

**ENGINEERS AGAINST POVERTY**  
(Company limited by guarantee no. 03613056  
registered charity no. 1071974)

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2012**

# **ENGINEERS AGAINST POVERTY**

**(Company limited by guarantee no. 03613056, registered charity no. 1071974)**

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## **REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2012**

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### **CONTENTS**

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	Page
<b>Reference and administrative details</b>	1
<b>Trustees' report</b>	2
<b>Independent Auditors' report</b>	7
<b>Statement of financial activities</b>	9
<b>Balance sheet</b>	10
<b>Notes to the financial statements</b>	11

## ENGINEERS AGAINST POVERTY

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### REFERENCE AND ADMINISTRATIVE DETAILS

For the year ended 31 December 2012

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<b>Trustees</b>	Neil Bruce	
	Professor Paul Jowitt	Chairman
	Tony Marshall	
	Tim Sharp	
	Ronald Watermeyer	
	Nelson Ogunshakin	
	Joanne Downham	Treasurer

**Company Secretary** Tendai Nyoka

**Executive Director** Petter Matthews

**Company reg. no.** 03613056

**Charity reg. no.** 1071974

**Registered office** 2nd Floor Weston House  
246 High Holborn  
London WC1V 7EX

**Auditors** MHA MacIntyre Hudson  
Chartered Accountants & Statutory Auditor  
New Bridge Street House  
30-34 New Bridge Street  
London EC4V 6BJ

**Bankers** National Westminster Bank Plc  
Charing Cross Branch  
PO Box 113, Cavell House  
2a Charing Cross Road  
London WC2H 0NN

## ENGINEERS AGAINST POVERTY

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### TRUSTEES' REPORT

For the year ended 31 December 2012

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The Trustees, who act as directors of the Company for the purposes of the company law, submit their annual report and the financial statements of Engineers Against Poverty (EAP) for the year ended 31 December 2012. The Trustees confirm that the annual report and financial statements of the Company comply with current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing Document

Engineers Against Poverty is a Company limited by guarantee, (company number 3613056), and a registered Charity, (Charity number 1071974). It was known as The Telford Challenge until 17 October 2003. The power and limits of the Charity are set out in its Memorandum and Articles of Association.

There are no transactions with the Trustees that require disclosure under FRS 8 'Related Party Disclosures'.

#### Appointment of Trustees

At the Annual General Meeting in July 2012 Tim Sharp and Paul Jowitt retired by rotation and were re-elected.

#### Principal Officers

The following people were employed by EAP during 2012:

- Petter Matthews (Executive Director)
- Jill Wells (Senior Policy and Research Advisor)
- John Hawkins (Programme Manager).
- Tendai Nyoka (Finance and Administration Officer)
- Nina Neeteson (Policy and Research Advisor). Left in May 2012
- Bernadine Fernz (Policy and Research Advisor). Joined June 2012

#### Management of major risks

The Trustees retain responsibility for a system of internal controls that are designed to manage major risks. These systems provide reasonable but not absolute assurance against inappropriate or ineffective use of resources and against the risk of errors or fraud. The Trustees delegate authority to the Executive Director to conduct an annual review of the major strategic and operational risks that EAP faces and the ways in which they are being monitored, managed and mitigated. The outcomes of this review are reported to the Trustees by the Executive Director and changes in policy are made where necessary. The Trustees are satisfied with the systems in place to monitor, manage and mitigate EAP's exposure to major risks.

### OBJECTIVES AND ACTIVITIES

#### Objects

The objects of the Charity are for the relief of poverty in particular by assisting in the provision of engineering support for projects and programmes for the relief of poverty anywhere in the world.

#### Mission

Our mission is to improve infrastructure policy and engineering practice in order to help reduce and eventually eliminate poverty.

**TRUSTEES' REPORT**

**For the year ended 31 December 2012**

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**Policies**

The Trustees are responsible for establishing the policies that guide the work of the Charity. These policies are designed to make the most effective and efficient use of the resources at its disposal. They are also designed to ensure that EAP meets its obligations to its project partners, corporate and individual supporters and staff. Responsibility for implementing these policies on a day-to-day basis is delegated to the Executive Director who reports to the Trustees on a regular basis.

**Restrictions**

There are no restrictions in the governing documents as to how Engineers Against Poverty may operate.

**Investment Powers**

There are no powers to make investments other than in bank accounts and there is no intention to build up an investment fund.

