

**WORLD DEVELOPMENT MOVEMENT LTD &  
WORLD DEVELOPMENT MOVEMENT TRUST LTD**

**UNAUDITED COMBINED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2013**

**WORLD DEVELOPMENT MOVEMENT LTD &  
WORLD DEVELOPMENT MOVEMENT TRUST LTD**

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**UNAUDITED COMBINED FINANCIAL STATEMENTS**  
For the year ended 31 December 2013

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**REPORT OF THE BOARDS**

**For the year ended 31 December 2013**

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**Structure, governance and management**

The Boards (the Council and the Trustees) have pleasure in presenting this report on the affairs of both the organisations as part of the World Development Movement ‘family’, together with the pro-forma combined unaudited financial statements for the year ended 31 December 2012. These combined financial statements do not represent the statutory financial statements of either of the individual organisations; separate audited financial statements are prepared for each.

Past court decisions and current charity regulations rule that some of World Development Movement’s activities cannot be charitable under English law, which has resulted in the complex organisational structure split between two entities. However, most supporters reasonably, if incorrectly, believe that both the organisations are charities, and have no clear understanding of the differences between the entities involved. The Boards have therefore decided to recognise this confusion by publishing the combined results of the two WDM organisations to help understanding of the overall picture.

The financial statements of World Development Movement Trust Ltd have been prepared on the basis of the 2005 Statement of Recommended Practice – Accounting and Reporting for Charities (SORP) issued by the Charity Commission for England & Wales. The financial statements of World Development Movement have been prepared in accordance with applicable Accounting Standards in the UK for limited liability companies. The Boards have decided to adopt the framework of the SORP for reporting these combined financial statements as they believe this format is the most appropriate for the ‘family’s’ activities and allows greater comparability with other voluntary sector organisations,

World Development Movement is a company limited by guarantee, governed by its Council of elected members. Members each have one vote and local groups each have five votes. Nine Council members are elected by members every three years. A further three Council members are elected by the Representative’s Forum, and another three additional Council members may be co-opted by decision of the Council.

The Trust is governed by a self-appointed Board whose members retire on a quinquennial cycle and are eligible for re-election. The World Development Movement is invited to nominate three trustees. All trustees are selected for their knowledge and experience. The Trust employs no staff, with the World Development Movement providing the necessary services. This arrangement is monitored by the trustees. World Development Movement applied to continue to act as an agent for WDM Trust during 2013, including the provision of research and educational material, and was accepted.

The Council and the Trustees give their time voluntarily and received no benefits. Further details of the respective responsibilities of the Council and of the Trustees can be found in the published accounts of each individual body.

**REPORT OF THE BOARDS**

**For the year ended 31 December 2013**

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**Trustees of World Development Movement Trust**

P de Hoest  
SJ Hiron  
JD Hough  
R Miller (Secretary)  
J Mitchell  
M Pankhurst  
C Ssempijja  
R Stokes (From April 2013)

**Council of World Development Movement**

Chair	Paul de Hoest
Vice Chair	Mike Schilling
National Secretary	Nicola Ansell
National Treasurer	Charles Ssempijja
Ordinary Member	Peter Bryant
Ordinary Member	Belinda Calaguas
Ordinary Member	Lucy Hurn
Ordinary Member	Julieanne Porter
Co-opted	Deuan German (from October 2013)
Co-opted	Kathryn Excell (from October 2013)
Co-opted	Kirsty Robertson (from February 2014)
Area Representative	Steve Huxton
Area Representative	Giulio Iocco (to January 2014)
	Laura Boughey (from March 2014)
	Gill Taylor (to March 2013)
Area Representative	Suzanne Freegard (from March 2014)

***WDM Area Representatives***

WDM's network of members and groups is organised into 8 regions of England, plus Northern Ireland, Wales and Scotland. Representatives are elected by groups in their area. In 2013 these were as follows:

<b>Area</b>	<b>Representative</b>
East Anglia/Chilterns	None in 2013
East Midlands	Mary Steiner
London	Laura Boughey
Northern Ireland	None in 2013
North-East	Giulio Iocco (to January 2014)
	Philip Wood (from February 2014)
North-West	Paul Mittler
Scotland	Claire Green
South-East	Paul Streetly (from February 2013)
South-West	Gill Taylor (to March 2013)
Wales	Steve Huxton
West Midlands	Suzanne Freegard

**REPORT OF THE BOARDS**

**For the year ended 31 December 2013**

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**Objectives and activities**

WDM believes in a world which is free from poverty and based on principles of equity and justice. Our goal is to establish economic justice.

