



Formerly Skillshare Africa

(A Company Limited by Guarantee)

**FINANCIAL STATEMENTS**

**for the year ended**

**31 MARCH 2001**

Registered Charity No: 802576

**SKILLSHARE INTERNATIONAL**  
(A Company Limited by Guarantee)

**FINANCIAL STATEMENTS for the year ended 31 MARCH 2001**

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**SKILLSHARE INTERNATIONAL**  
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**TRUSTEES' REPORT for the year ended 31 MARCH 2001**

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The Trustees present the annual report and the financial statements for the year ended 31 March 2001.

**1. CONSTITUTION**

Skillshare International is a company limited by guarantee, incorporated under the Companies Act 1985. It is also a registered charity. The company is incorporated under the terms of a Memorandum and Articles of Association.

The name of the company was changed on 2 October 2000 from Skillshare Africa. This followed the agreement to take over the activities of Action Health, another company limited by guarantee and a registered charity. The names *Skillshare Africa* and *Action Health* continue to be used for operational purposes.

The Memorandum of Association states that the company is established to relieve poverty, distress and sickness and to advance education in all parts of the world (and particularly in southern Africa).

The business of the company is managed by a Board of Trustees who are the directors of the company. The charity does not have a share capital and is limited by guarantee. Each Trustee is a member of the company and in the event of the company being wound up, is liable to contribute a maximum of £1.

**2. PRINCIPAL ACTIVITY**

The principal activity of Skillshare International is to work for sustainable development in partnership with the people and communities of Africa and Asia. We do this by sharing and developing skills, facilitating organisational effectiveness and supporting organisational growth.

Skillshare International employs staff in offices in Botswana, Lesotho, Mozambique, Namibia, South Africa, Swaziland, Tanzania and the UK to manage this work, a significant part of which is the engagement and support of development workers who share skills with people in Africa and Asia. There is also a UK supporters' association, *Friends of Skillshare International*.

A review of the performance of Skillshare International is contained in the Chair's report.

**3. BOARD OF TRUSTEES**

The following served during the year:

P Allen (from 22 September 2000); R Blake; H Hayer (from 22 September 2000); J Hoffman; S Kember (from 22 September 2000); R Langtry; C Lathrop; A Matthews (from 22 September 2000); F Mear; W Tabuteau; S Westcott; I Williams.

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None of the above have an interest in the capital of the company other than a guarantee of £1 each. No Trustee receives any emolument or payment from Skillshare International, with the exception of reimbursement of reasonable expenses incurred in connection with their duties.

Four members of the Board are elected by the members of the Company. The Board is empowered to coopt up to eight other Trustees. Trustees may be removed by ordinary resolution of the company. In addition, the Board is empowered to remove a coopted Trustee at any time.

The Trustees are empowered by the Memorandum of Association to invest the moneys of the company not immediately required for its objects in or upon such investments, securities or property as may be thought fit.

**4. COMPANY INFORMATION**

Registered address	126 New Walk, Leicester, LE1 7JA
Company registration number	2447107
Charity registration number	802576
Bankers	Lloyds TSB Bank plc, 7 High Street, Leicester LE1 9FS
Financial advisers	Lloyds TSB Private Banking Limited, Butt Dyke House, 33 Park Row, Nottingham, NG1 6GY
Solicitors	Harvey Ingram Owston, 20 New Walk, Leicester LE1 6TX
Auditors	PKF, Pannell House, 159 Charles Street, Leicester LE1 1LD

**5. SUBSIDIARY COMPANIES**

Skillshare International has two subsidiary companies:

- Action Health, registered in Great Britain as a company limited by guarantee, number 3444392. Action Health was deregistered as a charity following the acquisition and will become dormant from 1 April 2001; and
- Skillshare South Africa registered in South Africa as a Section 21 Company, number 2000/005113/08. The principal activity of this company is to carry out the activities of Skillshare International within South Africa.

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**TRUSTEES' REPORT for the year ended 31 MARCH 2001**

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**6. AUDITORS**

A resolution to re-appoint the auditors, PKF, Chartered Accountants, will be proposed at the next Annual General Meeting.

**7. POLICY ON RESERVES**

The Trustees have agreed that Skillshare International should aim to maintain sufficient reserves:

- to ensure adequate working capital;
- to meet capital expenditure needs for the year ahead;
- to be able to respond to political or natural emergencies in the countries in which we work; and
- to provide underlying financial stability.

