENT -
ASSOCIATION DE COOPERATION ET DE RECHERCHES POUR LE
DEVELOPPEMENT)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS
Year ended 31 December 1998
19 GRANTS RECEIVABLE (continued)

	1998 £'000	1997 £'000
OTHER PRIVATE INSTITUTIONS		
ActionAid (UK)	-	68
The Catholic Fund for Overseas Development (CAFOD) (UK)	18	75
CARE International	34	37
Christian Aid	32	-
Comic Relief (UK)	381	371
Development and Peace (Canada)	27	143
Leeds University	66	29
National Lottery Charities Board	278	210
NCOS (Belgium)	116	256
Others	140	145
Panos Institute (UK)	-	6
Scottish Catholic International Aid Fund (SCIAF) (UK)	60	85
Stichting Vluchteling (Netherlands)	50	29
Tudor Trust	20	30
Tree Aid (UK)	5	-
	<hr/> 1,227	<hr/> 1,484
MULTILATERAL FUNDING INSTITUTIONS		
European Community	1,330	1,013
FAO	7	5
IFAD	298	350
UN-OCHA	20	-
UNDP	99	159
UNHCR	491	1,374
	<hr/> 2,245	<hr/> 2,901



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NOTES TO THE ACCOUNTS

Year ended 31 December 1998

19 GRANTS RECEIVABLE (continued)

	1998	1997
	£'000	£'000
BILATERAL FUNDING INSTITUTIONS		
DDC (Switzerland)	9	74
Netherlands Embassy	-	6
Ministère de la Coopération (France)	26	7
DFID (UK)	1,144	1,353
	<u>1,179</u>	<u>1,440</u>
TOTAL	<u><u>8,721</u></u>	<u><u>10,533</u></u>
Comprising:		
Grants received in the year	8,642	9,976
Changes in grants deferred	79	557
	<u><u>8,721</u></u>	<u><u>10,533</u></u>