

1811707

**THE UK CENTRE FOR ECONOMIC AND
ENVIRONMENTAL DEVELOPMENT**

**DIRECTORS' REPORT AND ACCOUNTS
31 MARCH 1997**



THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

DIRECTORS' REPORT

The directors submit their annual report and audited accounts for the year ended 31 March 1997.

PRINCIPAL ACTIVITY

The company was incorporated on 26 April 1983 as a company limited by guarantee and commenced its operations on 1 July 1984. The company's principal aim is to bring about a constructive partnership between development and conservation interests in the UK and to promote the integration of economic analysis into environmental policy-making.

SURPLUS FOR THE YEAR

The surplus for the year ended 31 March 1997 was £3278 (1996: deficit £7787) as detailed in the Statement of Financial Activities on page 5.

REVIEW OF ACTIVITIES

The past year has been one of great change for UK CEED, with an expansion of the Centre's resources and activities. It was joined by one new Board member, three Research Officers and a Japanese Visiting Researcher. It also hosted placement students from the UK, Japan and the United States.

Work was completed for BT, on a study examining the implications of developments in information and communication technologies for sustainable development; for British Marine Industries' Federation (BMIF), with an 'outreach' project aimed at encouraging responsible participation in boating activities; and for Leicestershire County Council, with a small project on the energy consumption patterns of private and public transport systems in particular areas of the County.

Work was also undertaken for overseas organisations. For the European Commission (DGXI) the Centre investigated the current status of environmental accounting throughout Europe and opportunities for its applications in both large companies and SMEs, in collaboration with other research institutes in Italy, Germany, and the Netherlands. For the Asian Pacific Development Centre a Business Plan was prepared, and for the Asian Pacific Energy Planning Network an external assessment of its future operations was completed.

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DIRECTORS' REPORT (Continued)

Work has continued on a study examining the nature of corporate environmental information presented by companies, made possible through the granting of an award by the Office of Science and Technology. The Centre has begun work on a new project for British Airways and British Airways Holidays - an environmental assessment of tourism impacts in St Lucia. The work for BMIF is also being developed with the launch of a nationwide project during the next financial year.

The Centre continued its programme of discussion seminars. In conjunction with the University of Cambridge's Committee for Interdisciplinary Environmental Studies, a seminar was held on the science of environmental reporting. At the United States Embassy, a seminar was held on the potential for switching freight movement from road to rail.

TANGIBLE FIXED ASSETS

Tangible fixed asset movements during the year are summarised in note 4 to the accounts.

REGISTERED NUMBERS

The Company is registered in England and Wales, Company No. 1811707 and with Charity No. 289469.

DIRECTORS

The following were directors of the company during the year ended 31 March 1997:

Sir Michael Colman, Bt (Chairman)
 Sir Kenneth Alexander FRSE
 The Lord Barber of Tewkesbury
 Professor Sir Hermann Bondi KCB, FRS
 Sir Anthony Cleaver (Deputy Chairman)
 Professor P S Dasgupta
 Professor John Durant
 Glyn England JP, Feng (resigned November 1996)
 Noriko Hama
 J N C James CBE
 The Rt Hon the Lord Jenkin of Roding
 Robert Jordan OBE MBA JP Ceng
 Patricia Mann
 Professor Richard Macve, FCA
 Professor Sir Colin Spedding CBE
 The Lord Tombs FEng
 Mr John Cox (appointed November 1996)

THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

DIRECTORS' REPORT (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 surplus or deficit of the Company for that year. In preparing those financial statements, the directors are required to:

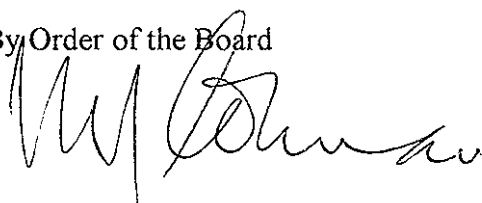
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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

The Auditors, Judd & Co, have indicated their willingness to continue in office, and a resolution for their re-appointment will be submitted to the Annual General Meeting.

By Order of the Board



Sir Michael Colman
Director

30th July 1997

**AUDITORS' REPORT TO THE MEMBERS OF
THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT**

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the Company as at 31 March 1997 and of the surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Judd & Co
Chartered Accountants and Registered Auditors
Cam House
1A Carlyle Road
Cambridge CB4 3DN

30 July 1997

THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

**STATEMENT OF FINANCIAL ACTIVITIES - GENERAL FUND
FOR THE YEAR ENDED 31 MARCH 1997**

	Year ended 31 March 1997		Year ended 31 March 1996	
	£	£	£	£
INCOMING RESOURCES -Continuing operations				
Donations and Grants (Note 1)	57080		51000	
Conference receipts and publications	261		443	
Research and consultancy	126123		97868	
Investment Income	<u>1055</u>		<u>61</u>	
		184519		149372
WORK IN PROGRESS		<u>(4000)</u>		<u>4000</u>
TOTAL INCOMING RESOURCES		180519		153372
EXPENDITURE:				
Staff costs (Note 2)	(85102)		(85432)	
Other operating costs (Note 3)	<u>(92139)</u>		<u>(75727)</u>	
TOTAL RESOURCES EXPENDED		<u>(177241)</u>		<u>(161159)</u>
OPERATING SURPLUS/(DEFICIT)				
- Continuing Operations (Note 8)		£ <u>3278</u>		£ <u>(7787)</u>

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial years.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 1997**

The Company had no recognised gains or losses during the year other than those reflected in the above statement of financial activities.

THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

BALANCE SHEET - 31 MARCH 1997

	<u>1997</u> £	<u>1996</u> £
TANGIBLE FIXED ASSETS (Note 4)	<u>11046</u>	<u>7746</u>
CURRENT ASSETS		
Work in progress	-	4000
Debtors (Note 5)	62148	3535
Cash at bank and in hand (Note 6)	<u>48914</u>	<u>60274</u>
	111062	67809
CURRENT LIABILITIES		
Creditors: amounts falling due within one year (Note 7)	<u>(75213)</u>	<u>(31938)</u>
NET CURRENT ASSETS	<u>35849</u>	<u>35871</u>
NET ASSETS	<u>£46895</u>	<u>£43617</u>
FINANCED BY:		
Revaluation reserve (Note 8)	1555	2332
Accumulated fund (Note 8)	<u>45340</u>	<u>41285</u>
TOTAL UNRESTRICTED FUNDS (Note 9)	<u>£46895</u>	<u>£43617</u>

The financial statements were approved by the Board of Directors on 30th July 1997



Sir Michael Colman
Director

THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

1 ACCOUNTING POLICIES

a Accounting Convention

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards except assets which were donated to the charity which are included at directors' valuation.

b Donations

Revenue-based donations are credited to income in the year in which they are received unless specifically time allocated by the donor.

c Tangible Fixed Assets and Depreciation

Fixed assets are depreciated over their estimated useful lives on a reducing balance basis, at the following rate:

Furniture and equipment 25% per annum

2 STAFF COSTS

	<u>Year ended</u> <u>31 March 1997</u>	<u>Year ended</u> <u>31 March 1996</u>
	£	£
Wages and salaries	77188	77487
Social security costs	<u>7914</u>	<u>7945</u>
	85102	85432
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The average number of employees during the year was 4 (1996: 4). None of the directors received any emoluments during the year.

3. OTHER OPERATING COSTS

	<u>Year ended</u> <u>31 March 1997</u>	<u>Year ended</u> <u>31 March 1996</u>
	£	£
Other operating costs for the year include:		
Auditors' remuneration	1400	1500
Consultancy fees	30318	33573
Depreciation	<u>3757</u>	<u>2600</u>
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THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1997 (Continued)

4. TANGIBLE FIXED ASSETS

	<u>Furniture and equipment</u> £
<u>Cost or valuation</u>	
At 31 March 1996	46240
Additions	<u>7057</u>
At 31 March 1997	53297
	<hr/>
<u>Accumulated depreciation</u>	
At 31 March 1996	38494
Charge for the year	<u>3757</u>
At 31 March 1997	42251
	<hr/>
<u>Net book amount</u>	
At 31 March 1997	£11046
	<hr/>
At 31 March 1996	£ 7746
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Included within the cost or valuation of tangible fixed assets is an amount of £17470 (1996 £17470) representing revalued fixed assets. Accumulated depreciation of these items is £15720 (1996: £15137).

5. DEBTORS

	<u>31 March</u>	
	<u>1997</u>	<u>1996</u>
	£	£
Prepaid expenses	3745	3535
Fee debtors	<u>58403</u>	<u>-</u>
	£62148	£ 3535
	<hr/>	<hr/>

THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997 (Continued)

6 BANK BALANCES AND CASH

	<u>31 March</u>	
	<u>1997</u>	<u>1996</u>
	£	£
Cash at bank - Deposit account	48219	-
- Current account	322	60235
Cash in hand	<u>373</u>	<u>39</u>
	£48914	£60274
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7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31 March</u>	
	<u>1997</u>	<u>1996</u>
	£	£
Repayable funding	8009	-
Donations in advance	7500	17500
Other creditors	14500	7666
Accrued expenses	36053	2874
Taxation and social security	9151	3898
Trade creditors	<u>-</u>	<u>22362</u>
	£75213	£31938
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8. UNRESTRICTED FUNDS

	<u>Revaluation</u>	<u>Accumulated</u>
	<u>reserve</u>	<u>fund</u>
	£	£
At 31 March 1996	41285	2332
Surplus for the year	3278	-
Transfer	<u>777</u>	<u>(777)</u>
As at 31 March 1997	£45340	£ 1555

The donated assets included in the revaluation reserve are amortised over their estimated useful lives on a reducing balance basis, at the following rate.

Furniture and equipment - 25% per annum

This policy was adopted for the year ended 31 March 1989

THE UK CENTRE FOR ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997 (Continued)

9. RECONCILIATION OF MOVEMENT IN UNRESTRICTED FUNDS

	<u>1997</u> £	<u>1996</u> £
Opening funds	43617	51404
Surplus/Deficit for the year	<u>3278</u>	(<u>7787</u>)
Closing funds	£46895	£43617
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10. COMPANY STATUS

The UK Centre for Economic and Environmental Development is a company limited by guarantee and a registered charity.