

Charity Registration No. SC005017

Company Registration No. SC194772 (Scotland)

SCOTTISH DEVELOPMENT EDUCATION CENTRE

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS REPORT AND UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2009

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

Directors James McColgan (Chairperson)
Anne Kane (Oxfam)
Richard Ward
Elaine Watts
Jane Arnold

Secretary Susan McIntosh

Charity number SC005017

Company number SC194772

Principal address 3 Stafford Street
Edinburgh
EH3 7AU

Registered office 3 Stafford Street
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EH3 7AU

Accountants Thomson Cooper
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

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SCOTTISH DEVELOPMENT EDUCATION CENTRE (A COMPANY LIMITED BY GUARANTEE) DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2009

The Directors present their report and accounts for the year ended 31 March 2009.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the centre's Memorandum of Association, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The centre is a company limited by guarantee, incorporated on 30 March 1999. 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 of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors, who are also the directors for the purpose of company law, who served during the year were:

James McColgan (Chairperson)

Anne Kane (Oxfam)

Mark Merrell (Save the Children)

(Resigned 21 April 2009)

Scottish Development Education Centre (Scotdec) approaches possible interested parties who have the skills and experience to contribute to the organisation and also responds to expressions of interest from the same. We have recently been actively recruiting new members through our newsletters, website and direct mailing to Directors of Education. We have recently had a number of teachers, ex-teachers, university staff and local authority advisers join our education advisory group and all have now expressed an interest in becoming Directors for next year. This will greatly enhance our work, making it more relevant to the needs of schools and the curriculum.

As well as being a registered charity, Scotdec is a Company Limited by Guarantee. This requires us to have a Board of Directors with certain legal obligations under the Companies Act. Due to the changing priorities in our core funding agencies, they are no longer in a position to have representation on our Finance and General Purposes Committee, and only one (Oxfam) remains as a Director. The management committee will in future comprise those who were on our education advisory group, as described above. They will ensure that legal, financial and employment responsibilities are adhered to as well as guide our overall strategy and year on year priorities. It is extremely important that we respond in the most appropriate ways to promote global citizenship whilst reflecting current educational trends, and advice from teachers, advisers and others in mainstream education is therefore crucial to our effectiveness in achieving this.

The management committee meet five times a year which includes our AGM and strategic planning day.

There were no related party transactions in the year.

The directors have assessed the major risks to which Scotdec is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

Scotdec's objects are to promote the acceptance of a development education focus in the Scottish school curriculum. The policies adopted in furtherance of these objects are to provide services directly to teachers and by a collaborative work through the International Development Education Association of Scotland (IDEAS) and there has been no change in these during the year.

SCOTTISH DEVELOPMENT EDUCATION CENTRE (A COMPANY LIMITED BY GUARANTEE) DIRECTORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

The main aims of Scotdec are:

~To promote development education at all levels in the Scottish Education system; particularly within the school curriculum.

~To press for the incorporation of a development education approach in Scottish schools.

~To meet the need for the incorporation of a development education centre as expressed by teachers, advisers, students and youth leaders.

~To increase the effectiveness of different agencies in Scotland seeking to promote development education, by pooling their resources and expertise.

Achievements and performance

Scotdec provides resources, training and support to teachers to embed the global dimension into classroom practice and whole school policies. Thus we cover areas such as, citizenship, sustainable development, human rights and justice and equality issues.

Scotdec is also involved in a number of local, national and international projects to embed a global dimension and citizenship in education.

In pursuance of the above we have continued to work towards the achievements of our aims and objectives and thanks to the efforts of staff, management committee and supporters we are increasing the profile of global citizenship amongst teachers and decision/policy makers and have seen increased demand for resources and training year on year.

Our financial sustainability is of course a key element in being able to continue this work and we continue to seek out new sources of funding and explore ways of generating income. We are currently developing a business plan to help us become more efficient and effective in this area. Staff training is important to Scotdec but no staff attended external training this year. This was mainly due to pressure of work with a depleted staff at times over the year due to illness and reduced cover for maternity leave.

Scotdec runs a programme of Continued Professional Development (CPD) Courses on a variety of themes relating to Global Citizenship for teachers of young people from 3-18 as well as working with Initial Teacher Education students at Moray House School of Education, University of Edinburgh.