**8. RISK ASSESSMENT**

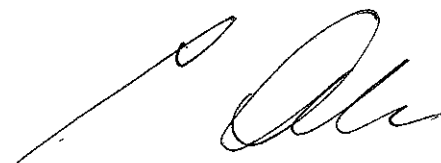
The principal external risks faced by Skillshare International are the unforeseen collapse of the income base, and political unrest or natural disaster in the countries of operation. In respect of the first, during the year, Skillshare International negotiated a Partnership Programme Agreement with our principal funder, the Department for International Development. The Agreement is for four years, commencing on 1 April 2001, and provides for total funding to Skillshare International for this period of £7 820 000. The Trustees therefore consider the risk of collapse of the income base to be low.

In respect of the second, as indicated in the section of this report on reserves, the Trustees aim to maintain reserves sufficient to enable the organisation to respond to political or natural emergencies.

The Trustees believe that the established system of management, through accounting and internal controls, supported by financial regulations, minimise the risk of material loss or misappropriation of assets.

The report of the Trustees is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board of Trustees:



Cliff Allum  
Company Secretary  
23 June 2001

**SKILLSHARE INTERNATIONAL**  
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**CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2001**

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The last 12 months have been a landmark year for us in two respects: the merger with Action Health which has led us to change our name from Skillshare Africa to Skillshare International; and the establishment of a long-term Partnership Programme Agreement with the British Government's Department for International Development (DFID).

The merger formally took place in July 2000. Action Health has brought to the organisation programmes of work in Tanzania, Uganda and India. Skillshare International maintains its commitment to working for sustainable development in these three countries alongside our established programmes in southern Africa. The merger is consistent with the commitment in our Corporate Strategy 1999-2004 to explore the possibility of working outside southern Africa.

The recruitment, selection and pre-departure preparation of trainers has been integrated into the work of the Leicester office, as has donor liaison, reporting and finance support. A Country Co-ordinator has already been appointed for Tanzania and Country Plans – setting out what each country programme seeks to accomplish within the framework of the Corporate Strategy - for all new programmes are being developed.

Bringing two organisations together is not an easy process but we are well on our way to the full operational implementation of the merger. We appreciate in particular the positive spirit of cooperation which has characterised the merger.

During this period of transition our commitment to all our partner organisations has remained strong. We continue to work with our programme partners, existing and new, to address their own needs, working together to build a greater understanding of how we can have a positive impact on development in their country, be it through skills development, project support or organisational strengthening.

The Partnership Programme Agreement (PPA) with DFID is one of eleven such strategic agreements that DFID has negotiated with international development agencies during the past year. The agreement is based on our own commitments within our Corporate Strategy, and the emphasis is on the outcomes of our work, not just our inputs. DFID's commitment is to provide funding of £7.82 million for the next four years.

We have been moving away from a numbers-based mentality for some time. We are therefore well placed to respond to this new agreement, but it will mean that our capability to demonstrate our achievements becomes more important. The Corporate Strategy, Country and Programme Plans are critical elements of our approach and provide the framework for the PPA.

### **Programme activities**

In 2000/2001, Skillshare International carried out successfully the second year of the Leadership Development Programme involving leaders of 20 Partner Organisations from southern Africa. For the first time, organisations from Namibia and South Africa joined the programme as direct result of the full establishment of the Regional Office.

The volume of project work increased and diversified significantly, particularly as result of the merger with Action Health. Skillshare International supported a total of 18 projects in seven

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**CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2001**

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countries aimed at building the capacity of our Partner Organisations. We were able to secure funding from the National Lottery Charities Board for a new project in Mother and Child health care in Simanjiro District, Tanzania.

The inclusion of the Action Health Programme has naturally seen a rise in Health related projects – particularly HIV and AIDS. The level of activity in this area rose by 14.7 per cent.

The biggest sector remains education and training at around 30 per cent. This area is still the key focus in Lesotho, due to the TVED programme, and Mozambique where 55.5 per cent of the programme is dedicated to education – particularly English language teaching.

Whilst we saw an increase in both the management and finance and agriculture and environment sectors (to 26.4 per cent and 20.7 per cent respectively), the figures indicate a drop in the engineering and planning sector, which now stands at 8.04 per cent compared to 15 per cent in the previous financial year. This is due largely to an increase in other sectors.

