

**DEVELOPMENT EDUCATION CENTRE
[BIRMINGHAM] LIMITED
[Limited by Guarantee]**

REPORT & FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000



**Charity No. 516038
Company No. 1863269**

**Norris-Small
Chartered Accountants
Lonsdale House
52 Blucher Street
Birmingham
B1 1QU**

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
[Limited by Guarantee]

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

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DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
[Limited by Guarantee]

COMPANY AND CHARITY INFORMATION

Chairperson	Rita Chowdhury
Vice Chair	Roland Clark
Treasurer	Pete Hedges
Committee	Margaret Barnfield * Roger Carter (Stood down) Christopher Durbin Gill Fox * John Hopkin (Elected) * Peter Humphreys (Stood down) Colleen Johnson Roger McBrien Tony Morrison * Sue Penhallow (Elected) * Carol Philips (Elected) Jeff Serf Julie Wooldridge
Company secretary	Iain Scott Sinclair
Registered Office	Development Education Centre Gillett Centre 998 Bristol Road Selly Oak Birmingham B29 6LE
Auditors	Norris-Small Chartered Accountants Lonsdale House 52 Blucher Street Birmingham B1 1QU
Bankers	Lloyds TSB Plc 142 Edgbaston Park Road Birmingham B15 2TY

* Changes at AGM May 2000

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
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REPORT OF THE TRUSTEES

The Trustees [Chair, Vice Chair and voting members of the Committee], who are also Directors for the purposes of company law, present their report and the audited financial statements of the company for the year ended 31 December 2000.

Principal activities and aims

The company is a registered charity and its principal activity is to support education with respect to increasing development awareness. The core aims are:

- to further development education practice and policy by enabling individuals and organisations to adopt a global dimension and development perspective as part of their own agenda;
- to offer a range of projects involving people in a creative process focused on aspects of policy, the curriculum or on specific development issues;
- to disseminate the ideas and strategies generated by such projects.

These are supported by key objectives linked to initiatives on curriculum development and school practice, education policy, mutual learning and issue centred work. DEC has established a network of teachers involved in the organisation's work. This is known as Tide~ [Teachers in development education].

Review of the activities and reserves

During 2000 the Trustees succeeded in increasing grants and fees. A satisfactory surplus of £41,471 was achieved. This process must continue in 2001 so that the Charity can continue to achieve its objectives. Reserves now equate with three months expenditure. The Committee considered that the current reserves remain too low and will be seeking to increase them over the next year to enable the smooth running of the Charity to continue.

Results for the year

The company achieved a surplus of £41,471 [1999 surplus £19,115].

SORP [Statement of Recommended Practice] accounting for charities

In order to comply with the SORP relating to the accounts of charities, a statement of financial activities incorporating an income and expenditure account has been prepared and is set out on page 6 of these accounts.

Members of the committee

The members of the committee as at the date of this report are set out on page 2.

In accordance with the company's Articles of Association, a third of the committee members will retire and a ballot will be held to decide the new members to be elected at the forthcoming Annual General Meeting.

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
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REPORT OF THE TRUSTEES
[Continued]

Interests of members of the committee

No members of the committee have any interests in the company.

Tangible fixed assets

The movements in tangible fixed assets during the year are set out in note 6 to the financial statements on page 12.

Trustees' Responsibilities

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The Trustees are responsible for keeping proper accounting records which 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 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.

Auditors

Norris-Small have expressed their willingness to continue in office as auditors and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

By Order of the Trustees



RITA CHOWDHURY

Chairperson
28 March 2001

AUDITOR'S REPORT
TO THE MEMBERS OF
DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
[Limited by Guarantee]

I have audited the financial statements on pages 6 to 14 which have been prepared on the basis of the accounting policies set out on page 8.

Respective responsibilities of Trustees and Auditor

As described on page 4 the Trustees, who are also the directors of Development Education Centre [Birmingham] Limited for the purposes of company law, are responsible for the preparation of financial statements in accordance with United Kingdom law and accounting standards. My responsibility, as independent auditor, is established in the United Kingdom by statute, the Auditing Practices Board, and by my profession's ethical guidance.

Basis of opinion

I conducted my 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 committee 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.