**Charitable Contributions**

All programme expenditure is for charitable purposes, but no direct contributions for charitable purposes have been made.

**Liability Insurance**

£420 has been expended on Charity Trustees' Liability Insurance.

**PUBLIC BENEFIT**

The trustees have noted the duty in section 17 of the Charities Act 2011 and the guidance of the Charity Commission with regard to public benefit. All our activities are for the public benefit, but we highlight in particular:

- Our capacity building work with partners in the global south helps to strengthen institutions that ultimately benefit a wide section of the population. Helping public procuring entities for example to make themselves accountable to the public, delivers benefits in the form of cost efficiencies in infrastructure investment. This impacts on all taxpayers through better value for money and on users of particular public services through better quality infrastructure.
- Our technical support and advice directly influences major international agencies that are responsible for substantial investments in low and middle income countries. Even relatively minor improvements in their policy and practice help to increase the positive impact on the populations of those countries.
- Our research produces knowledge that reaches opinion-formers in government, industry and academia. EAP influences international debates and people think and act in ways that are more likely to result in better development outcomes as a result of our high quality knowledge products.

**ACHIEVEMENTS AND PERFORMANCE**

The Trustees agreed a new Strategic Plan in 2012. It frames our efforts in terms of particular 'Areas of Focus' which are summarised here with examples of how EAP is working through them to deliver significant public benefits.

**Infrastructure investment**

EAP develops innovative approaches that help maximise the development benefits of infrastructure investments for poor people. An example of this is undertaking a monitoring and evaluation study of the Department for International Development's investment in the Ethiopian water & sanitation sector. The recommendations are helping to ensure that poor people have access to the basic services that are vital to improve their livelihoods.

### TRUSTEES' REPORT

For the year ended 31 December 2012

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#### **Transparency, accountability and auditability**

EAP runs the International Secretariat of the Construction Sector Transparency (CoST) initiative. It is working in 8 countries to improve transparency and accountability in public sector infrastructure. Recent achievements include a saving of \$3.2m on a rural road project in Ethiopia, cancellation of a contract to rehabilitate the Belize Bridge in Guatemala due to procurement 'irregularities' and institutional reforms resulting in improved transparency in Malawi and the Philippines.

#### **Local content**

Local content refers to creating jobs, promoting enterprise development and strengthening domestic industry. EAP conducts research and publishes high quality guidance for policy-makers and practitioners. In 2012 this included a major review of European Commission funded infrastructure projects to assess the impact of 'labour intensive' construction methods in creating jobs. Key recommendations were published in a briefing note that is proving very influential.

#### **Labour standards**

In 2012 EAP concluded 5 year programme aimed at improving the conditions of workers in the Tanzanian construction industry. Achievements include 55 individuals who were trained as health & safety trainers; 740 individuals received training and improved their awareness of health & safety in the workplace and the Tanzanian Government received the technical support needed to finalise national health and safety regulations. The long-term impact of these improvements will be fewer accidents and deaths on construction sites and improvements in the livelihoods of workers.

#### **Support of Organisations**

The work of EAP in 2012 would not have been possible without the tremendous support of a range of Organisations.

- AMEC
- ARUP
- Balfour Beatty
- Department for International Development
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
- Engineering Council
- Engineering UK
- Institution of Chemical Engineers
- Institution of Civil Engineers
- Institution of Engineers Tanzania
- Institution of Mechanical Engineers
- Royal Academy of Engineering
- South African Institution of Civil Engineering
- World Bank

#### **Support of Individuals**

The Trustees offer sincere thanks to all the individuals who have supported the Charity's work in 2012.

**TRUSTEES' REPORT**

**For the year ended 31 December 2012**

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**FINANCIAL REVIEW**

**Accounts**

The accounts for the year ended 31 December 2012 are shown in this annual report. The Trustees consider that the reserves are sufficient to meet its needs and obligations. All funds are held on short term deposit.

**Unrestricted Funds**

Expenditure exceeded income by £11,431. The balance on unrestricted funds at 31 December 2012 stood at £132,603.

**Reserves**

The Trustees have established a Reserves Policy that considers the level of 'free reserves' sufficient to protect the organisation and its charitable programme by providing time to adjust to changing financial circumstances. This limits the risk of disruption to the programme in the event of a shortfall in any of EAP's various sources of income, or an unexpected need for additional expenditure. At the year end the free reserves (i.e. unrestricted funds), were £132,603 which the Trustees consider to be acceptable.