Management and Finance is now a key focus in Swaziland and has also had an impact in Botswana although the agriculture and environment sector continues to be the largest sector of activity. These statistics inevitably reflect the work undertaken on empowering disadvantaged groups in society especially through the NGO sector.

The level of activities across the Namibian sectors is more evenly spread but it is worth mentioning that the HIV and Health programmes have shown an increase and now they make up 28.6 per cent of the overall programme in the country.

By the end of the financial year Skillshare International had delivered 876 development worker and health trainer months across the programme. Some 765 of these were in the Skillshare Africa programme and 111 in the Action Health programme. The Skillshare Africa programme alone had an increase of 59 development worker months from the previous year.

### **Support Activities**

It is estimated that our website, which became a fully operational recruitment site in the last financial year, now accounts for around 80 to 90 per cent of all our recruited development workers and health trainers. This, coupled with the strengthening of the regional office has played a key role in widening the net for recruiting potential development workers. At the end of the financial year, 30 per cent of our serving development workers and health trainers were non-UK residents.

Our constituency building plan has taken great strides forward over the past 12 months with increased work in areas of advocacy and development education. Friends of Skillshare International, our supporters association, has always played a key role in these areas, a trend which is set to be further enhanced by the merger with Action Health. Their large number of supporters has always been active and productive in promoting development and raising funds.

### **Financial Activities**

The objectives set in June 1998 by the Board remain current. These were: to increase total

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**CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2001**

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income, to increase the proportion of income from sources other than from DFID, to manage expenditure effectively and within budget, and to maintain an adequate level of reserves. I am glad to report that once again these objectives have all been met.

Our income in 2000/2001 totalled £2.28 million, rising from £2.08 million in 1999/2000. Our basic grant from DFID totalled £1.58 million in 2000/2001, therefore comprising 69% of our total income, compared with 79% in 1999/2000.

We now have three projects supported by the National Lottery Charities Board, to a total value of about £1.39 million over a period from 1998 to 2005.

Action Health had identified areas of financial weakness, particularly in relation to the funding of core costs, and these were addressed in the financial plan for the merger. Overall, Skillshare International continued to manage financial resources effectively and within budget.

Our level of reserves remains in accordance with the policy principles set out elsewhere in this report. We maintain sufficient reserve as cash or short-term deposits to meet immediate needs. We have again this year placed some more of our reserves on longer term investment, consistent with the fourth of the policy principles.

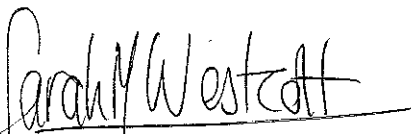
92% of our expenditure is directly related to our charitable objectives, namely meeting the costs of running our programmes in Africa and India.

Skillshare International also receives some benefits in kind. For example, the governments of Botswana and Lesotho make office premises available to us rent free, and our partner organisations in Africa and India provide housing and other support for our development workers. Also, Skillshare International's involvement with projects in Africa and India is often a means for those projects to secure additional financial resources for themselves.

**Supporters and Contributors**

On behalf of all the trustees, including the former Trustees of Action Health, I would like to thank the organisations and individuals in Africa, Asia and the UK who have financially supported our work over the past year, and without whom our activities would not be possible. A list of our major funders can be found in Skillshare International's Annual Review 2000-2001, available from the UK office.

I must also acknowledge the tremendous contribution made by everybody connected with Skillshare Africa and Action Health, including staff, development workers, our Programme Advisory Committee members in southern Africa and our Friends and supporters, in what has been a year of positive change.



Sarah Westcott  
Chair of the Board of Trustees  
23 June 2001



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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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Charity and Company law requires the directors (namely the members of the Board of Trustees of Skillshare International) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the net incoming or outgoing resources of the company for that period. In preparing those financial statements, the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the annual report is prepared in accordance with the applicable law in the United Kingdom.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
FOR YEAR ENDED 31 MARCH 2001**

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We have audited the financial statements of Skillshare International for the year ended 31 March 2001 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**Respective responsibilities of the members of the Board of Trustees and auditors**

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Trustees' Report and the Chair's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