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

Opinion

In my opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 December 2000 and of its incoming resources and resources expended, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Norris-Small

NORRIS-SMALL

Chartered Accountant
Registered Auditor

Birmingham

28 March 2001

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE
ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2000**

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
Incoming Resources			
Grants and donations	2	268,473	186,269
Sale of publications, books and fees	3	59,294	52,573
		<hr/>	<hr/>
Total Incoming Resources		327,767 =====	238,842 =====
 Resources Expended			
<u>Cost of generating funds</u>			
Fund raising	4	7,655	7,644
 <u>Costs of activities in furtherance of the charity's objectives</u>			
Development education	4	218,814	166,534
Cost of sales and services	5	32,971	26,663
Administration and support	4	26,856	18,886
		<hr/>	<hr/>
Total Resources Expended		286,296 =====	219,727 =====
 Net Incoming Resources		 41,471	 19,115
Fund balances brought forward at 1 January		47,258	28,143
		<hr/>	<hr/>
Fund balances carried forward at 31 December		88,729 =====	47,258 =====

All the above are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net incoming resources. The notes on pages 8 to 14 form part of these accounts.

DEVELOPMENT EDUCATION CENTRE[BIRMINGHAM] LIMITED
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BALANCE SHEET - 31 DECEMBER 2000

	Note	<u>2000</u> £	<u>1999</u> £
Fixed assets			
Tangible assets	6	13,067	1,851
Current assets			
Stocks and publications	7	21,903	24,108
Debtors	8	48,814	41,323
Cash at bank and in hand		<u>45,445</u>	<u>18,814</u>
		<u>116,162</u>	<u>84,245</u>
Creditors: amounts falling due within one year	9	<u>(39,500)</u>	<u>(35,838)</u>
Net current assets		<u>76,662</u>	<u>48,407</u>
Total assets less current liabilities		<u>89,729</u>	<u>50,258</u>
Creditors: due in more than one year			
Loan	10	<u>(1,000)</u>	<u>(3,000)</u>
Total assets less current liabilities		<u>88,729</u> =====	<u>47,258</u> =====
Reserves			
Non-distributable		<u>88,729</u> =====	<u>47,258</u> =====

The financial statements were approved by the Trustees on 28 March 2001 and signed on its behalf by:-

Signed on behalf of the Trustees:

RITA CHOWDHURY *Rita Chowdhury*

PETER HEDGES *Peter*

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities and the applicable accounting standards under the historical cost convention. The charity has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. The principal accounting policies adopted by the company in the preparation of its financial statements are as follows:-

(a) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(b) Incoming resources

Income consists of grants and fees, the sale of books and publications [excluding VAT], course fees and sundry income. Grants and fees are taken to income when the charity is legally entitled to the income and reflect any restrictions imposed by donors on the periods for which the funds may be used.

(c) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Fund raising costs are those expended in seeking new sources of funding. Management and administration costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

(d) Depreciation

Depreciation is provided on equipment and fixtures at a rate of 25% p.a. on cost in order to write the equipment off over its anticipated useful life.

(e) Stocks

Stocks of books and publications are valued at the lower of cost or net realisable value. Cost of publications includes printing and design costs only. Full provision is made against those publications where the cost will not be recovered from future revenues.

(f) Taxation

No provision for taxation is necessary as the company is a registered charity.

(g) Pensions

Contributions are made to defined contribution schemes for certain employees. Costs are charged in the profit and loss account at the date of payment.

(h) Foreign Exchange

Assets and liabilities denominated in foreign currencies are converted to sterling at the exchange rate ruling at the balance sheet date. Income and expenditure are included in the profit and loss account at the actual rate of exchange achieved at the transaction date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

[continued]

	<u>2000</u> £	<u>1999</u> £
2. Grants and donations		
<u>Governmental grants</u>		
DfID	97,137	59,860
City of Birmingham	34,500	10,000
EU	490	19,568
	<u>132,127</u>	<u>89,428</u>
<u>Others</u>		
Oxfam	70,260	56,853
National Lottery	25,500	-
The Barrow Cadbury Trust	10,000	10,000
Severn Trent	10,000	10,000
UNICEF	9,666	7,833
The Joseph Rowntree Trust	5,000	6,250
Save the Children Fund	3,000	3,000
Christian Aid	2,750	2,785
Covenants	170	120
	<u>268,473</u>	<u>186,269</u>
	=====	=====
3. Sale of goods and fees		
Sale of books and publications	39,185	23,065
Conferences and courses	5,406	13,677
Tide~	755	870
GAIA	2,003	2,236
Development Education Association	1,250	7,122
80:20 Partnership	8,529	4,285
Miscellaneous	1,609	1,303
Interest	557	15
	<u>59,294</u>	<u>52,573</u>
	=====	=====

