

**Report of the Directors and
Financial Statements for the Year Ended 31 May 2009
for
The Active Learning Centre
(Limited by Guarantee)**

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for the Year Ended 31 May 2009**

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**Charity Information
for the Year Ended 31 May 2009**

DIRECTORS:

K Maclachlan
E Quinn
L Jordan
B Turner (resigned 24/10/08)
B Graham
M Dailly (appointed 28/01/09)
R Hay (appointed 23/10/08)

SECRETARY:

K Phillips

REGISTERED OFFICE:

11 Southpark Terrace
Glasgow
G12 8LG

CHARITY NUMBER:

SCO 022963

REGISTERED NUMBER:

147783 (Scotland)

INDEPENDENT EXAMINER:

Craig M Fotheringham CA
The Kelvin Partnership
Chartered Accountants
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

**Report of the Directors
for the Year Ended 31 May 2009**

The directors present their report with the financial statements of the Charity for the year ended 31 May 2009.

Carrying out the aims and objectives of the association

The Active Learning Centre (ALC) was established in 1993 to build democratic participation and implement human rights through capacity building, research and consultancy programmes with non-governmental organisations (NGOs) and representatives of government. 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 and representation. 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"

Principal activity

In the year under review the Centre has carried out a number of educational courses and study visits, some research, instigated and managed a number of projects overseas and also done some consultancy work. All of this activity has been directed towards the Centre's objective of increasing the understanding of and building capacity for, democracy and human rights. We remain committed to exploring and developing the voice and rights of women. This year, in partnership with the University of Glasgow, 18 residential post graduates studied governance. We welcomed overseas visitors from Iran, China and Nigeria to study governance, citizens' rights and community partnerships in local government and worked on longer term projects with partners in Iran, Malawi and Ethiopia, where there is a real need to strengthen rights and democracy. The Centre also expanded contacts and planned new developments in Armenia, Rwanda and Cameroon. Research to explore the relationship between poverty reduction and the political empowerment of women began in partnership with institutes in South Africa and India. A parallel investigation was initiated in Scotland to look at the achievements of, and learn from the experience of women ministers in the last Scottish administration.

Company status

The Active Learning Centre is a company limited by guarantee incorporated in Scotland (registration number 147783). The company secretary is currently Kate Phillips. The Active Learning Centre is also a recognised Scottish Charity, (charity reference number SC022963). The Centre is governed by its Memorandum and Articles of Association which set out the method of appointing the Board of Directors.

Board of Directors

At the start of the year in May 2008 the Active Learning Centre directors were: Kathy Maclachlan, Esther Quinn, Lynette Jordan, Brenda Graham and Bob Turner (who resigned 24/10/08). Bob Hay, Deb Nicholson and Mike Dailly joined the Board at the AGM (on 23/10/08). Mike Dailly was elected to chair of the organisation and Bob Hay became the treasurer.

**Report of the Directors
for the Year Ended 31 May 2009**

Use of the development fund for new activity and capacity building

At the start of this year 2008-9 the Centre considered the need to expand its membership, renew its skills base and build the capacity of its Board. The Board agreed to pursue the opportunities for partnership that the residential Chevening post graduate Fellowship course offered and to encourage the use of its development fund for a range of new possibilities.

A development fund of up to £30,000 was agreed at the AGM in 2007. This fund was reserved for initiatives to build new strands of work of long term benefit to the Active Learning Centre. During the year the Board considered a number of applications from members and contacts. Using the fund, Mike Dailly traveled to Cameroon to link up with former Chevening Fellow Laura Anyola and plan a law centre partnership. The experience gave Mike a greater understanding of the work of Active Learning Centre and resulted in a possible development project to build capacity and link human rights activists in Cameroon with counterparts in Scotland. The Board also agreed to partly fund youth participants to an international gender training called 'Youth in the World', a collaboration between 10 countries, to pilot a programme called 'Gender roles through time' scheduled for 16th to 20th July 2009. In addition, the centre agreed to investigate the impact women in the Scottish Parliament have made on policy making and legislation, through interviews with Scottish women ex-ministers (from 1999-2007) to capture their views. The proposed benefits to the Centre include raising our research profile and, at a later stage, media coverage in Scotland. In September 2008 Rwanda's Parliament made history when it became the first in the world where women hold a majority, 56 per cent, of the seats. The Centre agreed to carry out a needs assessment to develop a training programme to be carried out by the Active Learning Centre in 2009 -2010 and to identify funding streams.

