

SC147283

**Report of the Directors and
Financial Statements for the Year Ended 31 May 2007
for
The Active Learning Centre
(Limited by Guarantee)**

FRIDAY



S2JJVXF4

SCT

22/02/2008

1244

COMPANIES HOUSE

**Contents of the Financial Statements
for the Year Ended 31 May 2007**

	Page
Charity Information	1
Report of the Directors	2
Report of the Independent Examiner	6
Income and Expenditure Account incorporating Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9

**Charity Information
for the Year Ended 31 May 2007**

DIRECTORS

K MacLachlan
E Quinn
L Jordan
B Turner
C Edwards

SECRETARY

K Phillips

REGISTERED OFFICE

11 Southpark Terrace
Glasgow
G12 8LG

CHARITY NUMBER

SCO 022963

REGISTERED NUMBER

147783 (Scotland)

ACCOUNTANTS

The Kelvin Partnership
Registered Auditors
Chartered Accountants
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

**Report of the Directors
for the Year Ended 31 May 2007**

The directors present their report with the financial statements of the Charity for the year ended 31 May 2007

Principal Activity

In the year under review the centre has been engaged in developing and executing a range of educational courses, research and consultancy work. All of our work has in one way or another been closely related to our objective of building democracy and establishing human rights. We remain committed to developing the voice and rights of women. This year we have undertaken a number of activities to fulfil these objectives.

Company Status

We are a company limited by guarantee incorporated in Scotland (registration number 147783). The company secretary is Kate Phillips. Active Learning Centre is also a recognised Scottish Charity, charity reference number SCO022963. We are governed by our Memorandum and Articles of Association which set out the method of appointing directors.

Board of Directors

At the start of the year ending May 2007 the Active Learning Centre directors were Kathy MacLachlan, Esther Quinn, Lynette Jordan (treasurer), Bob Turner and Chris Edwards. These directors continued in post following the Annual General Meeting in February 2006. At the end of the last financial year we faced difficult circumstances and made the decision to make our business/administrative manager's post redundant. We also cut other overheads in an attempt to bring our administrative outgoings into line with our available income. This strategy has almost achieved our objective but the position at the end of this financial year does suggest that we do still need to bring in more income. Members of the board have been considering a number of possible strategies to involve new skills and contacts and enable the organisation to innovate and diversify our work. It is hoped that a new strategy for innovation and diversification which will broaden and renew our mission will be discussed and ratified at the coming AGM.

Training

We recognise our responsibility to train our board members, although currently we do not have new members of the board in need of induction training. This in itself is of concern to the organisation. We offer our board members regular reports on all of our work, discuss difficulties, successes and share lessons learned.

During the coming year a number of activities with the Chevening Fellows will be opened to members, friends and university post graduate students in order to build capacity and encourage new members to join the organisation.

Carrying out the aims and objectives of the association

The work of the Active Learning Centre is broadly concerned with building democratic participation and the implementation of human rights. The work of the Centre pays particular attention to the social exclusion of women, believing that their predominance amongst the poor is an inevitable result of their lack of rights. The main objective of the association as set out in the company articles is

"The advancement of education of the public, particularly women, concerning the development of democracy and the maintenance and observance of human rights"

Review of our work

Girls' equality and rights to education

December saw the end of a three year long project which aimed to ensure that more young women from China's poor Western provinces benefit from economic and social development. Active Learning Centre was the advocacy consultant helping the All China Women's Federation to devise an advocacy strategy, train advocacy workers and put over the messages of girls' equality and rights to education. Active Learning Centre participated in the final evaluation. Over the course of three years 4,000 advocacy workers were trained and mobilised to persuade parents to allow their girls to participate in training in basic numeracy and literacy, vocational and life skills. Government officials were also targeted to ensure that the needs of young women were prioritised within the provincial and local anti poverty strategies and to take measures to encourage girls' education and prevent drop out. The evaluation showed that the key benefits gained by the 12,600 girls involved in the project were increased confidence, practical skills and a clear vision of what they wanted for the future.