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

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

**Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PKF  
Registered Auditors  
Leicester  
26 June 2001

**SKILLSHARE INTERNATIONAL**  
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**YEAR ENDED 31 MARCH 2001**  
**STATEMENT OF FINANCIAL ACTIVITIES**

	Note	Unrestricted funds £	Restricted funds £	2001 £	2000 £
<b>INCOMING RESOURCES</b>					
Grants	2	1 938 136	215 886	2 154 022	2 007 738
Fund Raising and Donations		69 472	-	69 472	16 253
Investment income and Interest		15 148	-	15 148	10 927
Contributions by local placements		30 146	-	30 146	25 468
Other income		<u>15 682</u>	<u>-</u>	<u>15 682</u>	<u>16 705</u>
<b>TOTAL INCOMING RESOURCES</b>		<b><u>2 068 584</u></b>	<b><u>215 886</u></b>	<b><u>2 284 470</u></b>	<b><u>2 077 091</u></b>
<b>RESOURCES EXPENDED</b>					
Cost of generating funds					
Fund raising and public relations		47 450	-	47 450	60 167
Charitable expenditure					
Direct charitable expenditure		1 973 527	144 544	2 118 071	1 794 545
Management and Administration		<u>136 924</u>	<u>-</u>	<u>136 924</u>	<u>122 217</u>
<b>TOTAL RESOURCES EXPENDED</b>	<b>5</b>	<b><u>2 157 901</u></b>	<b><u>144 544</u></b>	<b><u>2 302 445</u></b>	<b><u>1 976 929</u></b>
<b>NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS</b>	<b>3</b>	<b>(89 317)</b>	<b>71 342</b>	<b>(17 975)</b>	<b>100 162</b>
TRANSFERS	10	<u>68 034</u>	<u>46 092</u>	<u>114 126</u>	<u>(22 837)</u>
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(21 283)</b>	<b>117 434</b>	<b>96 151</b>	<b>77 325</b>
<b>TOTAL FUNDS AT 1 APRIL 2000</b>		<b><u>685 695</u></b>	<b><u>58 627</u></b>	<b><u>744 322</u></b>	<b><u>666 997</u></b>
<b>TOTAL FUNDS AT 31 MARCH 2001</b>	<b>10</b>	<b><u>664 412</u></b>	<b><u>176 061</u></b>	<b><u>840 473</u></b>	<b><u>744 322</u></b>


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**BALANCE SHEET AT 31 MARCH 2001**

	<u>Note</u>	£	<u>2001</u>	£	£	<u>2000</u>	£
<b>FIXED ASSETS</b>							
Tangible	6		272 779			264 150	
Investments	7		<u>253 613</u>			<u>175 000</u>	
			526 392			439 150	
<b>CURRENT ASSETS</b>							
Debtors	8	48 777			52 033		
Cash at bank and in hand			<u>406 191</u>		<u>386 412</u>		
			454 968		438 445		
<b>CURRENT LIABILITIES</b>							
Creditors – amounts falling due within one year	9		<u>140 887</u>		<u>133 273</u>		
<b>NET CURRENT ASSETS</b>				<u>314 081</u>		<u>305 172</u>	
<b>NET ASSETS</b>				<b><u>840 473</u></b>		<b><u>744 322</u></b>	
FUNDS: Unrestricted				664 412		685 695	
FUNDS: Restricted				<u>176 061</u>		<u>58 627</u>	
<b>TOTAL FUNDS</b>	10			<b><u>840 473</u></b>		<b><u>744 322</u></b>	

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Approved on behalf of the Board of Trustees on 23 June 2001



SARAH WESTCOTT

**SKILLSHARE INTERNATIONAL**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**1 ACCOUNTING POLICIES**

The financial statements are prepared under the historical cost convention and in compliance with the Financial Reporting Standard for Smaller Entities (effective March 2000), The Companies Act 1985 and follows the recommendations contained in *Accounting and Reporting by Charities: Statement of Recommended Practice (issued in October 2000)*.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The principal accounting policies adopted in their preparation are as follows:

**1.1 Income**

Income is accounted for on a received basis for subscriptions and donations, and on a receivable basis for grants and covenanted donations.

Investment income (including bank interest) is accounted for on a receivable basis.

**1.2 Expenditure**

The expenditure headings comprise direct expenditure including staff costs attributable to the activity. Where costs cannot be directly attributed they have been allocated on a basis consistent with the use of resources.