We have continued to have an enthusiastic response to our CPD focused on Introducing Global Citizenship in the Nursery Setting. This workshop has now been offered in all of the eight local authorities covered by our Centre. An extended programme of CPD courses has been developed and promoted over the year, with increased uptake on these. In addition we have been developing a four part course on global citizenship which builds progression and depth for participants. This is being done in partnership with the West of Scotland DEC and is being piloted in both areas. The purposes and capacities of A Curriculum for Excellence underpin all our CPD and where possible teachers are actively involved in development and delivery. Much of our work is, of necessity, carried out under the banner of projects; however these are not discrete pieces of work but complement each other whilst supporting Scotdec's overall strategy, and indeed feeding into the Scottish national strategy for Global Education.

SCOTTISH DEVELOPMENT EDUCATION CENTRE (A COMPANY LIMITED BY GUARANTEE) DIRECTORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

Current projects include

Global Health Global Learning: making the links, funded through the DFID/DAF programme, is now in its final year and a full evaluation is currently being carried out by an external consultant. This report will be available in the summer and an final event is planned for the autumn.

Resources to support Global Citizenship in the primary school, using Malawi as a focus will also be launched in the autumn.

The Web of Life - forests - should also be ready for publication late next year.

A' Adam's Bairns a new resource being published in partnership with the National Library of Scotland will be published over the summer and available for the new school session 2009-2010. The resource is based on Scotland's role in the Slave Trade and exploring attitudes then and now which allow such things to exist. These include racism, sectarianism and other issues relating to justice, equality and prejudice, with sections on identity, migration and immigration.

The partnership with European NGOs (in Cyprus, Bulgaria, Lithuania and Ireland) focussed on resources and training and funded by the European Commission, is progressing well with a number of reciprocal teacher visits taking place to develop peer training and exchange ideas and teaching methods.

A further 'Making Sense of Global Citizenship' one day conference was held in Stirling in November 2008, which brought together educators from South East and Central Scotland and gave 'partner' teachers the opportunity to demonstrate how they put Global Citizenship into action in their schools. We also supported other DEC's and IDEAS' members with organising similar events.

Over the past year we produced two local newsletters for distribution to schools in the eight local authorities covered by the Centre. In partnership with IDEAS members we edited and distributed two publications of the IDEAS network newsletter (STRIDE) for all schools in Scotland.

We continue to be actively involved in two national initiatives with partner organisations in Scotland. These are both supported by DFID and Oxfam. One involves developing a national strategy for the effective support of a global dimension in school policy and practice, whilst the other focuses on Initial Teacher Education, working with the seven universities in Scotland.

Our target audience is kept informed of activities by means of our website and local newsletters. We also send out a monthly e-bulletin to over 200 teachers and advisers in our local area.

Scotdec's re-vamped website is used regularly and continues to evolve in response to needs and circumstances.

Overall Scotdec has had a very busy and productive year, building on previous learning and seeking to develop innovative and creative ways of progressing our aims.

Financial review

We have just managed to secure major funding for a project working with three Further Education Colleges in Edinburgh to incorporate global citizenship into their early years education courses. We have still managed to keep our financial situation on a reasonably even keel and although expenditure continues to exceed income this has been offset by careful management of assets. As Oxfam was our only core support, we would like to extend a special thanks to them for their continued support, against the tide of opinion and policy of other NGO's. We continue to look for further funding and develop an effective financial strategy to ensure our sustainability and stability for the foreseeable future.

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2009

The directors have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be three months of running costs, which equates to £25,000 in general funds. At this level, the directors feel that they would be able to continue the current activities of the centre in the event of a significant drop in funding.

By Order of the Board

Susan McIntosh
Company Secretary
Dated: 10 December 2009

SCOTTISH DEVELOPMENT EDUCATION CENTRE (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF SCOTTISH DEVELOPMENT EDUCATION CENTRE

I report on the accounts of the centre for the year ended 31 March 2009, which are set out on pages 6 to 15.

Respective responsibilities of Directors and reporting accountants

The charity's Directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's Management Committee consider that the audit requirement of Regulation 10(1) (a) to (c) of The Charities Accounts (Scotland) Regulations 2006 does not apply. It is my responsibility to examine the accounts as required under Section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether particular matters have come to my attention.