Board developments and capacity building

The involvement of the Board in appraisal of applications, carrying out work overseas and reporting development activities has provided and will continue to provide, helpful capacity building for the Board and members of the Centre.

During the year the Board initiated discussion of the structure and purpose of its meetings. Triple Line had made an assessment visit to monitor procedures for DFID grant purposes and pointed out a number of management weaknesses which have received attention. There has been some tightening up of procedures: regular written reports from staff are now circulated and discussed by the Board; there is better provision of information to allow the Board to participate in decisions and understand the nature of problems arising from overseas work; clarification of roles within the standing orders; and tighter financial regulation. The Board agreed that it does not want to lose the possibility of Board members taking part in the development of the Centre's work. Indeed the Board consider that purposeful travel overseas is one of the best ways to build capacity. To help to deal with any conflict of interest the Board recently agreed that whenever decisions with financial implications for a Board member are under consideration, that member should be excluded from the meeting.

The Chevening post graduate course

The overall aim of the Foreign and Commonwealth Office funded residential course 'Government Relations with Non Governmental Organisations (NGOs) and Civil Society' is to examine the relationship between government and non-governmental organisations. The course includes lectures and visits to study: government relations with civil society; community development and social inclusion; the framework of legislation for charities; transparency and accountability in governance; the rights of women and minorities and the role of NGOs in conflict resolution. This year the course attracted Fellows interested in a great range of issues including: building the capacity of NGOs to provide a voice for vulnerable groups in Angola; developing the role of the non-governmental sector and strengthening their network in Burma; strengthening human rights and combating gender inequality and violence in Cambodia; coordinating youth development, including the needs of disabled and ethnic minority young people in Cameroon; the possible role of NGOs in forging a better relationship with the local state in China and improving dialogue between NGOs and the government in Pakistan.

Ethiopia: rights advice and information to help vulnerable people

This new project is funded by the Department for International Development and is a collaboration between the Active Learning Centre and the Organisation for Social Justice in Ethiopia. It will set up advice centres in four cities of Ethiopia. Loosely based on a Citizens Advice Bureau model, the project will work with trained paralegals to develop the service in cities before extending into rural areas. Advisory committees attached to each centre are responsible for collating information and advocating for longer term improvements to benefit the lives of poor and vulnerable people.

Malawi: advocating for gender equality

Operating in two areas of Malawi, this project funded by the Scottish Government, is a partnership with the British Council. It aims to promote a better understanding of rights, greater participation in decision-making and to strengthen national and local organisations in advocating for the implementation of Malawi's gender policy. A training manual has been produced and a training for trainers held to enable local workshops in 15 different communities. In the next phase local community groups will mount small campaigns, which will link into the national Gender Co-ordinating Committee's advocacy strategy.

China: gender equality and the prevention of HIV/AIDS

Gil Long has continued her advisory work on China's response to HIV, producing a series of briefing sheets on gender and good practice. A key feature of the Chinese Government policy is to make use of locally based NGOs who are better able to reach vulnerable groups. In March 2009, the Centre organised a UK study tour for Chinese officials to enable them to examine the relationship between Government and NGOs in Scotland.

Support for women parliamentarians in Ethiopia

A greatly increased number of women parliamentarians were elected to the Federal and Regional Parliaments in 2005. The Active Learning Centre supported women election candidates and has continued to support MPs' training, with workshops on media skills, legislative procedures and debating. In October, Federal Parliamentarians attended a training of trainers and in March this year 14 training courses for 480 women regional representatives were held. A training manual was prepared with materials on Ethiopian law, parliamentary procedure and skills. In March, the Centre assessed the state of the main political parties with respect to women's representation and training needs for the next election.

Armenia: cross-party work with women candidates

Only 12 of Armenia's 131 parliamentarians are women, despite a quota system which requires at least 15 per cent of all candidates to be female. Most women candidates find that their low position on party lists makes election extremely unlikely. In September 2008, on behalf of the British Council and the Organisation for Security and Co-operation in Europe, the Active Learning Centre conducted training, working with two different groups in Yerevan and Goris.

Nigeria: managing projects, monitoring and evaluation

In Ekiti State, NGOs and government are collaborating on a range of projects focusing on citizens' rights and access to justice. In September a course on project development and management was held for officials and NGO representatives. The group visited Parkhead Citizens Advice Bureau and spent an afternoon with the Big Lottery Fund to learn about inviting and assessing proposals, and the monitoring and evaluation of grant aided activities.

