

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 2010

Scottish Development Education Centre

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Scottish Development Education Centre

Legal and Administrative Information For the year ended 31 March 2010

Company Number: SC194772

Charity Number: SC005017

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

Secretary: Susan McIntosh

Registered Office: 3 Stafford Street
Edinburgh
EH3 7AU

Bankers: Unity Trust Bank
Customer Service Centre
Nine Brindleyplace
4 Oozells Square
Birmingham
B1 2HB

Independent Examiner: Andrew Croxford CA
Thomson Cooper
3 Castle Court
Carnegie Campus
Dunfermline
Fife
KY11 8PB

Scottish Development Education Centre

Report of the Directors For the year ended 31 March 2010

The directors present their report for the year ended 31 March 2010.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, Governance and Management

Scottish Development Education Centre (Scotdec) is a registered charity and 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 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 management committee, who are also the directors for the purposes of company law, who served during the year were:

James McColgan (Chairperson)

Anne Kane (Oxfam)

Richard Ward

Elaine Watts

Jane Arnold

Mark Merrell

Resigned 21 April 2009

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 now have a number of teachers, ex-teachers, university staff and local authority advisers who are directors of Scotdec and serve on our management and education advisory group.

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 2006. Oxfam has a right to appoint a director by virtue of them being a core funder and others are drawn from the educational circles in which we work. They ensure that legal, financial and employment responsibilities are adhered to as well as guiding 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.

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 International Development Education Association of Scotland (IDEAS). There has been no change in these objects during the year.

Scottish Development Education Centre

Report of the Directors (continued) For the year ended 31 March 2010

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 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 offer CPD focused on *Introducing Global Citizenship in the Nursery Setting* and an extended programme of CPD courses. 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.

Over this past year much of our time has been taken up in developing a paper for Scotland-wide funding from DFID under the banner of the Global Learning Project. This should form the basis of much of our work over the next three years, with a key element being developing partnerships and synergy with the statutory education providers in Scotland.

New and ongoing work includes

First Steps to Lasting Change - a DFID funded project working with three Further Education Colleges in Edinburgh to incorporate global citizenship into their early years education courses. This has been very successful including input into courses and the development of a DVD for use in training. This project has unfortunately been summarily cancelled by the new coalition government and we will be unable to take the work forward into next year.

Global Health Global Learning: making the links - toolkit development

Resources to support Global Citizenship in the primary school, using *Malawi* as a focus

The Web of Life – forests

A' Adam's Bairns a resource, published in partnership with the National Library of Scotland.

Scottish Development Education Centre

Report of the Directors (continued) For the year ended 31 March 2010

The partnership with European NGOs (in Cyprus, Bulgaria, Lithuania and Ireland) focussed on resources and training with a number of reciprocal teacher visits taking place to develop peer training and exchange ideas and teaching methods. Funded by the European Commission, it came to a successful conclusion with a Final Conference being held in Cyprus in April.

We are partners in another EC project starting April 2010, *Teach MDGs* with partners from Estonia, Cyprus, Bulgaria and Lithuania.

We continue to be actively involved in the Initial Teacher Education Project, working with the seven universities in Scotland, which finishes with a final conference and launch of a publication in August 2010.

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 website 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

Cancellation of the project *First Steps to Lasting Change* referred to above will impact adversely on our financial stability. We are considering a number of options to reduce outgoings as well as continuing to look for further funding and develop an effective financial strategy to ensure our sustainability and stability for the foreseeable future.

On behalf of the board

Susan McIntosh
Company Secretary

Date: 24 August 2010

Scottish Development Education Centre

Independent Examiner's report to the management committee of Scottish Development Education Centre

I report on the accounts of the Scottish Development Education Centre for the year ended 31 March 2010.