Basis of opinion

My examination was carried out in accordance with Regulation 11 of The Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as the Management Committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Opinion

In the course of my examination, no matter has come to my attention:

- (a) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- (b) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep proper accounting records in accordance with Section 44(1) (a) of the Charities and Trustee Investment (Scotland) Act 2005, and Regulation 4 of The Charities Accounts (Scotland) Regulations 2006; and
 - (ii) to prepare accounts which agree with the accounting records and comply with Regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Fiona Haro
Chartered Accountant
Thomson Cooper
Accountants
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

Dated: 10 December 2009

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2009

	Notes	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<u>Incoming resources from generated funds</u>					
Activities for generating funds	2	33,034	-	33,034	39,649
Investment income	3	1,072	-	1,072	2,694
		<u>34,106</u>	<u>-</u>	<u>34,106</u>	<u>42,343</u>
Incoming resources from charitable activities	4	8,500	117,260	125,760	116,952
Other incoming resources	5	8,098	-	8,098	20,211
		<u>50,704</u>	<u>117,260</u>	<u>167,964</u>	<u>179,506</u>
<u>Resources expended</u>					
Costs of generating funds					
Fundraising trading: costs of goods sold	2	24,228	-	24,228	24,020
		<u>26,476</u>	<u>117,260</u>	<u>143,736</u>	<u>155,486</u>
Net incoming resources available					
Charitable activities					
Direct Charitable Expenditure	6	39,680	119,621	159,301	123,036
Governance costs	6	9,358	9,765	19,123	15,799
		<u>73,266</u>	<u>129,386</u>	<u>202,652</u>	<u>162,855</u>
Total resources expended					
Net (outgoing)/incoming resources before transfers					
		<u>(22,562)</u>	<u>(12,126)</u>	<u>(34,688)</u>	<u>16,651</u>
Gross transfers between funds		<u>(25,311)</u>	<u>25,311</u>	<u>-</u>	<u>-</u>
Net (expenditure)/income for the year/ Net movement in funds					
		<u>(47,873)</u>	<u>13,185</u>	<u>(34,688)</u>	<u>16,651</u>
Fund balances at 1 April 2008	18	99,670	17,079	116,749	100,098
		<u>51,797</u>	<u>30,264</u>	<u>82,061</u>	<u>116,749</u>
Fund balances at 31 March 2009					

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

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

SCOTTISH DEVELOPMENT EDUCATION CENTRE (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

1.2 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 are applied to particular categories of income.

Donations and similar incoming resources are included in the year in which they were receivable, which is when the charity becomes entitled to the resource.

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for which they are received. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it had been received.

Investment income is included when receivable.

1.3 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay expenditure. All costs have been directly attributed to one of the functional categories or resources expended in the SOFA.

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

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33% reducing balance basis
Fixtures, fittings & equipment	25% reducing balance basis

1.5 Stock

Stocks consist of publications for sale to third parties and are stated at the lower of cost and net realisable value.

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the income and expenditure account in the year they are payable.

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting Policies (continued)

1.7 Legal Status

The company is limited by Guarantee and has been granted exemption, under Section 30 of the Companies Act 1985, from including 'Limited' in its name. The liability of each member of the company, in the event of its winding up, is limited to £1.

2 Activities for generating funds

	2009	2008
	£	£
Activities for generating funds	33,034	39,649
Fundraising trading: costs of goods sold	(24,228)	(24,020)
Net Activities for generating funds	<u>8,806</u>	<u>15,629</u>

3 Investment income

	2009	2008
	£	£
Interest receivable	<u>1,072</u>	<u>2,694</u>

4 Incoming resources from charitable activities

	Unrestricted funds	Restricted funds	Total 2009	Total 2008
	£	£	£	£
Donations received	<u>8,500</u>	<u>117,260</u>	<u>125,760</u>	<u>116,952</u>

During the year the following amounts were received as unrestricted funds:

- Oxfam - £8,500

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2009

5 Other incoming resources

	2009	2008
	£	£
ITE Ideas	-	7,714
Other funding	500	500
Workshops	2,568	7,803
Services	5,030	4,194
	<hr/> 8,098 <hr/>	<hr/> 20,211 <hr/>

SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

6 Charitable activities expenditure

	Unrestricted	Restricted	Total	Total
	£	£	2009	2008
	£	£	£	£
Direct Charitable Expenditure				
Direct project costs	-	43,504	43,504	27,072
Salaries	29,118	58,237	87,355	75,048
Rent and Service Charge	5,080	10,160	15,240	11,025
Printing, stationery and postage	1,130	2,261	3,391	2,060
Telephone	292	583	875	1,006
Depreciation	129	257	386	555
Legal and Accountancy fees	613	1,226	1,839	1,884
Travelling	362	723	1,085	1,201
Computer costs and web costs	295	590	885	169
Conferences, courses and training	1,566	-	1,566	-
Sundries	55	-	55	-
Subscriptions	140	279	419	313
Volunteer expenses	124	249	373	131
Freelance	301	603	904	522
Direct Reclaims	475	949	1,424	2,050
	39,680	119,621	159,301	123,036
Governance costs				
Salaries	3,235	6,471	9,706	8,339
Rent and service charge	564	1,129	1,693	1,503
Printing, stationery and postage	889	1,777	2,666	1,619
Telephone	32	65	97	112
Depreciation	14	29	43	75
Move Costs	3,341	-	3,341	-
Legal and accountancy fees	68	136	204	209
Bank Charges	79	158	237	602
Bad Debts	1,136	-	1,136	3,340
	9,358	9,765	19,123	15,799

All charitable activities are allocated on a direct basis.