**PLANS FOR FUTURE PERIODS**

The Trustees recently approved a new Strategic Plan for 2012-2017. It is underpinned by our Vision of a future in which poverty has been eliminated and the structures of inequality and disadvantage have been transformed so that all people share the benefits of development. We will work through 5 Areas of Focus that are related to and intended to further our charitable objects. They are: 1. Infrastructure investment, 2. Transparency & Accountability, 3. Local Content, 4. Labour standards and 5. Climate Change. We will improve our internal systems and procedures to help ensure even better value for money for our supporters and increased impact on the lives of poor and marginalised people.

**RESPONSIBILITIES OF TRUSTEES**

The Trustees (who are the directors of Engineers Against Poverty for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

## **ENGINEERS AGAINST POVERTY**

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### **TRUSTEES' REPORT**

**For the year ended 31 December 2012**

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In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **PREPARATION OF THE REPORT**

This report has been prepared in accordance with the provisions of Part VII of the Companies Act 2006 relating to small companies.

### **AUDITORS**

MHA MacIntyre Hudson have indicated their willingness to continue in office and offer themselves for re-appointment as such, under Section 485 of the Companies Act 2006.

### **SMALL COMPANY SPECIAL PROVISIONS**

The report of the Trustees has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006 It was approved, and authorised for issue, by the Trustees on 24th July 2013 and signed on its behalf by:

PAUL JOWITT CBE  
Chairman



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENGINEERS AGAINST POVERTY (REGISTERED COMPANY NO. 03613056)**

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We have audited the financial statements of Engineers Against Poverty for the year ended 31 December 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of Engineers Against Poverty for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustee for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
ENGINEERS AGAINST POVERTY (REGISTERED COMPANY NO. 03613056)  
(Continued)**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

James Gare (Senior Statutory Auditor)

For and on behalf of:

**MHA MacIntyre Hudson**

Chartered Accountants & Statutory Auditor

New Bridge Street House

30-34 New Bridge Street

London EC4V 6BJ

Date:

**ENGINEERS AGAINST POVERTY**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating Income and Expenditure Account )**  
**For the year ended 31 December 2012**

	Notes	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	38,361	-	38,361	29,064
Bank interest receivable		73	-	73	45
Incoming resources from charitable activities					
	3	17,345	580,085	597,430	405,664
Other income: Foreign exchange gain		-	-	-	3,530
<b>TOTAL INCOMING RESOURCES</b>		<b>55,779</b>	<b>580,085</b>	<b>635,864</b>	<b>438,303</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
		4,965	8,437	13,402	12,134
Charitable programmes	4	32,297	584,452	616,749	395,816
Governance costs		8,707	8,437	17,144	16,551
<b>TOTAL RESOURCES EXPENDED</b>	5	<b>45,969</b>	<b>601,326</b>	<b>647,295</b>	<b>424,501</b>
<b>Net movement in funds</b>		<b>9,810</b>	<b>(21,241)</b>	<b>(11,431)</b>	<b>13,802</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>122,793</b>	<b>-</b>	<b>122,793</b>	<b>108,991</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>£ 132,603</b>	<b>£ (21,241)</b>	<b>£ 111,362</b>	<b>£ 122,793</b>

The annexed notes form part of these financial statements

**ENGINEERS AGAINST POVERTY (company limited by guarantee)**

**BALANCE SHEET**  
As at 31 December 2012

	Notes	2012	2011
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	9	174	84
<b>CURRENT ASSETS</b>			
Debtors	10	19,236	62,738
Cash at bank and in hand		167,655	412,488
		<u>186,891</u>	<u>475,226</u>
<b>CREDITORS: amounts falling due within one year</b>	11	<b>(75,703)</b>	<b>(352,517)</b>
		<u>111,188</u>	<u>122,709</u>
<b>NET CURRENT ASSETS/ TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>111,188</b>	<b>122,709</b>
<b>NET ASSETS</b>		<u><b>£ 111,362</b></u>	<u><b>£ 122,793</b></u>
<b>FUNDS</b>			
Restricted funds	12	(21,241)	-
Unrestricted funds:			
General fund	12	132,603	122,793
		<u><b>£ 111,362</b></u>	<u><b>£ 122,793</b></u>

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). They were approved, and authorised for issue, by the Trustees on 24 July 2013 and signed on their behalf by:-

\_\_\_\_\_  
PROFESSOR PAUL JOWITT CBE, Chairman

\_\_\_\_\_  
JOANNE DOWNHAM, Treasurer

The annexed notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2012**

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**1. ACCOUNTING POLICIES**

***Basis of preparation of financial statements***

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable accounting standards, the Charities SORP (Statement of Recommended Practice: "Accounting and Reporting by Charities" published in March 2005) and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The effects of events relating to the year ended 31 December 2012 which occurred before the date of approval of the financial statements by the Trustee has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2012 and the results for the year ended on that date.

