

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 2011

Scottish Development Education Centre

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Scottish Development Education Centre

Legal and Administrative Information For the year ended 31 March 2011

Company Number: SC194772

Charity Number: SC005017

Directors: James McColgan (Chairperson)
Anne Kane (Oxfam)
Richard Ward (Resigned 24 August 2010)
Elaine Watts
Jane Arnold
Della Rea (appointed 24 August 2010)
Christine Twine (appointed 24 August 2010)
George Meldrum (appointed 24 August 2010)

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: Fiona E. Haro, B (Com) C.A.
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 2011

The directors present their report for the year ended 31 March 2011.

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 (Resigned 24 August 2010)
Elaine Watts
Jane Arnold
Della Rea (appointed 24 August 2010)
Christine Twine (appointed 24 August 2010)
George Meldrum (appointed 24 August 2010)

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 contact with teachers and others with relevant experience and/or interest.

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. Oxfam is no longer a core funder but retain a strong interest in our work. They now fund the DEC's Consortium in Scotland, of which Scotdec is a member. Their Education Adviser remains as a Director by virtue of this continued interest and others are drawn from the educational circles in which we work. The Directors 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.

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 2011

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 and policy makers. There is evidence of continued demand for resources and training, however this last year has seen reduced activity due to the restraints of the financial situation.

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 exploring other avenues to attract income, both earned and project grants. No external staff training has been undertaken over the year although all have further developed skills and experience through collaborative working across the voluntary educational sector in Scotland and beyond. 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 focussing on embedding Global Citizenship into educational policy and practice in Scotland; where possible teachers are actively involved in development and delivery of resources and CPD, often in the capacity of piloting new materials. 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.

The Global Learning Project (GLP) is now well underway and as well as being closely involved in the development and management of the project we are facilitating the CPD (continuing professional development) Hub two days per week. A key aspect of this work is measuring change in young people's learning as a result of global learning input into their educational experience.

This project is currently forming the basis of much of our work and should continue to do so over the coming two years. The first two resources highlighted below will be a key focus for the CPD developed as part of the project.

New and ongoing work includes

Failte Malawi: a new resource, about to be published, to support Global Citizenship in the primary school, using *Malawi* as a focus for exploring rights and assessing impact of learning.

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

The Web of Life – forests: This resource is being developed as part of the UN "International Year of the Forests"

Scottish Development Education Centre

Report of the Directors (continued) For the year ended 31 March 2011

STRIDE is the magazine for educationalists in Scotland which is published by IDEAS. Currently under the auspices of the GLP, it is edited by Scotdec.

Teach MDGs is an EC funded project in partnership with Estonia, Cyprus, Bulgaria and Lithuania.

Making Connections is an Initial Teacher Education Project, working with the seven universities in Scotland, culminated in a final conference which launched the publication *Education in a Global Space* 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 250 teachers and educational advisers in our local area.

Scotdec's website has been revamped in response to changing needs and we will continue to develop it, subject to funding.

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

As anticipated, cancellation of the project *First Steps to Lasting Change*, by DFID in May has had a very adverse impact on our financial situation. We have taken a number of steps to reduce our outgoings, including subletting some of our office space to IDEAS, our network organisation. We continue to seek further funding and develop an effective financial strategy to ensure our sustainability and stability for the foreseeable future.

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 £30,000 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 further significant drop in funding.

There is currently £21,506 (2010 - £46,081) in the unrestricted funds which is less than the amount established by the policy.

On behalf of the board

Susan McIntosh
Company Secretary

Date:

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 2011 which are set out on pages 6 to 15.

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 concerning such matters. The procedures undertaken do not provide all 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.