We are a movement of people who work with allies in the global south and elsewhere, to run effective campaigns at the national, international and supranational levels.

- We mobilise a movement of supporters who participate in campaigns through a wide range of tactics and approaches
- Our campaigns aim to change those policies, institutions and actions of government and corporations of the wealthy minority which cause poverty, injustice and inequality, particularly in the global south.
- As part of the global justice movement we research and promote positive alternatives
- WDM works with politicians and stakeholders of all persuasions to achieve its campaign goals.
- WDM continues to work closely with organisations in developing countries to contribute to its work.

WDM is extremely grateful for the continued support from individual members and supporters who enable us to maintain our independence while also ensuring we campaign effectively. We are also grateful for the generous grants received from very many institutions and charities.

**Achievements and performance**

In 2013, the World Development Movement ran effective campaigns to support the world's poor in their struggle for justice. We continued to push forward on our campaign to end excessive speculation on food commodities as well as our campaign on redirecting climate finance to low-carbon, local alternatives.

In 2013:

In working to raise awareness of the root causes of global poverty, we focussed specifically on food systems and on climate change.

Food production and distribution impacts enormously on poverty. We have been working on one element of the interaction between food systems and poverty which receives very little attention on the development sector – the role of commodity speculation in creating price volatility. Through our work we have changed public perceptions of this issue in recent years, sensitising the media, politicians and the general public to the impact of commodity speculation on poverty.

Through a broad campaign over many years, we actually achieved legislative change in 2013, when the European institutions introduced a regulatory framework to limit the amount of trading which any one player can hold in the food derivatives market. The regulation also introduced a new transparency regime in these markets. This regulation has not yet passed into effect, and continued public awareness is still necessary in ensuring these rules have maximum benefit in creating a more stable food pricing.

We also recognise this is only one part of the picture, and we therefore began work on our new campaign which aims to support small scale farmers across Africa. These farmers provide the food which feeds 70% of Africa's population. However, they do not receive the support they need and increasing economic and social phenomena like 'land grabbing' is making their lives harder. We will develop frameworks for better supporting these farmers, and change the media and policy narrative that too often places the interests of foreign investment ahead of the needs of small scale farmers.

In 2013 we also looked at the impact that dirty and destructive fossil fuel production is having on poor communities throughout the world. Not only is coal the most environmentally damaging of fossil fuels, it's mining and burning also disproportionately impacts on the poorest the most heavily.

**REPORT OF THE BOARDS**

**For the year ended 31 December 2013**

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We undertook direct research and engaged in popular education to highlight some of these impacts – partnering with groups in Indonesia and Colombia to look at the impact of coal mining in those countries. We looked at the poverty, human rights abuses and environmental degradation being perpetrated by this coal mining.

We then raised awareness of the support which this mining receives from the financial sector based here in the UK, and developed means by which the public could pressure relevant institutions to take their responsibilities to the affected communities more seriously. This work was well received by other development and environmental groups who recognised that we were exposing a ‘missing link’ in the work to better connect up climate change with its development impact.

We made links between these core issues and other important issues, to demonstrate the complexity and interactions between different social and economic issues. The purpose of this work is to give individuals in the UK a better understanding of the positive role they can play in preventing poverty, and creating a more equal and sustainable world. We looked at a damaging coal mine proposed in Phulbari, Bangladesh, we highlighted some of the damaging aspects on a trade deal being negotiated by the World Trade Organisation, and we expressed concern at new schemes to better ‘price’ the natural world.