7 Operating Surplus

Operating surplus is stated after charging:

Depreciation	429	630
Independent Accountant's remuneration	1,343	1,545

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2009

8 Directors

None of the Directors (or any persons connected with them) received any remuneration during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2009	2008
	Number	Number
Full time equivalents	<u>4</u>	<u>4</u>

Employment costs

	2009	2008
	£	£
Wages and salaries	84,877	71,959
Social security costs	10,864	7,830
Other pension costs	1,320	3,598
	<u>97,061</u>	<u>83,387</u>

There were no employees whose annual emoluments were £60,000 or more.

10 Taxation

No provision is made for taxation as the charity has charitable status.

SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

11 Tangible fixed assets

	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2008 and at 31 March 2009	10,255	588	10,843
Depreciation			
At 1 April 2008	9,164	313	9,477
Charge for the year	360	69	429
At 31 March 2009	9,524	382	9,906
Net book value			
At 31 March 2009	731	206	937
At 31 March 2008	1,091	275	1,366

12 Debtors

	2009 £	2008 £
Trade debtors	7,380	11,806
Other debtors	24,657	1,225
Prepayments and accrued income	681	2,107
	32,718	15,138

13 Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	3,134	7,138
Accruals	5,967	5,015
	9,101	12,153

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2009

14 Pension and other post-retirement benefit commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,320 (2008: £3,598).

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2008	Incoming resources	Resources expended	Transfers	Balance at 31 March 2009
	£	£	£	£	£
World Citizens Project	4,549	2,300	(358)	-	6,491
Health Project	7,388	74,886	(79,784)	-	2,490
National Library Project	-	8,609	(18,703)	10,094	-
Malawi Resources Project	-	-	(3,408)	3,408	-
EES	-	8,200	-	-	8,200
Web of Life	-	2,000	(7,677)	5,677	-
EC - Cyprus	-	13,321	(19,453)	6,132	-
ITE	5,142	7,944	(3)	-	13,083
	<u>17,079</u>	<u>117,260</u>	<u>(129,386)</u>	<u>25,311</u>	<u>30,264</u>

Purpose of Restricted Fund:

World Citizen - £2,300 payment in respect of services to complete project publication.

Health Project - To Carry out work as agreed with DFID under the DAF programme.

National Library Project(A' Adam's Bairns - To produce teaching resources for use in schools as funded by HLF.

Malawi Resources Project - To produce a teaching resource with a focus on Malawi as agreed with the IDF of the Scottish Government.

EES - To carry out agreed tasks under partnership agreement with IDEAS

Web of Life - To update and revise teaching resources for Scottish Schools.

EC - Cyprus - To fulfill our partnership agreement under EC project grant.

**SCOTTISH DEVELOPMENT EDUCATION CENTRE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2009

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2009 are represented by:			
Tangible fixed assets	937	-	937
Current assets	23,105	24,657	47,762
Creditors: amounts falling due within one year	(9,101)	-	(9,101)
Bank and cash	36,856	5,607	42,463
	<u>51,797</u>	<u>30,264</u>	<u>82,061</u>

17 Commitments under operating leases

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2009	2008
	£	£
Expiry date:		
Within one year	12,000	9,450
Between two and five years	12,000	28,350
	<u>24,000</u>	<u>37,800</u>

18 Prior year adjustment

	Restricted	Unrestricted	Total
Reserves as previously stated	104,023	12,726	116,749
Reserves as restated at 31 March 2008	17,079	99,670	116,749
Surplus / deficit for the year to 31 March 2009	13,185	(47,873)	(34,688)
Reserves at 31 March 2009	<u>30,264</u>	<u>51,797</u>	<u>82,061</u>

The 2008 Income funds have been restated to reflect an error in the allocation between the unrestricted and restricted funds in 2007 on the transfer of opening reserves into the following year. This has had no affect on the reported surplus or deficits or reported net assets on the balance sheet, in any of the years involved.