**Report of the Directors
for the Year Ended 31 May 2007**

Building Bridges

The Building Bridges project set out with the aim of enhancing the skills of women Parliamentarians in Malawi, and building links between the MPs, the NGOs working on gender issues and women in the rural constituencies. The evaluation of the project showed that over 35 consultations were held in 15 constituencies in which the women MPs and their NGO counterparts talked to over 1,100 people. Discussions focused on the new law on domestic violence, girls' drop out from education, property grabbing and the proposed law on inheritance and wills, maternal health and the lack of appropriate health services and women and HIV. The women Parliamentarians reported increased confidence in the public arena and both MPs and NGO representatives described the benefits of working together, sharing skills and expertise and being able to influence policy for women. There were excellent examples of concrete results of consultation and improved communication in the villages: a group of women was assisted by their MP to set up a market garden co-operative, others reported community action on girls' education, the building of a new classroom and local action to enforce the law on domestic violence.

Equality and diversity. action research

Active Learning Centre has worked with the STUC over the past two years of the One Workplace Equal Rights project to support trade unionists to undertake action research in their workplaces and identify ways of taking forward the equality agenda. The research projects tackled a number of equality issues but demonstrated institutional disadvantage as well as individual discrimination. The results demonstrated union members want individual help and advice as well as collective action and that unions have a continuing role to play in educating their own members. Action research as a methodology has the advantage of enabling the unions to demonstrate evidence for policy change and the opportunity to identify good practice in implementing equalities.

Review of governance in Pakistan's NGO networks working on HIV/AIDS

NGOs have the advantage of being closer to their members and therefore better understanding the needs and problems of their users. In Pakistan, Interact Worldwide has been working with six provincial networks of NGOs who are all involved in delivering services to people living with HIV/AIDS and working on prevention. Back in 2005 Active Learning Centre delivered training for the boards of management of these networks and in 2007 conducted a review to look at issues of governance and delivery. Whilst much remains to be done, progress was recorded and recommendations made for future practice.

Ethiopia political skills

This project is funded by the Foreign Office and conducted in partnership with the British Council in Ethiopia and the Women's Caucus in the parliament. It includes two weekend training sessions with women members of the Federal Parliament and two rounds for training trainers from the regions of Ethiopia who will carry out training activities with women members of the eleven regional parliaments. A draft curriculum was developed through widespread consultation in March 2007. This includes sessions on rights, the constitution and key laws as well as practical exercises to strengthen skills for working in the parliament and constituency.

Chevening Fellowships 2007

The third year of our residential course 'Government Relations with NGOs and Civil Society' began in January. Eighteen Fellows arrived from different parts of Africa, Asia and the Middle East to spend three months in Glasgow studying the voluntary sector. We were pleased to welcome our first fellows from China and Cambodia. The course covers charity regulation and the role of the voluntary sector in poverty reduction and social inclusion, democratic participation and the protection of minorities. Visits were made to the Westminster and Scottish Parliaments. Each fellow also spends two weeks on placement in a Scottish organisation where they gain excellent first hand experience of some of the issues covered by the course. Organisations hosting fellows ranged from the Charity Regulator and Strathclyde Police to Citizens Advice Bureaux and Oxfam. We are very grateful to these organisations and their members for their warm welcome and the valuable insights gained by the Fellows. This year the Fellows also conducted some joint activities with post graduate community work students from the Department for Adult and Continuing Education (DACE) carrying out focus groups in Dumfries and exchanging international experience of the voluntary sector. The course evaluations showed that this joint work at the start of the course was helpful in placing learning in a realistic context. It is also good to note that, once again, our Fellows found Glasgow to be a welcoming city.

**Report of the Directors
for the Year Ended 31 May 2007**

The Centre wishes to thank all those who participated in the Chevening Fellowship by providing talks, study visits and placements. Councillors Archie Graham, Irene Graham and John Mason, Pollok, Maryhill, Easterhouse and Parkhead Citizens Advice Bureaux, West of Scotland Race Equality Council, Oxfam, Amnesty, Strathclyde Police Diversity Unit, the Poverty Alliance, the Office of the Scottish Charity Regulator, the Charity Commission for England and Wales, the Scottish Refugee Council, Glasgow Community Planning Partnership, Scottish Council for Voluntary Organisations, Glasgow City Council Equalities Unit, the Centre for Inclusive Living, the Greater Glasgow Health Board Health Equalities Unit, Scottish Catholic International Aid Fund, The Big Lottery, Anders Roberts and the International Student Society, Margaret Curran MSP, Ken Macdonald, Ephraim Borowski, Usha Brown, Osama Saeed, Stephen Maxwell of SCVO, Bill Bell of Save the Children, Phillipa Bonella, Equal Opportunities Commission, David Halliday and Des McNulty MSP

Strategy for reserves

The Centre has substantial reserves which may seem high for a small charity. However up to £80,000 is currently needed to forward fund the Chevening residential programme. Further funds are necessary to cover consultancy, training and research contracts, which are always paid in arrears.