At the heart of all of our work our local network of campaigners and supporters. The root causes of poverty will not be tackled overnight, which is why we put significant resources into creating, maintaining and servicing a thriving campaign network. This involves an extensive programme of popular education materials and events, and in 2013 we made a special effort to start a conversation about alternative means of managing food production, in line with our campaign work in this area. We greatly expanded our supporter base and worked on methods of getting those people more actively involved in showing their support for a more equal and sustainable world without poverty – for instance by creating a 5-point online action programme for new supporters wanting to get involved in our food speculation work.

In addition, we engage extensively with the media in trying to shape public opinion and increase concern and activity around global poverty issues.

We believe this work represents significant public benefit. This year, our work on food speculation saw the creation of a regulatory framework which we believe will have a demonstrable impact on access to food once its fully operational. The awareness raising we did around this subject, has helped develop a more accurate and truthful account of why people lack access to food – something which is essential for the development of policies which try to tackle this problem. This means tackling head-on several prejudices, such as those around population size.

Our work on energy has helped to bring a more holistic understanding to the UK public as to the impacts of fossil fuels on poverty and human rights issues. We have directly helped campaigners in Indonesia, Bangladesh and Colombia to amplify their concerns in their societies and increase the democratic accountability which is a prerequisite in building a more sustainable and equal society.

Importantly, in all of our communications and educational materials we create a better understanding of the role of UK citizens in fighting global poverty, inequality and injustice. We recognise that the changes we are seeking are big and require huge changes in attitudes and behaviours. Our local network of informed and dedicated supporters is a very important element in changing these attitudes and behaviours. It feeds into a good deal of campaign work carried out across the development and environmental sectors.

We continued to support a strong movement of people across the UK to be able to challenge and promote policies that strengthen economic justice for the poorest people.

The Trust also contributed directly to relief of poverty through a Tanzania Rural Revival initiative, and collaboration with Burslem Ethical Trust allowed continuation of an established programme sending computers no longer wanted in Britain to schools and other charities overseas. During the year, the Trust disbursed £30,320 for poverty relief in rural areas in Tanzania, through Tanzania Rural Revival.

**REPORT OF THE BOARDS**

**For the year ended 31 December 2013**

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**Financial Report**

Total **income** increased by £8k to £1,846k in 2013, from £1,838k in 2012. The largest increases were in legacy income, but grants decreased, and donations from individual supporters and members decreased by a small amount. The Boards are extremely grateful for all the generous support for our work over the year, and the continuing support from individuals and faith groups in particular.

Detailed analysis of our voluntary income, including listing of grants from charities and other institutions is at notes 1 & 2 to these statements, on page 8.

Much of our income (£515k in 2013 – about 30%) comes in the form of restricted grants and donations, which may only be applied for the specific purposes agreed within the grant. And within those grants, a number are for “sub-grants” which are passed on directly to other organisations, whose aims we also support. The balance of our income, £1,331k in 2013, is unrestricted, and may be spent on activities within our aims and objectives determined by the boards.

Total **expenditure** in the year increased by a larger amount than income – up by £143k from £1,638k to £1,781k, with most of the increase applied to charitable and campaigning activities. We maintained expenditure on attracting new supporters and on fundraising, with the aim of growing levels of individual support for our work – and intend to maintain or increase this expenditure over the next two or three years.

As a result of increased income – and in particular because of the continuing unexpected increases in legacy income – there was a net **surplus** of income over expenditure of £66k in the year – of which £89k was in unrestricted funds available for general purposes. (There was a £23k reduction in the level of restricted funds which may only be spent for the specific purposes agreed in the grants.)

Our current **reserves** policy, which is reviewed annually, is to hold the equivalent of about 30% of unrestricted expenditure in our general unrestricted reserves, to allow for future reductions in income. Total staff costs of £934k equate to 75% of total unrestricted expenditure, which makes us very susceptible to even small decreases in income, which in turn depends on the continuing support of individuals and grant-makers. However, because of unexpected surpluses in 2012 and 2013, the combined unrestricted general reserve of £590k is about £200k higher than the amount required under our reserves policy.