Fundraising and public relations costs comprise the costs actually incurred directly in the raising of income and also include the costs of educating members of the public on the issues being directly addressed by the charity.

Administration costs include management of the charity's assets, organisational management and administration and compliance with constitutional and statutory requirements.

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are depreciated by equal annual instalments over their anticipated useful lives on the following bases:

Freehold buildings	2%
Improvements to leasehold property	10%
Fixtures, fittings and equipment	10% - 25%
Motor vehicles	25%
Computers	33.3%

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1.4 Exchange conversions

Transactions in foreign currencies are translated at the calculated average rate of exchange in the year. Assets and liabilities stated at the year end in foreign currencies are translated at the rate ruling at the balance sheet date. Exchange differences are charged/credited to revenue.

1.5 Operating lease rentals

Rentals under operating leases are charged to revenue as they fall due.

1.6 Fund accounting

Unrestricted funds are funds that are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

A designated fund is a particular form of unrestricted fund which has been allocated or designated for specific purposes by the charity itself. The use of such a fund for its designated purpose remains at the discretion of the Trustees.

Restricted funds are created when donations are made either for a specific area or purpose, the use of which is restricted to that area or purpose by the donor.

1.7 Investments are stated at cost.

**2 GRANTS**

	<u>2001</u>	<u>2000</u>
	£	£
Unrestricted Funds:		
Agency for Personal Service Overseas	46 340	60 557
Department for International Development	1 631 158	1 678 856
Other grants	<u>260 638</u>	<u>167 112</u>
	1 938 136	1 906 525
Restricted Funds:		
National Lottery Charities Board	<u>215 886</u>	<u>101 213</u>
Total	<u>2 154 022</u>	<u>2 007 738</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**3 NET INCOMING/(OUTGOING) RESOURCES**

Net (outgoing)/incoming resources for the year are stated after charging/(crediting):

	<u>2001</u>	<u>2000</u>
	£	£
Auditors' remuneration	3 700	3 600
(profit)/Loss on sale of fixed assets	<u>(8 545)</u>	<u>591</u>

**4 STAFF COSTS AND NUMBERS**

	<u>2001</u>	<u>2000</u>
	£	£
Wages and Salaries - UK	374 006	292 597
Wages and Salaries – Africa & Asia	291 047	235 636
Social Security costs	36 080	27 874
Pension costs	<u>36 015</u>	<u>27 620</u>
	<u>737 148</u>	<u>583 727</u>

No employee received emoluments of more than £50,000.

	<u>2001</u>	<u>2000</u>
	number	number
The average number of employees during the year was:		
UK	19	15
Africa & Asia	<u>29</u>	<u>25</u>
	<u>48</u>	<u>40</u>

No remuneration was paid to any Trustee during the year (2000 £Nil). Ten (2000: eight) trustees received reimbursement of expenses during the year in respect of travel, accommodation and telephone calls in connection with Board activities. The aggregate amount reimbursed was £4 122 (2000: £2 723).

**5. TOTAL RESOURCES EXPENDED**

Total resources expended comprised:

	<u>2001</u>	<u>2000</u>
	£	£
Development worker programme	621 597	557 908
Other programmes	270 823	227 648
Programme support	1 275 191	1 036 868
Other expenditure	<u>134 834</u>	<u>154 505</u>
	<b><u>2 302 445</u></b>	<b><u>1 976 929</u></b>

Management and administration costs include allocated staff costs and depreciation for the year.

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**6. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Improvements to leasehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Computers £	Total £
<b>COST</b>						
At 31 March 2000	102 877	6 134	127 045	137 900	148 129	522 085
Additions	17 580	1 985	8 584	30 906	15 245	74 300
Disposals	-	-	-	(19 354)	(160)	(19 514)
Transfers from subsidiary company	-	-	-	-	7 932	7 932
At 31 March 2001	<u>120 457</u>	<u>8 119</u>	<u>135 629</u>	<u>149 452</u>	<u>171 146</u>	<u>584 803</u>
<b>DEPRECIATION</b>						
At 31 March 2000	10 954	1 128	96 042	87 260	62 551	257 935
Charge for year	1 728	1 851	10 803	17 740	33 549	65 671
Disposals	-	-	-	(19 534)	(160)	(19 514)
Transfers from subsidiary company	-	-	-	-	7 932	7 932
At 31 March 2001	<u>12 682</u>	<u>2 979</u>	<u>106 845</u>	<u>85 646</u>	<u>103 872</u>	<u>312 024</u>
Net book value At 31 March 2000	<u>91 923</u>	<u>5 006</u>	<u>31 003</u>	<u>50 640</u>	<u>85 578</u>	<u>264 150</u>
At 31 March 2001	<u>107 775</u>	<u>5 140</u>	<u>28 784</u>	<u>63 806</u>	<u>67 274</u>	<u>272 779</u>

The net book value of fixed assets includes £12 193 in respect of Restricted funds (2000: £16 383).