Fiona E. Haro, B (Com) C.A.
Chartered Accountant
Thomson Cooper Accountants
3 Castle Court
Carnegie Campus
Dunfermline
Fife
KY11 8PB

Date:

Scottish Development Education Centre

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2011

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
<u>Income resources from generated funds</u>					
Activities for generating funds	2	12,759	-	12,759	19,886
Investment income	3	26	-	26	50
		12,785	-	12,785	19,936
Incoming resources from charitable activities	4	4,546	88,354	92,900	130,639
Other incoming resources	5	19,280	-	19,280	20,976
Total incoming resources		36,611	88,354	124,965	171,551
<u>Resources expended</u>					
Cost of generating funds					
Fundraising costs of goods sold	2	3,053	-	3,053	14,939
Charitable activities					
Direct charitable expenditure	6	42,063	83,090	125,153	164,068
Governance costs	6	8,250	6,548	14,798	12,131
Total resources expended		53,366	89,638	143,004	191,138
Net outgoing resources		(16,755)	(1,284)	(18,039)	(19,587)
Gross transfers between funds		(7,820)	7,820	-	-
Net movement in funds		(24,575)	6,536	(18,039)	(19,587)
Fund balances at 1 April 2009		46,081	16,393	62,474	82,061
Fund balances at 31 March 2010	16	21,506	22,929	44,435	62,474

Scottish Development Education Centre

Balance Sheet As at 31 March 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible Assets	11		773		1,141
Current assets					
Stocks		8,904		8,854	
Debtors	12	19,854		26,783	
Cash at bank and in hand		<u>20,752</u>		<u>32,557</u>	
		49,510		68,194	
Creditors due within one year	13	<u>(5,848)</u>		<u>(6,861)</u>	
Net current assets			43,662		61,333
Total assets less current liabilities			<u>44,435</u>		<u>62,474</u>
Income funds					
Restricted funds	16		22,929		16,393
Unrestricted funds	16		21,506		46,081
			<u>44,435</u>		<u>62,474</u>

For the year ended 31 March 2011 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 2011 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

James McColgan (Chairperson)
Director

Company Registration No. SC194772

Scottish Development Education Centre

Notes to the Financial Statements For the year ended 31 March 2011

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	25% 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 2011

2. Activities for generating funds	Unrestricted	Restricted	Total 2011	Total 2010
Activities for generating funds	12,759	-	12,759	19,886
Fundraising- cost of goods sold	(3,053)	-	(3,053)	(14,939)
Net Activities for generating funds	9,706	-	9,706	4,947
3. Investment income			Total 2011	Total 2010
Interest received	26	-	26	50
4. Incoming resources from charitable activities	Unrestricted	Restricted	Total 2011	Total 2010
Donations received	4,546	88,354	92,900	130,639
During the year £2,500 was received for the DEC consortium and £2,046 was received for ITE. These were all donated as unrestricted funds.				
5. Other incoming resources	Unrestricted	Restricted	Total 2011	Total 2010
Other funding	1,000	-	1,000	13,884
Workshops	3,634	-	3,634	3,077
Venue Hire	230	-	230	-
Rental of Office Space	1,794	-	1,794	-
DEC Consortium Events	2,650	-	2,650	-
Services	9,972	-	9,972	4,015
	19,280	-	19,280	20,976

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2011

6. Charitable activities expenditure	Unrestricted	Restricted	Total 2011	Total 2010
Direct charitable expenditure				
Direct project costs	10,417	10,866	21,283	40,247
Salaries	21,808	53,507	75,315	87,074
Rent and service charges	4,583	9,166	13,749	13,878
Printing, stationery, postage	353	705	1,058	4,528
Telephone	138	276	414	543
Depreciation	110	221	331	483
Legal and accountancy	1,610	3,221	4,831	4,716
Travelling	188	377	565	820
Computer and web costs	985	1,970	2,955	2,239
Conferences, courses and training	457	-	457	737
Sundries	23	-	23	46
Subscriptions	81	161	242	441
Volunteer expenses	51	101	152	538
Freelance	-	-	-	1,644
Direct reclaims	1,259	2,519	3,778	6,134
	<u>42,063</u>	<u>83,090</u>	<u>125,153</u>	<u>164,068</u>
Governance costs				
Salaries	2,423	4,846	7,269	5,749
Rent and service charges	509	1,018	1,527	1,542
Printing, stats, postage	39	78	117	503
Telephone	16	31	47	60
Depreciation	12	25	37	54
Legal and accountancy	179	358	537	524
Bank charges	96	192	288	280
Bad debts	4,976	-	4,976	3,419
	<u>8,250</u>	<u>6,548</u>	<u>14,798</u>	<u>12,131</u>