***Company status***

Engineers Against Poverty is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

***Fund accounting***

The general funds comprises of unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Statutory grants which are given as contributions towards the Charity's core services are treated as unrestricted.

***Incoming resources***

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Occasionally the Charity receives a small amount of professional advice on a pro bono basis, the value of which is not included in the financial statements as the amounts are not significant.

Income tax recoverable in relation to Gift Aid donations is recognised at the time the relevant income is receivable.

Income from sponsorship events is recognised at the earlier of the date the cash is received, or the date of the event itself.

***Resources expended***

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to the direct staff costs allocated to the activities. Governance costs include the costs of servicing Trustees' meetings, audit and strategic planning.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

**Tangible fixed assets and depreciation**

Assets with a cost of more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - over 3 years

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the statement of financial activities.

**Pensions**

The Charity contributes to the Director's defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable.

2. VOLUNTARY INCOME	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Donations	21,630	-	21,630	19,837
Sponsored fundraising event	13,692	-	13,692	7,212
Appeals	3,039	-	3,039	2,015
	<u>£ 38,361</u>	<u>£ Nil</u>	<u>£ 38,361</u>	<u>£ 29,064</u>

## 3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Department for International Development:				
- Development Awareness Fund	-	94,417	94,417	65,017
- Civil Society Challenge Fund	-	45,507	45,507	52,114
World Bank	-	254,762	254,762	48,784
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	-	164,048	164,048	-
Income from other institutions	10,000	21,351	31,351	21,420
Other earned income	7,345	-	7,345	218,329
	<u>£ 17,345</u>	<u>£ 580,085</u>	<u>£ 597,430</u>	<u>£ 405,664</u>

Income from other institutions includes funding provided from the Institution of Civil Engineers to assist with research projects. Other earned income includes fees from training courses and consultancy work.

## ENGINEERS AGAINST POVERTY

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

#### 4. CHARITABLE PROGRAMMES EXPENDITURE

	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Programme travel & subsistence	934	19,038	19,972	12,672
UK travel	1,041	-	1,041	212
Training & overseas programme costs	798	382,805	383,603	234,181
Allocation of salary costs	1,281	156,679	157,960	108,076
Allocation of support costs	28,243	25,930	54,173	40,675
	<u>£ 32,297</u>	<u>£ 584,452</u>	<u>£ 616,749</u>	<u>£ 395,816</u>

Training and overseas programme costs includes £26,239 (2011: £46,349) of grants payable to the Institute of Engineers Tanzania to cover local programme related costs for the project entitled Strengthening Workers' Rights in the Construction Industry in Tanzania.

#### 5. RESOURCES EXPENDED

	Staff costs £	Direct costs £	Support costs £	Total 2012 £	Total 2011 £
Costs of generating funds	9,135	1,258	3,009	13,402	12,134
Charitable programmes	157,960	404,616	54,173	616,749	395,816
Governance costs	9,135	5,000	3,009	17,144	16,551
Support costs	26,606	33,585	(60,191)	-	-
	<u>£ 202,836</u>	<u>£ 444,459</u>	<u>£ Nil</u>	<u>£ 647,295</u>	<u>£ 424,501</u>

Resources expended include:

	2012 £	2011 £
Auditors' remuneration: Audit fee	5,000	4,800
Depreciation	<u>101</u>	<u>94</u>

Details of staff costs are given in Note 7.

## ENGINEERS AGAINST POVERTY

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

#### 6. SUPPORT COSTS

	2012	2011
	£	£
Staff support costs	26,606	24,704
Rent and other services	13,881	11,104
Stationery	336	61
Insurance	1,420	1,381
Subscriptions	689	1,437
IT and communications	2,455	1,264
Advertising and promotion	198	216
Meetings	1,585	1,273
Depreciation	101	94
Bank charges	720	741
Professional fees	-	4,149
Other office expenses	1,454	871
Publications	641	-
Foreign exchange loss	10,105	-
	<b>£ 60,191</b>	<b>£ 47,295</b>

Support costs have been allocated to the Charity's activities on the basis of staff costs.