Research in political empowerment in poverty related processes

This three year programme of research with partners in India and Malawi will capture the process of political empowerment or disempowerment in key poverty related processes and develop tools for analysing power and influence over poverty reduction questions. The plan is to capture the views of MPs in a series of participatory workshops and finally train 20 trainers in India and Malawi to use the tools of analysis with women politicians in each country.

**Report of the Directors
for the Year Ended 31 May 2009**

The situation of women in Iraq and Afghanistan

In August Kate Phillips attended a meeting in Iran to assess the situation of women in Iraq and Afghanistan and discuss capacity building with women MPs, journalists and NGO representatives. The need to build capacity to direct resources to the deteriorating position of girls and women was stressed in discussions. Kate Phillips spoke in the final session describing Western Peace Movements and public views of the situation in Iraq, Afghanistan and Iran.

Iran local government

During 2008 two delegations of councillors and NGOs came to Glasgow to develop an understanding of the way that the community works with local government. Tehran city has subsequently introduced public consultation into physical planning. City councils want to strengthen their political base through dialogue with the community. In October Tehran funded an NGO exhibition, an idea borrowed from Glasgow. With the help of SDM Consultancy and Queen Margaret University, The Active Learning Centre has developed a course on community participation, planned for Iran in May. This plan has since been overtaken by protests over the disputed Presidential election results and the subsequent break down of relations between Iran and UK.

Strategy for reserves

The Centre has reserves which we expect to eat into during this year while we develop a replacement for the Chevening Fellowship residential course and fill the gap left by the sudden curtailment of our work in Iran.

Up to £100,000 is currently needed to forward fund activities which the accounts show, are often paid in arrears. Whilst some projects are funded in advance, research, education courses, consultancy and study visits are more often paid after the event. In the current climate bills are being paid at the last possible moment and the Centre can wait many months for payment.

The Centre's overseas work carries higher than average health risks. We are particularly reliant on two core full-time staff. Reserves are needed to cover liabilities for sick pay and for staff replacement should either of these fall ill. £47,500 is needed to cover this possibility.

The Centre also needs to replace essential equipment regularly; £3,000 is set aside for this possibility.

Development Funds are needed to continue the process of renewing our network of associates and contacts, to widen the skills base available to us, and develop future work with new partners. £25,000 has been set aside for this purpose.

The steps that have been taken to cut costs are helping to balance our income and expenditure. Our turnover has increased this year due to new projects and partnerships overseas but our reserves are very slightly reduced owing to a number of factors including the need to remain competitive. Our position continues to be quite vulnerable. We are competing for funds in a very tight situation with thousands applying and only tens of projects eventually being successful. The Centre has managed to obtain funds for new projects in Iran, Malawi and Ethiopia but we were unsuccessful in retaining the Chevening Fellowship residential course and it seems unlikely that we will be able to continue our funded work in Iran. Our staffing costs continue to increase.

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 and possible replacement staff; £47,500
- Equipment replacement; £3,000
- Advance funding for consultancy, educational courses, research projects £100,000
- Development funds for working on new projects and partnerships £25,000

**Report of the Directors
for the Year Ended 31 May 2009**

Statement of risk

The Centre faces two main risks. The first and probably most important risk is in becoming too reliant on one source of funding; there is a need to maintain a broad mix of funding. We are working in increasingly risky situations, funds can dry up quite suddenly as aid priorities change or the in country political situation spirals out of control, preventing hard won projects being carried out, as we see in Iran. The need to constantly re-apply for funds against tough worldwide competition leads to greater amounts of time spent on this task. The Centre has had some success in spreading risk this year by successfully seeking project funds and consultancy work from a broad range of organisations. We are building a strong relationship with the Foreign and Commonwealth Office which has a shared interest in developing rights and democracy in certain key countries. We were successful in gaining new funds from DFID and have continued our good funding relationship with the Scottish Executive but must look to other foundations in future to broaden our sources of income.

The second main risk is our dependence on a small core of staff. In this financial year the Board has worked on a strategy for building the capacity of our Board members, consultants and friends to share some of the tasks currently carried by two full-time members of staff. We will use our development fund to continue to build up the skills of our members and Board members and draw in a range of consultants with whom we can cooperate.

ON BEHALF OF THE BOARD:



K Phillips - SECRETARY

Dated: 19 October 2009

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

I report on the financial statements of The Active Learning Centre for the year ended 31 May 2009 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 2006. 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 my responsibility to examine the financial statements are required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiners' report

My examination was carried out in accordance with Regulations 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 I do not express an audit opinion on the view given by the financial statements.