All expenditure is allocated on a direct basis

7. Net outgoing resources

The net outgoing resources are stated after charging:

Depreciation	368	536
Independent Examiner's remuneration	<u>1,470</u>	<u>1,400</u>

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 2011

9. Employees

Number of employees

The average monthly number of employees during the year was:

	2011	2010
Full time equivalents	<u>3</u>	<u>4</u>
Employment costs		
Wages and salaries	76,127	99,284
Social security costs	7,637	9,587
Other pension costs	<u>1,320</u>	<u>1,320</u>
	<u>85,084</u>	<u>110,191</u>

Included within wages and salaries is an amount of £2,500 which was allocated directly to direct project costs.

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 2011**

11. Tangible Fixed assets

	Computer Equipment	Fixtures, fittings equipment	Total
	£	£	£
Cost			
At 1 April 2010	10,995	588	11,583
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2011	10,995	588	11,583
Depreciation			
At 1 April 2010	10,009	433	10,442
Charge for year	329	39	368
	<hr/>	<hr/>	<hr/>
At 31 March 2011	10,338	472	10,810
Net Book Value			
At 31 March 2011	657	116	773
	<hr/>	<hr/>	<hr/>
At 31 March 2010	986	155	1,141

12. Debtors

	2011	2010
	£	£
Trade debtors	2,740	3,961
Other debtors	16,633	22,087
Prepayments and accrued income	481	735
	<hr/>	<hr/>
	19,854	26,783

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2011

13. Creditors : amounts falling due within one year	2011	2010
	£	£
Trade creditors	472	861
Accruals	2,294	2,820
PAYE	<u>3,082</u>	<u>3,180</u>
	<u>5,848</u>	<u>6,861</u>

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 (2010: £1,320).

15. Restricted funds	Balance at 1 April 2010	Incoming resources	Resources Expended	Transfers	Balance at 31 March 2011
First Steps Project	-	30,383	(16,956)	-	13,427
National Library Project	4,109	-	-	(4,109)	-
Malawi Resources Project	-	8,500	(23,346)	14,846	-
EC/MDG	-	13,996	(23,363)	9,367	-
Web of Life	-	1,000	-	-	1,000
EC - Cyprus	12,284	-	-	(12,284)	-
GLP	-	34,475	(25,973)	-	8,502
	<u>16,393</u>	<u>88,354</u>	<u>(89,638)</u>	<u>7,820</u>	<u>22,929</u>

Purpose of restricted funds

The National Library and EC – Cyprus projects have now finished and are no longer restricted funds. The opening balances have therefore been transferred into unrestricted funds and the income received during the year to compensate for expenditure already made allocated to unrestricted funds.

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

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

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

EC/MDG – To fulfil our partnership agreement under the EC project grant

GLP – The Global Learning Project is a Scotland-wide DIFD funded initiative which aims to facilitate changes in teachers' and student teachers' classroom practice and children's (8-14) learning in relation to global citizenship.

Scottish Development Education Centre

Notes to the Financial Statements (continued) For the year ended 31 March 2011

16. Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2011 are represented by:			
Tangible Fixed Assets	773	-	773
Current Assets	26,581	22,929	49,510
Creditors due in one year	(5,848)	-	(5,848)
	<u>21,506</u>	<u>22,929</u>	<u>44,435</u>

17. Commitments under operating leases

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2011	2010
	£	£
Expiry date:		
Within one year	<u>12,000</u>	<u>12,000</u>