Our work, especially overseas work, carries higher than average health risks. We are particularly reliant on our two core full time staff. Reserves are needed to cover our liabilities for sick pay and for staff replacement should either of these fall ill. We also need to replace essential equipment like computers regularly.

The steps that we have taken to cut our costs are helping us to balance our income and expenditure. Our position continues to be quite vulnerable.

We need to diversify our activities, bring in new skills and contacts and generate more income from consulting and projects. This year we have worked with the Chevening Fellows to develop three new project applications. These have gone into a long project decision making cycle with no guarantee of success. We recognise that there are less funds available for small NGOs and many competitors.

Our returns show that our work overseas is almost wholly reliant on consultancy work. In the coming year we therefore hope to build some new capacity, to diversify our skills base and induct some new consultants. This will initially mean less direct income to the organisation but new skills will broaden what we offer and widen our range of contacts (from which most of our consultancy work flows).

Funds have been set aside to meet this challenge. In the coming year the board will consider a strategy for innovation and diversification and decide whether and how we should risk some of our capital in pilot activities which could lead to new income streams and new members in the future.

Reserves are kept in a fixed term, deposit account. Interest is paid into that account.

General reserves

After careful consideration we estimate that we will need to set aside the following sums to meet possible future risks.

- Cover for replacement staff in event of illness of core staff, 3 months full pay, 3 months half pay, £16,625
- Equipment replacement, £2,000
- Funding to cover the first six weeks of the twelve week Chevening Fellowship programme, £80,000
- Development fund to cover core costs and development activities £60,000

Report of the Directors
for the Year Ended 31 May 2007

Statement of risk

We face two main risks. The first and probably most important is about maintaining a broad mix of funding and not becoming too reliant on one source or another which could dry up quite suddenly if aid priorities change. The second is our dependence on a small core of staff. In the next financial year the board will consider a strategy for building capacity of our board members, consultants and friends to share some of the tasks currently carried by the two full time members of staff.

We are currently very dependent on the Chevening Fellowship Course but continue to work towards spreading risk by seeking funds and consultancy from a broad range of organisations. Consultancy work is essential to maintain our core funds, our project work important in allowing us space to develop, experiment and test new ideas. Our consultancy services are in demand but pan European competition places a downward pressure on our fees. We are building a stronger relationship with the Foreign and Commonwealth Office which has a shared interest in developing rights and democracy in certain key countries. But we are finding the climate in which we are applying for grants very tough with fewer funds available and more organisations working in the same field.

We continue to build up a range of consultants with whom we cooperate. The Chevening Fellowship Course has brought together a team from the University of Glasgow and elsewhere which has added to this pool.

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 company's financial activities during the year and of its financial position at the end of the 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,
- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD



K Phillips SECRETARY

Dated 13 December 2007

**Independent Examiners' Report to the Trustees on the Unaudited Financial Statements of
The Active Learning Centre**

We report on the financial statements of The Active Learning Centre for the year ended 31 May 2007 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of trustees and examiners

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 1985. The charitable company's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is our responsibility to examine the financial statements as required under Section 44(1)(c) of the Act and to state whether particular matters have come to our attention.

Basis of independent examiners' report

Our 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the financial statements.

Independent examiners' statement

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


- (1) which gives us 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, Regulation 4 of the 2006 Accounts Regulations, and Section 221 of the Companies Act 2005

to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations and the Companies Act 2005

have not been met, or

- (2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached



The Kelvin Partnership
Chartered Accountants
Registered Auditors
The Cooper Building
505 Great Western Road
GLASGOW
G12 8HN

Dated 13 December 2007

The Active Learning Centre
(Limited by Guarantee)

Income and Expenditure Account
incorporating Statement of Financial Activities
for the year ended 31 May 2007