Independent examiners' statement

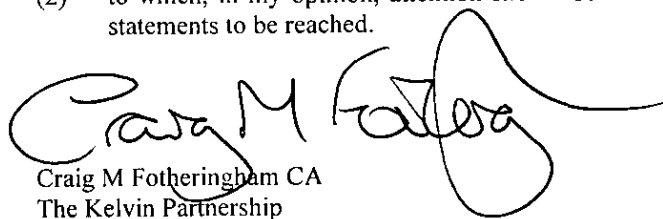
In the course of my examination, no matter has come to my attention

- (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, Regulation 4 of the 2006 Accounts Regulations, and Section 386 of the Companies Act 2006

to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations and the Companies Act 2006 have not been met, or

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



Craig M Fotheringham CA
The Kelvin Partnership
Chartered Accountants
The Cooper Building
505 Great Western Road
GLASGOW
G12 8HN

Dated: 19 October 2009

**Income and Expenditure Account
incorporating Statement of Financial Activities
for the year ended 31 May 2009**

		Restricted	Unrestricted	31.05.09 Total	31.05.08 Total
	Notes	£	£	£	£
Incoming Resources					
Activities to further the Charity's Objectives: Income from projects and consultancy fees, grant income	2	82,084	264,944	347,028	291,477
Investment Income and Interest		51	3,722	3,773	5,894
Donations		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Incoming Resources		<u>82,135</u>	<u>268,666</u>	<u>350,801</u>	<u>297,371</u>
 Resources Expended					
Costs of generating funds	3	-	10,794	10,794	10,631
Direct project expenditure	3	67,845	273,093	340,938	266,464
Governance	3	<u> </u>	<u>13,323</u>	<u>13,323</u>	<u>13,135</u>
Total Resources Expended		<u>67,845</u>	<u>297,210</u>	<u>365,055</u>	<u>290,230</u>
 Net movement in funds		14,290	(28,544)	(14,254)	7,141
Transfer between funds		(13,000)	13,000	-	-
Total funds at 1 June 2008		<u>3,000</u>	<u>195,328</u>	<u>198,328</u>	<u>191,187</u>
Total funds at 31 May 2009		<u>4,290</u>	<u>179,784</u>	<u>184,074</u>	<u>198,328</u>

The notes form part of these financial statements

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

**Balance Sheet
31 May 2009**

		<u>31.5.09</u>		<u>31.5.08</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		2		2
CURRENT ASSETS:					
Debtors	7	26,523		47,496	
Cash at bank and in hand		<u>202,471</u>		<u>169,629</u>	
		228,994		217,125	
CREDITORS: Amounts falling due within one year	8	<u>44,922</u>		<u>18,799</u>	
NET CURRENT ASSETS:			<u>184,072</u>		<u>198,326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>184,074</u>		<u>198,328</u>
RESERVES:					
Reserves	9		<u>184,074</u>		<u>198,328</u>
			<u>184,074</u>		<u>198,328</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2009.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2009 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 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 profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 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 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

ON BEHALF OF THE BOARD:


Mike Dailly - DIRECTOR

Approved by the Board on 19 October 2009

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 May 2009**

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.

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

**Notes to the Financial Statements
for the Year Ended 31 May 2009**

2. ACTIVITIES TO FURTHER THE CHARITY'S OBJECTIVES

	Restricted	Unrestricted	31.5.09	31.5.08
	£	£	£	£
Project income	-	264,594	264,594	262,166
Grant income	82,084	-	82,084	27,861
Training fees	-	350	350	-
Gifts in kind	-	-	-	1,450
	<u>82,084</u>	<u>264,944</u>	<u>347,028</u>	<u>291,477</u>

3. RESOURCES EXPENDED

	Cost of generating funds	Direct project expenditure	Support costs	Governance	2009 Total	2008 Total
	£	£	£	£	£	£
Direct charitable expenditure	-	241,541	-	-	241,541	170,538
Gifts in kind	-	-	-	-	-	1,450
Telephone/fax	-	-	2,308	-	2,308	2,260
Postage and stationery	-	-	631	-	631	1,644
Travel and accommodation	-	-	1,576	-	1,576	381
Repairs and maintenance	-	-	1,184	-	1,184	115
Sundries	-	-	686	-	686	770
Audit/Accountancy	-	-	-	2,500	2,500	2,500
Rent	-	-	3,200	-	3,200	3,200
Insurance	-	-	963	-	963	1,055
Website Design	-	-	2,500	-	2,500	-
Salaries	9,157	45,786	27,472	9,157	91,572	90,997
Social security	1,032	5,159	3,095	1,032	10,318	10,302
Pension	605	3,023	1,814	605	6,047	5,015
Bank charges	-	-	-	-	-	3
AGM Expenses	-	-	-	29	29	-
	<u>10,794</u>	<u>295,509</u>	<u>45,429</u>	<u>13,323</u>	<u>365,055</u>	<u>290,230</u>