**7. INVESTMENTS**

	2001 £	2000 £
<b>Cost</b>		
At 31 March 2000		
Additions	175 000	175 000
Disposals	97 694	-
	<u>(19 081)</u>	<u>-</u>
At 31 March 2001	<u>253 613</u>	<u>175 000</u>

Investments comprise UK listed unit trusts and fixed interest government securities. The market value of these investments at the Balance Sheet date was £235 457 (2000: £166 938).



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FOR YEAR ENDED 31 MARCH 2001**

**8. DEBTORS**

	<u>2001</u>	<u>2000</u>
	£	£
All due within one year		
Grants receivable	13 190	26 725
Other debtors	<u>35 587</u>	<u>25 308</u>
	<u>48 777</u>	<u>52 033</u>

**9. CREDITORS**

	<u>2001</u>	<u>2000</u>
	£	£
Amounts falling due within one year		
Bank overdraft	-	16 205
Other taxes and social security	9 343	-
Other creditors	<u>131 544</u>	<u>117 068</u>
	<u>140 887</u>	<u>133 273</u>

**10. FUNDS**

	At 31 March <u>2000</u> £	Net Incoming Resources £	Group Transfers (note 13) £	At 31 March <u>2001</u> £
UNRESTRICTED FUNDS	<u>685 695</u>	<u>(89 317)</u>	<u>68 034</u>	<u>664 412</u>
RESTRICTED FUNDS				
National Lottery Charities Board	58 627	71 342	-	129 969
Projects fund	<u>-</u>	<u>-</u>	<u>46 092</u>	<u>46 092</u>
TOTAL	<u>58 627</u>	<u>71 342</u>	<u>46 092</u>	<u>176 061</u>
TOTAL FUNDS	<u>744 322</u>	<u>(17 975)</u>	<u>114 126</u>	<u>840 473</u>

The NLCB fund relates to three activities funded by the NLCB: work with the Training and Vocational Education Department in Lesotho, the Aids Care Trust in Namibia, and a mother and child health care programme in Tanzania. The Projects fund relates to a number of smaller scale activities funded by specific donors.

**11 PENSION CONTRIBUTIONS**

Pension contributions are paid in respect of defined contribution pension schemes on behalf of individual employees. The pension cost charge representing contributions payable by the company during the year are shown in note 4. Unpaid contributions at the year end amounted to £11 933 (2000: £5 396).

**SKILLSHARE INTERNATIONAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 31 MARCH 2001**

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**12 LEASE COMMITMENTS**

Payments falling due within one year under operating leases are as follows:

	<u>2001</u>		<u>2000</u>	
	<u>Office</u> <u>Equipment</u>	<u>Land and</u> <u>Buildings</u>	<u>Office</u> <u>Equipment</u>	<u>Land and</u> <u>Buildings</u>
	£	£	£	£
Expiring between two and five years	4 060	-	5 752	-
Expiring after five years	<u>-</u>	<u>37 611</u>	<u>-</u>	<u>32 923</u>

**13 SUBSIDIARY UNDERTAKINGS**

The company acquired 100% of the net assets of Action Health on 1 July 2000. The net assets acquired were:

	£
Debtors	15 299
Cash at bank and in hand	117 679
Creditors	<u>(18 852)</u>
	<u>114 126</u>
Represented by:	
Unrestricted funds	68 034
Restricted funds	<u>46 092</u>
	<u>114 126</u>

Action Health has not traded since its acquisition.

On 16 March 2000, a new 100% subsidiary company, Skillshare South Africa, was incorporated, registered in South Africa. This company reported a £12 060 deficit for the year to 31 March 2001 and its net deficit at the year end amounted to £7 477.