		Restricted	Unrestricted	31 05 07 Total	31 05 06 Total
	Notes	£	£	£	£
Incoming Resources					
Activities to further the Charity's Objectives Income from projects and consultancy fees, grant income	2		233,793	233,793	297,274
Investment Income and Interest		136	5,792	5,928	4,794
Donations					
Total Incoming Resources		136	239,585	239,721	302,068
Resources Expended					
Costs of generating funds	3		10,138	10,138	12,277
Direct project expenditure	3	48,091	218,465	266,556	220,073
Governance	3		13,804	13,804	18,141
Total Resources Expended		48,091	242,407	290,498	250,491
Net movement in funds		(47,955)	(2,822)	(50,777)	51,577
Transfer between funds	6	(13,000)	13,000		
Total funds at 1 June 2006		67,441	174,523	241,964	190,387
Total funds at 31 May 2007		6,486	184,701	191,187	241,964

The notes form part of these financial statements

**The Active Learning Centre
(Limited by Guarantee)**

**Balance Sheet
31 May 2007**

		31 5 07		31 5 06	
	Notes	£	£	£	£
FIXED ASSETS.					
Tangible assets	7		2		2
CURRENT ASSETS					
Debtors	8	37,247		12,102	
Cash at bank and in hand		<u>172,599</u>		<u>241,303</u>	
		209,846		253,405	
CREDITORS Amounts falling due within one year	9	<u>18,661</u>		<u>11,443</u>	
NET CURRENT ASSETS			<u>191,185</u>		<u>241,962</u>
TOTAL ASSETS LESS CURRENT LIABILITIES.			<u>191,187</u>		<u>241,964</u>
RESERVES.					
Reserves	10		<u>191,187</u>		<u>241,964</u>
			<u>191,187</u>		<u>241,964</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 May 2007

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2007 in accordance with Section 249B(2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

ON BEHALF OF THE BOARD


Lynette Jordan DIRECTOR

Approved by the Board on 13 December 2007

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 May 2007**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Incoming resources

Fee income and grants are included in incoming resources when they are receivable

Costs to generate funds

The costs charged under this heading are in respect of a percentage of senior managers' salaries, to reflect time spent applying for funding

Direct project expenditure

The costs charged under this heading are those directly incurred in the various projects undertaken

Support costs

The costs charged under this heading are in respect of a percentage of directors and administrators salaries together with various other overheads to reflect time spent in supporting the various projects

Governance

The costs charged under this heading are in respect of a percentage of directors and administrators salaries together with overheads which are wholly identifiable as management expenses

Resources expended

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Fittings and equipment	33% on cost
------------------------	-------------

Individual fixed assets costing £1,000 or more are capitalised at cost

Pensions

The Charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the income and expenditure account

Funds

Unrestricted funds are donations and other incoming funds receivable or generated for the objects of the Charity without specific purpose and are available as general funds. Restricted funds are to be used for specific purposes as laid down by the donor

**Notes to the Financial Statements
for the Year Ended 31 May 2007**

2 ACTIVITIES TO FURTHER THE CHARITY'S OBJECTIVES

	31 5 07	31 5 06
	£	£
Project income	228,623	198,099
Grant income		97,643
Training fees	<u>5,170</u>	<u>1,532</u>
	<u>233,793</u>	<u>297,274</u>

3 RESOURCES EXPENDED

	Cost of generating funds	Direct project expenditure	Support costs	Governance	2007 Total	2006 Total
	£	£	£	£	£	£
Direct charitable expenditure		178,225			178,225	109,539
Secretarial/consultancy						24,158
Social security						2,462
Telephone/fax			1,495		1,495	1,422
Postage and stationery			971		971	1,902
Travel and accommodation						437
Repairs and maintenance			1,307		1,307	2,502
Sundries			685		685	1,088
Audit						2,500
Accountancy				3,619	3,619	235
Rent			1,609		1,609	4,024
Insurance			1,158		1,158	938
Removal expenses						129
Salaries	8,553	42,764	25,658	8,552	85,527	82,272
Social security	1,014	5,071	3,042	1,014	10,141	9,271
Pension	571	2,857	1,714	571	5,713	4,612
Redundancy						3,000
Bank charges				48	48	
	<u>10,138</u>	<u>228,917</u>	<u>37,639</u>	<u>13,804</u>	<u>290,498</u>	<u>250,491</u>

**Notes to the Financial Statements
for the Year Ended 31 May 2007**

4 TOTAL RESOURCES EXPENDED

Total Resources expended are stated after charging

	31 5 07	31 5 06
	£	£
Auditor's remuneration		2,500
Depreciation owned assets		
Pension costs	<u>5,713</u>	<u>4,612</u>