Respective responsibilities of management committee and examiner

The management committee (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The management committee considers that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 seeks explanations from the management committee that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Andrew Croxford
Chartered Accountant
3 Castle Court
Carnegie Campus
Dunfermline
Fife
KY11 8PB

Date: 30 August 2010

Scottish Development Education Centre

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2010

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2010 £ | Total 2009 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <u>Income resources from generated funds</u> | | | | | |
| Activities for generating funds | 2 | 19,886 | - | 19,886 | 33,034 |
| Investment income | 3 | 50 | - | 50 | 1,702 |
| | | 19,936 | - | 19,936 | 34,106 |
| Incoming resources from charitable activities | 4 | 8,500 | 122,139 | 130,639 | 125,760 |
| Other incoming resources | 5 | 20,976 | - | 20,976 | 8,098 |
| Total incoming resources | | 49,412 | 122,139 | 171,551 | 167,964 |
| <u>Resources expended</u> | | | | | |
| <u>Cost of generating funds</u> | | | | | |
| Fundraising costs of goods sold | 2 | 14,939 | - | 14,939 | 24,228 |
| <u>Charitable activities</u> | | | | | |
| Direct charitable expenditure | 6 | 30,019 | 134,049 | 164,068 | 159,301 |
| Governance costs | 6 | 6,323 | 5,808 | 12,131 | 19,123 |
| Total resources expended | | 51,281 | 139,857 | 191,138 | 202,652 |
| Net outgoing resources | | (1,869) | (17,718) | (19,587) | (34,688) |
| Gross transfers between funds | | (3,847) | 3,847 | - | - |
| Net movement in funds | | (5,716) | (13,871) | (19,587) | (34,688) |
| Fund balances at 1 April 2009 | | 51,797 | 30,264 | 82,061 | 116,749 |
| Fund balances at 31 March 2010 | 16 | 46,081 | 16,393 | 62,474 | 82,061 |

Scottish Development Education Centre

Balance Sheet As at 31 March 2010

| | Note | £ | 2010 £ | £ | 2009 £ |
|--|------|-----------------------|----------------------|----------------|---------------|
| Fixed assets | 11 | | 1,141 | | 937 |
| Current assets | | | | | |
| Stocks | | 8,854 | | 15,044 | |
| Debtors | 12 | 26,783 | | 32,718 | |
| Cash at bank and in hand | | <u>32,557</u> | | <u>42,463</u> | |
| | | 68,194 | | 90,225 | |
| Creditors due within one year | 13 | <u>(6,861)</u> | | <u>(9,101)</u> | |
| Net current assets | | | 61,333 | | 81,124 |
| Total assets less current liabilities | | | <u>62,474</u> | | <u>82,061</u> |
| Income funds | | | | | |
| Restricted funds | 16 | | 16,393 | | 30,264 |
| Unrestricted funds | 16 | | 46,081 | | 51,797 |
| | | | <u>62,474</u> | | <u>82,061</u> |

Scottish Development Education Centre

Balance Sheet (continued) As at 31 March 2010

For the year ended 31 March 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year ended 31 March 2010 in accordance with section 476. The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Management Committee on 24 August 2010

**James McColgan (Chairperson)
Director**

Company Registration No. SC194772

Scottish Development Education Centre

Notes to the Financial Statements For the year ended 31 March 2010

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 2006.

1.2 Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be qualified 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 SOFA in the year for which they are received. Deferred income represents amounts received for future periods and is released to the incoming resources in the period for which it had been received.

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 expenses in the SOFA.

Resources expended are included in the (SOFA) 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 time its expected useful life, as follows:

| | |
|--------------------------------|----------------------------|
| Computer equipment | 33% reducing balance basis |
| Fixtures, fittings & equipment | 35% reducing balance basis |

1.5 Stock

Stock consists of publications for sale to third parties and is 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 period they are payable.

1.7 Legal Status of the Charity

The charity is a company limited by guarantee and has been granted exemption, under Section 60 of the Companies Act 2006, from including 'Limited' in its name. The liability of each member of the company, in the event of winding up, is limited to £1.