The boards plan to maintain or increase expenditure over the next few years, to continue to invest in fundraising to grow and secure the organisations’ future income; to increase capacity for our campaigns; and also to fund the relaunch of WDM. This can be managed from within existing reserves, and should reduce the levels of reserves towards our target level over the next few years.

In addition, we hold three other reserves. The building reserve represents the book value of the premises at our Offley Road offices, less the value of the outstanding mortgage secured on the premises. (During the year, the second loan secured on the building was repaid in full.) This amount of £1,006k is not immediately available for expenditure. The legacy reserve is designed to set aside any large legacy income (amounts over £30k more than budgeted) for future expenditure, since legacy income is very difficult to predict. And the investment reserve sets aside amounts for future repairs of our premises and other assets.

This report was approved and authorised for issue by the Council of World Development Movement and the Trustees of World Development Movement Trust Ltd on 9 May 2014 and signed on their behalf by:

NICOLA ANSELL  
**National Secretary**

ROGER MILLER  
**Trustee**

WORLD DEVELOPMENT MOVEMENT LTD & WORLD DEVELOPMENT MOVEMENT TRUST LTD

UNAUDITED COMBINED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2013

	Notes	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
<b>INCOMING RESOURCES</b>					
Voluntary income	1	1,303,608	514,673	1,818,281	1,802,332
Events and other fundraising income		17,277	-	17,277	27,234
Interest receivable		4,504	-	4,504	5,089
Other incoming resources		6,432	-	6,432	3,447
<b>TOTAL INCOMING RESOURCES</b>		<b>1,331,821</b>	<b>514,673</b>	<b>1,846,494</b>	<b>1,838,102</b>
<b>RESOURCES EXPENDED</b>					
Fundraising activities	3	379,038	-	379,038	381,076
Charitable and campaigning activities	4	817,686	537,677	1,355,363	1,207,878
Governance costs	5	46,269	-	46,269	50,146
<b>TOTAL RESOURCES EXPENDED</b>		<b>1,242,993</b>	<b>537,677</b>	<b>1,780,670</b>	<b>1,639,100</b>
Net incoming/(outgoing) resources		88,828	(23,004)	65,824	199,002
Corporation tax	14	(524)	-	(524)	(172)
<b>NET MOVEMENT IN FUNDS</b>		<b>88,304</b>	<b>(23,004)</b>	<b>65,300</b>	<b>198,830</b>
TOTAL FUNDS AT 1 JANUARY		1,753,746	139,093	1,892,839	1,694,009
<b>TOTAL FUNDS AT 31 DECEMBER</b>		<b>£ 1,842,050</b>	<b>£ 116,089</b>	<b>£ 1,958,139</b>	<b>£ 1,892,839</b>

The notes attached form part of these financial statements



WORLD DEVELOPMENT MOVEMENT LTD & WORLD DEVELOPMENT MOVEMENT TRUST LTD

UNAUDITED COMBINED BALANCE SHEET

As at 31 December 2013

	Notes	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Tangible assets	10		<u>1,320,462</u>		<u>1,341,694</u>
			<b>1,320,462</b>		<b>1,341,694</b>
<b>CURRENT ASSETS</b>					
Prepayments and accrued income	11	147,467		143,878	
Cash at bank		<u>881,834</u>		<u>903,478</u>	
		<b>1,029,301</b>		<b>1,047,356</b>	
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(103,709)</u>		<u>(90,673)</u>	
<b>NET CURRENT ASSETS</b>			<b>925,592</b>		<b>956,683</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>2,246,054</b></u>		<u><b>2,298,377</b></u>
<b>CREDITORS: amounts falling due after one year</b>	13		<b>(287,915)</b>		<b>(405,538)</b>
<b>NET ASSETS</b>			<u><u><b>£ 1,958,139</b></u></u>		<u><u><b>£ 1,892,839</b></u></u>
<b>FUNDS</b>					
Unrestricted funds:					
General reserve	15		<b>589,515</b>		<b>621,463</b>
Designated funds	15		<b>1,252,535</b>		<b>1,132,283</b>
Restricted funds	15		<u><b>116,089</b></u>		<u><b>139,093</b></u>
			<u><u><b>£ 1,958,139</b></u></u>		<u><u><b>£ 1,892,839</b></u></u>