Salaries of executive directors

	<u></u>	<u></u>
--	---------	---------

STAFF COSTS

	31 5 07	31 5 06
	£	£
Wages salaries	85,527	106,428
Social Security	10,141	11,733
Pension costs	5,713	4,612
Redundancy	<u></u>	<u>3,000</u>
	<u>101,381</u>	<u>125,773</u>

The average number of employees during the year was as follows

Defined charitable work	2	2
Administration	<u></u>	<u>1</u>
	<u>2</u>	<u>3</u>

The number of employees whose emoluments fall within the following band

60,000 70,000	<u></u>	<u></u>
---------------	---------	---------

No director had any personal interest in any contract or transaction entered into by the charity during the year other than Lynette Jordan who received £325 in her capacity as a consultant

5 TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2007 or for the year ended 31 May 2006

6 FUNDS TRANSFERRED

The transfer between the restricted fund (Malawi Project) and unrestricted funds represents money due to the Active Learning Centre for performance during the project

**Notes to the Financial Statements
for the Year Ended 31 May 2007**

7 TANGIBLE FIXED ASSETS

	<u>Fittings and equipment</u>
	£
COST	
At 1 June 2006 and 31 May 2007	<u>7,115</u>
DEPRECIATION	
At 1 June 2006	7,113
Charge for year	<u> </u>
At 31 May 2007	<u>7,113</u>
NET BOOK VALUE	
At 31 May 2007	<u>2</u>
At 31 May 2006	<u>2</u>

**8 DEBTORS. AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31 5 07	31 5 06
	£	£
Trade debtors	35,574	11,789
Other debtors	<u>1,673</u>	<u>313</u>
	<u>37,247</u>	<u>12,102</u>

**9 CREDITORS. AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31 5 07	31 5 06
	£	£
Sundry creditors		557
Accrued expenses	<u>18,661</u>	<u>10,886</u>
	<u>18,661</u>	<u>11,443</u>

10 RESERVES

	31 5 07	31 5 06
	£	£
Restricted reserves (Note 11)	6,486	67,441
General reserves (Note 12)	<u>184,701</u>	<u>174,523</u>
	<u>191,187</u>	<u>241,964</u>

**Notes to the Financial Statements
for the Year Ended 31 May 2007**

11 RESTRICTED FUNDS

	Balance at 31 5 06	Incoming	Outgoing	Funds transfer	Balance at 31 5 07
	£	£	£	£	£
Malawi	<u>67,441</u>	<u>136</u>	<u>48,091</u>	<u>13,000</u>	<u>6,486</u>
	<u>67,441</u>	<u>136</u>	<u>48,091</u>	<u>13,000</u>	<u>6,486</u>

12 GENERAL RESERVES

As referred to in the directors' report, the Active Learning Centre requires a certain level of general reserves to meet short to medium term cash flow requirements for direct project expenditure, to cater for fluctuations in general income, to ensure that core costs are covered for the short term, to fund outstanding employer obligations and to ensure that sufficient reserves are retained for necessary IT equipment purchase

The Board has reviewed these requirements and decided on the following provisions, which will be kept under regular review

	31 5 07 £	31 5 06 £
Funding Chevening Fellowship participants	80,000	100,000
Additional costs in event of illness of core staff, 3 months full pay		
3 months half pay	16,625	16,625
IT replacement fund	2,000	3,000
Development fund to cover core costs and development work	60,000	33,000
Redundancy	8,000	8,000
Contingencies	1,000	1,000
Surplus	<u>17,076</u>	<u>12,898</u>
	<u>184,701</u>	<u>174,523</u>

13 CHARITY STATUS

The Charity is limited by guarantee which means that each member is liable to contribute up to £1 to the assets of the company in the event of it being wound up. This applies during membership and for one year after membership ceases.

14 RELATED PARTY DISCLOSURE

During the year S Phillips (the son of a senior manager) was paid £150 for updating the website and K Long (the daughter of a senior manager) was paid £350 for work on the Chevening Fellowships.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted £	General £	Total £
Tangible fixed assets		2	2
Debtors		37,247	37,247
Bank and cash	6,486	166,113	172,599
Creditors		<u>(18,661)</u>	<u>(18,661)</u>
	<u>6,486</u>	<u>184,701</u>	<u>191,187</u>