Scottish Development Education Centre

**Notes to the Financial Statements (continued)
For the year ended 31 March 2010**

| 2. Activities for generating funds | Unrestricted | Restricted | Total 2010 | Total 2009 |
|---|---------------------|-------------------|-----------------------|-----------------------|
| Activities for generating funds | 19,886 | - | 19,886 | 33,034 |
| Fundraising- cost of goods sold | (14,939) | - | (14,939) | (24,228) |
| Net Activities for generating funds | 4,947 | - | 4,947 | 8,806 |
| | | | | |
| 3. Investment income | | | Total 2010 | Total 2009 |
| Interest received | 50 | - | 50 | 1,072 |
| | | | | |
| 4. Incoming resources from charitable activities | Unrestricted | Restricted | Total 2010 | Total 2009 |
| Donations received | 8,500 | 122,139 | 130,639 | 125,760 |
| During the year £8,500 was received from Oxfam as unrestricted funds. | | | | |
| | | | | |
| 5. Other incoming resources | Unrestricted | Restricted | Total 2010 | Total 2009 |
| Other funding | 13,884 | - | 13,884 | 500 |
| Workshops | 3,077 | - | 3,077 | 2,568 |
| Services | 4,015 | - | 4,015 | 5,030 |
| | 20,976 | - | 20,976 | 8,098 |

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2010

| | | | Total | Total |
|--------------------------------------|---------------|----------------|----------------|----------------|
| 6. Charitable activities expenditure | Unrestricted | Restricted | 2010 | 2009 |
| Direct charitable expenditure | | | | |
| Direct project costs | - | 40,247 | 40,247 | 43,504 |
| Salaries | 17,248 | 69,826 | 87,074 | 87,355 |
| Rent and service charges | 4,626 | 9,252 | 13,878 | 15,240 |
| Printing, stats, postage | 1,509 | 3,019 | 4,528 | 3,391 |
| Telephone | 181 | 362 | 543 | 875 |
| Depreciation | 162 | 321 | 483 | 386 |
| Legal and accountancy | 1,572 | 3,144 | 4,716 | 1,839 |
| Travelling | 273 | 547 | 820 | 1,085 |
| Computer and web costs | 542 | 1,697 | 2,239 | 885 |
| Conferences, courses and training | 737 | - | 737 | 1,566 |
| Sundries | 46 | - | 46 | 55 |
| Subscriptions | 147 | 294 | 441 | 419 |
| Volunteer expenses | 179 | 359 | 538 | 373 |
| Freelance | 752 | 892 | 1,644 | 904 |
| Direct reclaims | 2,045 | 4,089 | 6,134 | 1,424 |
| | <u>30,019</u> | <u>134,049</u> | <u>164,068</u> | <u>159,301</u> |
| Governance costs | | | | |
| Salaries | 1,916 | 3,833 | 5,749 | 9,706 |
| Rent and service charges | 514 | 1,028 | 1,542 | 1,693 |
| Printing, stats, postage | 168 | 335 | 503 | 2,666 |
| Telephone | 20 | 40 | 60 | 97 |
| Depreciation | 18 | 36 | 54 | 43 |
| Move costs | - | - | - | 3,341 |
| Legal and accountancy | 175 | 349 | 524 | 204 |
| Bank charges | 93 | 187 | 280 | 237 |
| Bad debts | 3,419 | - | 3,419 | 1,136 |
| | <u>6,323</u> | <u>5,808</u> | <u>12,131</u> | <u>19,123</u> |

All expenditure is allocated on a direct basis

7. Net outgoing resources

The net outgoing resources are stated after charging:

| | | |
|-------------------------------------|-------|-------|
| Depreciation | 536 | 429 |
| Independent Examiner's remuneration | 1,400 | 1,343 |