#### 7. STAFF NUMBERS AND COSTS

	2012	2011
	£	£
Salaries	178,649	131,402
Social security costs	19,408	14,341
Pension costs	4,663	3,660
	<b>202,720</b>	<b>149,403</b>
Other staff costs	116	259
Total staff costs	<b>£ 202,836</b>	<b>£ 149,662</b>

The average number of staff employed during the year, calculated as full time equivalents, were as follows:

	Number	Number
Administration and directorate	2.0	2.0
Project Programme Officers	2.4	1.6
	<b>4.4</b>	<b>3.6</b>

All staff worked on direct charitable activities with the exception of 10% of the Executive Director's salary being allocated to governance and 10% to cost of generating funds. The Finance and Administration Officer's salary is also allocated 10% to governance and 10% to the cost of generating funds with the remaining 80% being allocated as the support cost element of staff costs. Other staff costs are shown as support cost element of staff costs in note 5.

No employee received remuneration of more than £60,000.



## ENGINEERS AGAINST POVERTY

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

#### 8. RELATED PARTIES

During the year, no Trustee received any remuneration (2011 - £Nil). £2,180 was reimbursed during the year to one Trustee for travel and other expenses incurred on Charity business (2011 - £607).

#### 9. TANGIBLE FIXED ASSETS - Office equipment

	£
<b>Cost</b>	
At 1 January 2012	1,989
Additions	191
At 31 December 2012	<u>2,180</u>
<b>Depreciation</b>	
At 1 January 2012	1,905
Charge for the year	101
At 31 December 2012	<u>2,006</u>
<b>Net book value</b>	
At 31 December 2012	<u>£ 174</u>
At 31 December 2011	<u>£ 84</u>

#### 10. DEBTORS

	2012	2011
	£	£
<b>Due within one year</b>		
Grants and contract fees receivable	15,718	59,971
VAT repayment due	49	-
Prepayments	3,382	2,561
Gift Aid tax recoverable	87	206
	<u>£ 19,236</u>	<u>£ 62,738</u>

#### 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade creditors	37,859	17,302
VAT creditor	-	3,147
Payable to Institution of Civil Engineers	15,614	25,245
Deferred grant income (see below)	-	269,680
Grant repayable	14,918	-
Accruals	7,312	37,143
	<u>£ 75,703</u>	<u>£ 352,517</u>

#### Deferred grant income

Balance at the start of the year	269,680	-
Amount released to incoming resources	(254,762)	-
Amount deferred in the year	-	269,680
Amount repayable to funder	(14,918)	-
Balance at the end of the year	<u>£ Nil</u>	<u>£ 269,680</u>

## ENGINEERS AGAINST POVERTY

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

12. STATEMENT OF FUNDS	Brought Forward £	Incoming Resources £	Resources Expended £	Carried Forward £
<b>RESTRICTED FUNDS</b>				
Development Awareness	-	94,417	(94,417)	-
Civil Society Challenge	-	45,507	(45,507)	-
CoST DGF	-	254,762	(276,003)	(21,241)
CoST GIZ	-	164,048	(164,048)	-
Ingenious	-	21,351	(21,351)	-
	-	580,085	(601,326)	(21,241)
<b>UNRESTRICTED FUNDS</b>				
General Fund	122,793	55,779	(45,969)	132,603
	<u>£ 122,793</u>	<u>£ 635,864</u>	<u>£ (647,295)</u>	<u>£ 111,362</u>

The Development Awareness fund represents grant funding from the Department for International Development for a project entitled "Developing a Global Curriculum for Engineering".

The Civil Society Challenge fund represents grant funding from the Department for International Development for a project entitled "Strengthening Workers' Rights in the Construction Industry in Tanzania".

The CoST DGF fund represents grants received from the World Bank to support the Construction Sector Transparency Initiative. During the year expenditure was incurred which was funded by a grant to be received and recognised in 2013.

The Ingenious fund represents funding from the Royal Academy of Engineering for the project entitled 'An engineers toolkit for a developing world'.

CoST GIZ funds represent funds received from Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to support the Construction Sector Transparency Initiative.

All assets and liabilities at the year end were held for unrestricted purposes.

### 13. COMMITMENTS UNDER OPERATING LEASES

	2012 £	2011 £
At the year end the Charity had the following commitments under the non-cancellable operating lease on leasehold property:	<u>£ 5,400</u>	<u>£ 4,000</u>