The notes attached form part of these financial statements

**NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS**  
For the year ended 31 December 2013

1. VOLUNTARY INCOME	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	<i>Total Funds 2012 £</i>
Donations from individuals	786,466	1,036	787,502	819,817
Legacies	419,314	-	419,314	269,448
Networks	1,143	-	1,143	2,350
Tanzania Rural Revival income	-	26,697	26,697	29,833
Peppercorn donations	-	45	45	45
Grants from institutions - United Reformed Church	42,806	-	42,806	65,757
Grants from institutions - Other	5,154	-	5,154	6,840
Grants from charities (see Note 2)	48,725	7,500	56,225	167,571
Scottish Executive - Global Connect	-	11,888	11,888	15,085
Isvara main grant	-	171,518	171,518	166,182
Isvara TV project	-	97,502	97,502	120,441
Isvara sub-grants	-	198,487	198,487	138,963
	<u>1,303,608</u>	<u>514,673</u>	<u>1,818,281</u>	<u>1,802,332</u>
<b>Analysis of core funding</b>				
Of which WDM	349,938	479,395	829,333	836,285
Of which WDM Trust Ltd	953,670	35,278	988,948	966,047
2. GRANTS FROM CHARITIES			Total Funds 2013 £	<i>Total Funds 2012 £</i>
Achnacarnan			-	300
Anber Fund - Liverpool Charity & Voluntary Services			1,000	230
Anonymous Trust			15,000	-
The Bates Charitable Trust			1,000	-
Christian Aid			10,000	10,000
Downton Banister Trust			-	100
Educational & General Scientific Charitable Trust			2,000	-
Esmee Fairbairn Foundation			-	50,000
Franceys Longman Trust			150	100
AK & MM Hanton Trust			500	2,000
JA Charitable Trust			2,000	2,000
The Jane Law Trust			500	-
The Jane Margaret Errington Charitable Trust			-	641
Joffe Charitable Trust			10,000	-
Jusaca Trust			2,000	2,000
J Colville Lusk Trust			-	25,000
Orr Mackintosh Foundation			-	500
Mr & Mrs FEF Newman Charitable Trust			750	700
MD & IM Newman Charitable Trust			-	1,000
Methodist Relief and Development Fund			5,000	10,000
Network for Social Change			-	16,000
Open Gate Trust			2,500	-

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**NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS**  
For the year ended 31 December 2013

The Roddick Foundation	-	30,000
The Rowan Charitable Trust	-	5,000
Saxham Trust	300	-
RH Southern Trust	-	10,000
CD Stockwell Charitable Trust	500	-
Sycamore Trust	1,000	1,000
Twitten Charitable Trust	2,000	1,000
Leslie Williams Trust	25	-
	<b>56,225</b>	<b>167,571</b>

**3. FUNDRAISING COSTS**

	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Direct fundraising costs	196,834	-	196,834	185,555
Staff costs	153,958	-	153,958	162,774
Support costs	28,246	-	28,246	32,568
	<b>£ 379,038</b>	<b>£ Nil</b>	<b>£ 379,038</b>	<b>£ 380,897</b>

**4. CHARITABLE AND CAMPAIGNING EXPENDITURE**

	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Campaigns & policy direct costs	78,912	155,712	234,624	151,521
Grants to partners	-	196,537	196,537	185,724
Staff costs	617,006	141,729	758,735	683,058
Support and property costs	121,768	13,379	135,147	147,524
Tanzania Rural Revival project costs	-	30,320	30,320	39,221
Peppercorn	-	-	-	35
	<b>£ 817,686</b>	<b>£ 537,677</b>	<b>£ 1,355,363</b>	<b>£ 1,207,083</b>