8. Directors

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

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2010

9. Employees

Number of employees

The average monthly number of employees during the year was:

| | 2010 | 2009 |
|-------------------------|-----------------------|---------------|
| Full time equivalents | <u>4</u> | <u>4</u> |
| Employment costs | | |
| Wages and salaries | 99,284 | 84,877 |
| Social security costs | 9,587 | 10,864 |
| Other pension costs | <u>1,320</u> | <u>1,320</u> |
| | <u>110,191</u> | <u>96,061</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

**Notes to the Financial Statements (continued)
For the year ended 31 March 2010**

11. Tangible Fixed assets

| | Computer Equipment | Fixtures, fittings equipment | Total |
|-----------------------|-------------------------------|---|---------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2009 | 10,255 | 588 | 10,843 |
| Additions | 740 | - | 740 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2010 | 10,995 | 588 | 11,583 |
| Depreciation | | | |
| At 1 April 2009 | 9,524 | 382 | 9,906 |
| Charge for year | 485 | 51 | 536 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2010 | 10,009 | 433 | 10,442 |
| Net Book Value | | | |
| At 31 March 2010 | 986 | 155 | 1,141 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2009 | 731 | 206 | 937 |

12. Debtors

| | 2010 | 2009 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 3,961 | 7,380 |
| Other debtors | 22,087 | 24,657 |
| Prepayments and accrued income | 735 | 681 |
| | <hr/> | <hr/> |
| | 26,783 | 32,718 |

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2010

| | | |
|--|--------------|----------|
| 13. Creditors : amounts falling due within one year | 2010 | 2009 |
| | £ | £ |
| Trade creditors | 861 | 3,134 |
| Accruals | 2,820 | 2,114 |
| PAYE | 3,180 | 3,853 |
| | 6,861 | 9,101 |

14. Pension and other post-retirement 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 (2009: £1,320).

| 15. Restricted funds | Balance at 1 April 09 | Incoming resources | Resources Expended | Transfers | Balance at 31 March 2010 |
|-----------------------------|----------------------------------|-------------------------------|-------------------------------|------------------|---|
| World Citizen Project | 6,491 | - | - | (6,491) | - |
| Health Project | 2,490 | 17,950 | (48,109) | 27,669 | - |
| Foreign Language Project | - | - | (1,900) | 1,900 | - |
| First Steps Project | - | 49,088 | (49,497) | 409 | - |
| National Library Project | - | 9,701 | (5,593) | - | 4,109 |
| Malawi Resources Project | - | - | (119) | 119 | - |
| EES | 8,200 | - | - | (8,200) | - |
| Web of Life | - | 925 | (2,449) | 1,524 | - |
| EC - Cyprus | - | 44,475 | (32,190) | - | 12,285 |
| ITE | 13,083 | - | - | (13,083) | - |
| | <u>30,264</u> | <u>122,139</u> | <u>(139,857)</u> | <u>3,847</u> | <u>16,393</u> |

Purpose of restricted funds

World Citizen, Foreign Language Project, EES and ITE are no longer restricted funds so the opening balances have been transferred into unrestricted funds and the income received during the year for ITE and EES was allocated to unrestricted funds.

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

First Steps Project - To carry out work as agreed with DFID.

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

Malawi Resources Project - To produce a teaching resource with a focus on Malawi as agreed with 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 fulfil our partnership agreement under EC project grant.

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2010

| 16. Analysis of net assets between funds | Unrestricted Funds £ | Restricted Funds £ | Total £ |
|--|-------------------------------------|-----------------------------------|----------------------|
| Fund balances at 31 March 2010 are represented by: | | | |
| Tangible Fixed Assets | 1,141 | - | 1,141 |
| Current Assets | 51,801 | 16,393 | 68,194 |
| Creditors due in one year | (6,861) | - | (6,861) |
| | <u>46,081</u> | <u>16,393</u> | <u>62,474</u> |

17. Commitments under operating leases

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | |
|----------------------------|---------------------------|---------------|
| | 2010 | 2009 |
| | £ | £ |
| Expiry date: | | |
| Between two and five years | <u>12,000</u> | <u>12,000</u> |