Notes to the Financial Statements
for the Year Ended 31 May 2009

4. **TOTAL RESOURCES EXPENDED**

Total Resources expended are stated after charging:

	31.5.09	31.5.08
	£	£
Auditor's remuneration	-	2,500
Depreciation - owned assets	-	-
Pension costs	<u>6,047</u>	<u>5,015</u>
Salaries of executive directors	<u>-</u>	<u>-</u>

	31.5.09	31.5.08
	£	£
STAFF COSTS		
Wages - salaries	91,572	90,997
Social Security	10,318	10,302
Pension costs	<u>6,047</u>	<u>5,015</u>
	<u>107,937</u>	<u>106,314</u>

The average number of employees during the year was as follows:

Defined charitable work	2	2
Administration	<u>-</u>	<u>-</u>
	<u>2</u>	<u>2</u>

There were no employees with emoluments in excess of £60,000

No director had any personal interest in any contract or transaction entered into by the charity during the year other than Brenda Graham who received £7,043 in her capacity as a consultant.

5. **TAXATION**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2009 or for the year ended 31 May 2008.

Notes to the Financial Statements
for the Year Ended 31 May 2009

6. TANGIBLE FIXED ASSETS

	Fittings and equipment
	£
COST:	
At 1 June 2008 and 31 May 2009	<u>7,115</u>
DEPRECIATION:	
At 1 June 2008	7,113
Charge for year	<u>-</u>
At 31 May 2009	<u>7,113</u>
NET BOOK VALUE:	
At 31 May 2009	<u><u>2</u></u>
At 31 May 2008	<u><u>2</u></u>

7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	31.5.09	31.5.08
	£	£
Trade debtors	22,504	45,744
Other debtors	<u>4,019</u>	<u>1,752</u>
	<u><u>26,523</u></u>	<u><u>47,496</u></u>

8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	31.5.09	31.5.08
	£	£
Sundry creditors	24,933	-
Accrued expenses	<u>19,989</u>	<u>18,799</u>
	<u><u>44,922</u></u>	<u><u>18,799</u></u>

9. RESERVES

	31.5.09	31.5.08
	£	£
Restricted reserves (Note 11)	4,290	3,000
General reserves (Note 12)	<u>179,784</u>	<u>195,328</u>
	<u><u>184,074</u></u>	<u><u>198,328</u></u>

Notes to the Financial Statements
for the Year Ended 31 May 2009

10. RESTRICTED FUNDS

	Balance at 31.5.08	Incoming	Outgoing	Funds transfer	Balance at 31.5.09
	£	£	£	£	£
Malawi	-	38,535	28,350	8,650	1,535
Iran	3,000	-	3,000	-	-
Ethiopia	-	43,600	36,495	4,350	2,755
	<u>3,000</u>	<u>82,135</u>	<u>67,845</u>	<u>13,000</u>	<u>4,290</u>

11. 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:

	31.5.09 £	31.5.08 £
Funding Chevening Fellowship participants	-	85,000
Additional costs in event of illness of core staff	47,500	17,000
IT replacement fund	3,000	5,500
Development fund	25,000	30,000
Advance projects fund	100,000	25,000
Funding consultancy activity	-	10,000
Surplus	<u>4,284</u>	<u>22,828</u>
	<u>179,784</u>	<u>195,328</u>

12. 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.

13. RELATED PARTY DISCLOSURE

During the year D Phillips (the son of a senior manager) was paid £1,450 for consultancy work; S Phillips (son of a senior manager) was paid £2,500 for website design; and K Long (daughter of a senior manager) was paid £350 for consultancy work.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted £	General £	Total £
Tangible fixed assets	-	2	2
Debtors	-	26,523	26,523
Bank and cash	29,224	173,247	202,471
Creditors	<u>(24,934)</u>	<u>(19,988)</u>	<u>(44,922)</u>
	<u>4,290</u>	<u>179,784</u>	<u>184,074</u>