**5. GOVERNANCE COSTS**

	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Sundry expenses	116	-	116	-
Audit fees	12,357	-	12,357	14,931
AGM & Annual review	5,714	-	5,714	7,143
Council meeting costs	2,685	-	2,685	1,542
Allocation of staff costs	21,461	-	21,461	22,889
Allocation of support costs	3,936	-	3,936	3,621
	<b>£ 46,269</b>	<b>£ Nil</b>	<b>£ 46,269</b>	<b>£ 50,126</b>

**NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS**  
For the year ended 31 December 2013

<b>6. SUPPORT COSTS</b>	<b>Human Resources £</b>	<b>Finance £</b>	<b>IT £</b>	<b>Admin £</b>	<b>Total 2013 £</b>
Fundraising costs	7,344	9,039	3,107	8,756	28,246
Charitable & campaigning activities	35,138	43,247	14,866	41,896	135,147
Governance costs	1,023	1,260	433	1,220	3,936
	<u>£ 43,506</u>	<u>£ 53,545</u>	<u>£ 18,406</u>	<u>£ 51,872</u>	<u>£ 167,329</u>

Support costs have been allocated between different activities in proportion to the staff costs allocated to them.

<b>7. STAFF COSTS</b>	<b>2013 £</b>	<b>2012 £</b>
Wages and salaries	816,124	764,918
Social security costs	76,254	66,075
Pension contributions	40,706	37,728
Redundancy cost	1,070	-
	<u>£ 934,154</u>	<u>£ 868,721</u>

The average monthly number of employees during the year was 31 (2012 - 28).

No employee received emoluments of £60,000 or more.

Neither Council members nor Trustees receive any remuneration or benefits in kind. During the year Council members were reimbursed with travel and accommodation expenses to attend meetings of £1,382 (2012 - £1,092).

Salary scales paid to staff during the year, and the numbers of staff at each grade at the end of the year, are as follows. Salary scales shown below include London Weighting of £4,008pa. Three staff did not work in London - their salary scales are accordingly lower. The intern/trainee position is paid at the London Living Wage.

	<b>Salary Scales</b> <i>(including London Weighting)</i>		<b>No. of Staff at 31 Dec</b>	<b>Full-time Equivalents</b>
	<b>Lowest £</b>	<b>Highest £</b>		
Director	57,321	58,653	1	1.0
Managers	46,801	48,132	4	3.0
Senior Officers	32,818	37,479	7	4.7
Officers	28,823	33,484	11	9.4
Assistants	23,496	28,157	10	7.3
Intern/Trainee	16,016	-	1	0.6
			<u>34</u>	<u>26.0</u>

In addition, WDM contributes a minimum of 3% of salary for staff who sign up to the pension scheme, and matches staff contributions up to 7.5% of salary.

**NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS**  
For the year ended 31 December 2013

**8. COMPANY PENSION SCHEME**

The Group Pension Plan is a defined contribution scheme. At the year end, contributions of £9,045 (2012 - £5113) were outstanding.

**9. NET INCOME/(EXPENDITURE)**

	2013 £	2012 £
The income & expenditure account is after charging:		
Auditors - statutory audit	12,360	13,619
- other services	-	658
Depreciation	<u>21,231</u>	<u>26,688</u>

**10. TANGIBLE FIXED ASSETS**

	Land and Buildings	Computers £	Furniture & Equipment £	Total £
<b>Cost</b>				
At 1 January 2013	1,408,931	104,058	54,917	1,567,906
Additions	-	-	-	-
Disposals	-	(78,002)	(34,443)	(112,445)
At 31 December 2013	<u>1,408,931</u>	<u>26,056</u>	<u>20,474</u>	<u>46,530</u>
<b>Depreciation</b>				
At 1 January 2013	88,124	92,379	45,709	226,212
Charge for the year	14,111	3,327	3,793	21,231
On disposals	-	(78,001)	(34,443)	(112,444)
At 31 December 2013	<u>102,235</u>	<u>17,705</u>	<u>15,059</u>	<u>32,764</u>
<b>Net book value</b>				
At 31 December 2012	<u>£ 1,320,807</u>	<u>£ 11,679</u>	<u>£ 9,208</u>	<u>£ 1,341,694</u>
At 31 December 2013	<u>£ 1,306,696</u>	<u>£ 8,351</u>	<u>£ 5,415</u>	<u>£ 1,320,462</u>