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

[continued]

	<u>2000</u>	<u>1999</u>
£	£	
4. Employment and other costs		
[a] Employment Costs		
Salaries	135,029	104,609
National Insurance	11,685	9,362
Pensions contributions	7,282	4,762
	<hr/>	<hr/>
	153,996	118,733
	=====	=====
[b] Other costs and overheads		
Tide~ newsletters and publicity	6,843	7,511
Project and workshop costs	22,946	9,044
Rent	18,525	19,670
Telephone	1,091	1,762
Stationery, office and copying costs	8,520	5,692
Postage	8,371	3,295
Travel	15,877	15,563
Special materials	967	499
External Conferences	307	813
Subscriptions	695	978
Audit fee	550	485
Depreciation	5,696	1,468
Training	1,776	1,543
Insurance	2,335	2,100
VAT irrecoverable	3,537	1,474
Sundry expenses	1,293	2,434
	<hr/>	<hr/>
	99,329	74,331
	=====	=====

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

[continued]

[c] Analysis of employment and other costs

	Charitable Activities £	Fund Raising £	Admin- istration £	Total £
31 December 2000				
Employment costs	129,976	7,257	16,763	153,996
Other costs	<u>88,838</u>	<u>398</u>	<u>10,093</u>	<u>99,329</u>
	<u>218,814</u>	<u>7,655</u>	<u>26,856</u>	<u>253,325</u>
31 December 1999				
Employment costs	100,267	7,207	11,259	118,733
Other costs	<u>66,267</u>	<u>437</u>	<u>7,627</u>	<u>74,331</u>
	<u>166,534</u>	<u>7,644</u>	<u>18,886</u>	<u>193,064</u>

The above costs include the following:-

	2000 £	1999 £
Depreciation	5,696	1,468
Auditor's remuneration	550	485
Operating lease rentals		
Plant	1,901	1,868
Property	18,525	19,670

5. Cost of Sales and Services

Cost of books, publications sold and utilised	30,170	24,963
Project services	<u>2,801</u>	<u>1,700</u>
	32,971	26,663
	=====	=====

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

[continued]

6. Tangible fixed assets

Computer, fixtures, and other equipment

	£
Cost	
At 1 January 2000	33,735
Additions	16,912
Disposals	<u>(2,000)</u>
At 31 December 2000	48,647 =====
Depreciation	
At 1 January 2000	31,884
Charge for the year	5,696
Disposals	<u>(2,000)</u>
At 31 December 2000	35,580 =====
Net book value	
At 31 December 2000	13,067 =====
At 31 December 1999	1,851 =====

There were no capital commitments at 31 December 2000 [1999- £Nil]

7. <u>Stocks</u>	2000 £	1999 £
Books	6,233	5,208
Publications	15,670	18,900
	<u>21,903</u> =====	<u>24,108</u> =====

DEVELOPMENT EDUCATION CENTRE [BIRMINGHAM] LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000
[Continued]

8. Debtors	<u>2000</u> £	<u>1999</u> £
Books and publications	2,627	1,066
Courses and other debtors	3,103	1,978
EU	-	37,253
DfID	41,500	-
Prepayments	1,584	1,026
	<hr/>	<hr/>
	48,814	41,323
	=====	=====
 9. Creditors: amounts falling due within one year		
Trade creditors	21,900	10,761
Grant in advance from Oxfam	5,667	-
Grant in advance from UNICEF	-	2,667
Grant in advance from Joseph Rowntree Trust	-	5,000
Grant in advance Save the Children	-	3,000
Grant in advance DEA	-	1,250
Accruals	5,143	9,160
University of Birmingham loan [unsecured]		
[current portion]	3,000	4,000
Other taxation	3,790	-
	<hr/>	<hr/>
	39,500	35,838
	=====	=====
 10. Creditors: due in more than one year		
University of Birmingham loan [unsecured]	1,000	3,000
	=====	=====

The loan is interest free, and is repayable in equal annual tranches starting in 1999.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000
[Continued]

11. Commitments

The company has annual commitments in respect of the operating leases:-

	<u>2000</u> £	<u>1999</u> £
<u>Property</u> expiring within 1 year [1999 1 – 2 years]	18,525 =====	18,525 =====
<u>Equipment</u> expiring in 2 - 5 years	2,840 =====	1,868 =====

12. Related party transactions

The Company entered into no transactions with Committee Members or any other related parties during the year. [1999 None.]