**11. DEBTORS**

	2013 £	2012 £
Prepayments and accrued income	<u>£ 147,467</u>	<u>£ 143,878</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013 £	2012 £
Net obligations under finance lease and hire purchase contracts	3,605	3,605
Bank loans	-	2,904
Mortgage repayable in one year	14,797	15,737
Corporation tax	524	172
Social security and other taxes	23,294	22,139
Accruals	61,489	46,116
	<u>£ 103,709</u>	<u>£ 90,673</u>

**NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS**  
For the year ended 31 December 2013

<b>13. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR</b>	<b>2013</b>	<i>2012</i>
	£	£
Bank loan:		
Repayable between 1 to 5 years	-	16,145
Repayable in more than 5 years	-	58,377
Mortgage:		
Repayable between 1 to 5 years	77,972	82,947
Repayable in more than 5 years	207,539	242,060
Finance Lease:		
Repayable between 1 to 5 years	2,404	6,009
Repayable in more than 5 years	-	-
Total	<u>£ 287,915</u>	<u>£ 405,538</u>

The bank loan, which was secured on the WDM Trust freehold property, was repaid in full during the year. The mortgage, which is secured on the WDM Trust freehold property, is due to be paid off in June 2031.

In 2010, WDM entered into a finance lease for two photocopiers. The obligation arising is repayable as follows:

Gross obligations payable within:		
One year	3,605	3,605
Two to five years	2,404	6,009
Total	<u>£ 6,009</u>	<u>£ 9,614</u>
Summary:		
Repayable within one year	3,605	3,605
Repayable after more than 1 year	2,404	6,009
	<u>£ 6,009</u>	<u>£ 9,614</u>

WDM has a finance lease for two photocopiers. The lease expires 30 September 2015. The quarterly payment is £901 (2012 - £901).

**14. CORPORATION TAX**

Corporation tax of £542 (2012 - £172) is payable on interest receivable in World Development Movement at a rate of 20% (2012 - 20%). World Development Movement Trust Ltd is a registered charity, and is not subject to corporation tax on its activities.

NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS  
For the year ended 31 December 2013

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>					
General reserve	621,463	1,331,821	(1,229,406)	(134,363)	589,515
<b>Designated funds:</b>					
Building reserve	902,637	-	(14,111)	117,863	1,006,389
Legacy reserve	196,314	-	-	-	196,314
Investment reserve	33,332	-	-	16,500	49,832
	<u>1,753,746</u>	<u>1,331,821</u>	<u>(1,243,517)</u>	<u>-</u>	<u>1,842,050</u>
<b>RESTRICTED FUNDS</b>					
Tanzania Rural Revival Project	5,686	26,697	(30,320)	-	2,063
Peppercorn computer fund	578	45	-	-	623
Esmée Fairbairn Foundation	13,462	-	(13,462)	-	-
Methodist Relief and Development Fund	7,868	5,000	(10,628)	-	2,240
Open Gate Trust	-	2,500	(2,500)	-	-
A donor	1,306	-	(1,306)	-	-
Indonesia Appeal	-	1,036	(1,036)	-	-
Scottish Executive - Global Connect	-	11,888	(11,888)	-	-
Isvara Foundation	20,159	171,518	(177,659)	-	14,018
Isvara Sub-grants	27,454	198,487	(196,537)	-	29,404
Isvara TV project	62,580	97,502	(92,341)	-	67,741
	<u>139,093</u>	<u>514,673</u>	<u>(537,677)</u>	<u>-</u>	<u>116,089</u>
	<u>£ 1,892,839</u>	<u>£ 1,846,494</u>	<u>£ (1,781,194)</u>	<u>£ Nil</u>	<u>£ 1,958,139</u>

The building reserve represents the amount of the Trust's funds tied up in fixed assets (i.e. the cost of tangible fixed assets less depreciation and the loans financing them, including the amounts due after and within one year). Transfers during the year represent the value of the loans repaid during the year.

The normal legacy reserve policy is that, once annual legacy income has reached £30,000 more than the target as set at the beginning of the financial year, any additional legacy income will be allocated to the designated legacy reserve. Due to the unpredictable nature of these funds, this reserve will not normally be used to cover continuing costs, but for investments or large one-off projects.

During the year the Trust received two large one off legacies. The Trustees utilised these to pay off one loan on the property, and further reduce the outstanding mortgage, with the balance used to maintain unrestricted general reserves (the "Accumulated Fund"). No net transfers were made to or from the legacy reserve during the year.

The purpose of the investment reserves are to build up sufficient funds by annual transfers to meet the cost of major infrastructure projects as necessary. The balance brought forward of £33,332 plus the annual transfer of £16,500 was not utilised during the year. £49,832 is available for work in future years.

The Trust contributes directly to the relief of poverty through the Tanzania Rural Revival Project and the Peppercorn computer fund.

An amount of £13,462 from the Esmée Fairbairn Foundation grant for the food security and financial markets project received in 2012 was carried forward to 2013. The full amount was spent during the year.

An amount of £7,868 from the Methodist Relief and Development Fund (MRDF) grant received in 2012 was carried forward to 2013. In addition, MRDF granted a further £5,000 towards the food speculative trading, sovereignty and the finance sector project in 2013. After expenditure against these grants of £10,628 in the year, the Trustees are satisfied that the remaining amount of £2,240 will be spent for these purposes in 2014.

**NOTES TO THE UNAUDITED COMBINED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2013**

The £2,500 from the Open Gate Trust was a contribution towards the costs of producing a 'dossier of positive alternatives' publication and was spent in full during the year, as was £1,306 from a donor who wishes to remain anonymous.

The Indonesia Appeal raised £1,036 from supporters towards the cost of research work carried out into the impacts of coal mining in that country. The full amount was spent in 2013.

The full amounts of restricted grants from the Scottish Executive (for the Global Connect project) were spent during the year.

£20,159 of the 2012 grant from Isvara Foundation was brought forward from 2012, and a further £171,518 was funded for the activities that addressed food commodity speculation, financing of dirty energy, and growing social movements during the year. £177,659 of the total was spent in 2013, and the Council are satisfied that the balance of £14,018 will be spent in 2014.

The remaining balance from 2012 of £27,454 sub-grants from Isvara Foundation towards projects of shared interest was paid in 2013. Of the £196,487 received towards projects in 2013, £169,083 was paid in 2013, and £29,404 is retained until project completion and reporting, for payment in 2014.

£62,580 of the Isvara-funded TV project was unspent in 2012 and brought forward to 2013, together with additional funding of £97,502 in the year. £92,341 was spent in 2013, leaving a balance of £67,741 for expenditure in 2014. Council are confident this amount will be spent in line with the project objectives in 2014.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	Accumulated Fund		
	£	£	£	£
Tangible fixed assets	1,306,696	12,303	1,463	1,320,462
Net current assets	231,350	579,616	114,626	925,592
Creditors due in more than one year	(285,511)	(2,404)	-	(287,915)
	<u>£ 1,252,535</u>	<u>£ 589,515</u>	<u>£ 116,089</u>	<u>£ 1,958,139</u>
<b>Analysis of net assets</b>				
Of which WDM Ltd	6,672	271,043	111,163	388,878
Of which WDM Trust Ltd	1,245,863	318,472	4,926	1,569,261

**17. COMMITMENTS**

WDM has a finance lease for two photocopiers. The lease expires 30 September 2015. The quarterly payment is £901 (2012 - £901).

There were no capital commitments at 31 December 2013 (2012 : £Nil).