

THE ENVIRONMENTAL ASSOCIATION FOR
UNIVERSITIES AND COLLEGES
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2007

REGISTERED COMPANY NUMBER : 5183502

REGISTERED CHARITY NUMBER : 1106172

THE ENVIRONMENTAL ASSOCIATION FOR
UNIVERSITIES AND COLLEGES
(A COMPANY LIMITED BY GUARANTEE)

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For the year ended 31st December 2007

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(A COMPANY LIMITED BY GUARANTEE)

CHARITY INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2007

Registered Company Number :	5183502
Charity Number :	1106172
Registered Office :	EAUC National Office Medway Building University of Gloucestershire The Park Cheltenham Gloucestershire GL50 2RH
Banker :	The Co-operative Bank PO Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitor :	Osborne Clarke 2 Temple Back East Temple Quay Bristol BS1 6EG
Auditor :	Davies Mayers Barnett LLP Chartered Accountants & Registered Auditors Pillar House 113/115 Bath Road Cheltenham Gloucestershire GL53 7LS

**THE ENVIRONMENTAL ASSOCIATION FOR
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007

The trustees present their report and the audited financial statements for the year ended 31st December 2007.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The trustees who served during the period were as follows:-

	<u>Appointed</u>	<u>Resigned</u>
A Van Winsum, Staffordshire University	19th July 2004	
S-L Miles, Bishop Burton College, UK Convenor	19th July 2004	
M Wiles, University of Bristol	19th July 2004	
J-A Hasbury, University of Derby	4th January 2005	18th April 2007
E May, Swansea Institute of Higher Education, Welsh Convenor	16th February 2005	
M C Morrison, Napier University, Scottish Convenor	20th January 2006	14th March 2008
H Waters, Oxford Brookes University	5th April 2005	18th April 2007
K Pitcher, University of Leeds	5th April 2005	
J G Snook, City College Plymouth, Company Secretary	5th April 2005	
A Moss, University of Westminster	26th May 2005	
D Dewar, University of East Anglia	26th May 2005	18th April 2007
N Corrigan, Kingston University	18th April 2007	31st March 2008
N Smith, University of Southampton	18th April 2007	

Structure, Governance and Management

Governing Instrument

The Environmental Association for Universities and Colleges (EAUC) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 14th July 2004. The company was incorporated on 19th July 2004 and was registered as a charity on 4th October 2004 with the Charity Commission. On 6th April 2005 all assets and charitable activities of the unincorporated EAUC Association were transferred to the charity.

The members of the company are those Universities and Colleges, referred to as Full Members, subscribing to the EAUC and totalled 243 at 31st December 2007. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per full member of the charity.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007

(continued)

Structure, Governance and Management (continued)

Appointment of Trustees

The full members will at each AGM appoint up to nine individuals to act as trustees providing that those persons work for a university or college. The Executive Committee must ensure that at all times at least two trustees are designated as representatives of higher education institutions and at least two trustees are designated as representatives of further education institutions. Each trustee can hold office until the expiry of the fifth AGM after the AGM at which they were appointed.

The Executive Committee has the power at any time to appoint any person to become a trustee to fill a casual vacancy. The number of persons so appointed must not exceed five and these trustees only hold office until the next AGM following appointment and then shall be considered for re-election.

Individuals are appointed as Branch Convenors, as required, with the consent of the Executive Committee and are branch trustees of the Company while he or she continues to hold office as Branch Convenor. Branch trustees are members of the Executive Committee.

Trustees Training and Induction

Trustees for this period have been informally inducted. A formal induction and training pack has been developed and all Trustees have received this.

Organisation

The board of trustees, which can have up to nine members and such number of branch trustees as required, administers the charity. The board meets quarterly. The day to day organisation and running of the charity is undertaken by the Executive Director, Iain Patton, who was appointed by the trustees. Clear action planning, reporting and authorisation channels have been set.

Related Parties

From September 2005 a partnership with the University of Gloucestershire was formed which runs until 2011. The partnership involves the University undertaking administration of payroll and providing office accommodation.

From November 2005 a partnership with the Higher Education Environmental Performance Improvement (HEEPI) Project was formed to fund 50% of the post, including costs of the Events and Communications Officer. This agreement ran until 13 April 2007. A new agreement from the 14 April 2007 until 13 April 2008 was formed to fund 33.3% of the post. HEEPI is a project funded under the Leadership, Governance and Management initiative of the Higher Education Funding Council for England. The project is based at, and led by, the University of Bradford.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007

(continued)

Risk Management

Further to the Business Plan Risk Assessment, the trustees have developed a risk management strategy which comprises:-

- a review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan, including a project approval system; and
- the implementation of procedures designed to mitigate any potential impact on the charity should those risks materialise.

Regular trustees meetings consider the charity's activities and risks faced. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees which has taken place in this accounting period.

Objectives and Activities

The objectives of the charity are as follows:-

- to promote sustainable development for the benefit of the public by the preservation, conservation and protection of the environment and the prudent use of natural resources, particularly by and in relation to Universities and Colleges;
- to advance the education of the public and in particular those attending or working in Universities and Colleges, in all aspects of sustainable development, and the preservation, conservation and protection of the environment;
- to promote research into all aspects of sustainable development, and the preservation, conservation and protection of the environment particularly in relation to Universities and Colleges, provided that the useful results of such research are disseminated to the public.

The strategies employed to achieve the charity's objectives are to:-

- provide training events and conferences;
- provide advice and support in integrating environmental and sustainability good practice through discussion networks, monthly and quarterly newsletters and guidance materials;
- promote strategic partnerships within the sector;
- provide bursaries to full members;
- promote research and dissemination of good practice through projects.

Achievements and Performance

2007 has been a year of visioning for the EAUC as we undertook a strategic review of the organisation following the successful delivery of our previous business plan. Considering how we can best meet the changing needs of our members and the sector has been a key activity. This reflection has resulted in the development of a 'Strategic Framework' that sets out priorities for our members, our partners and stakeholders and for the organisation as a whole in the context of our mission to be the 'sustainability one stop shop for further and higher education'. This establishes challenging targets for the period 2008-2013 building on our previous successes and reaffirming our position within the FHE sector.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007
(continued)

Achievements and Performance (continued)

Over the last year the following services have been started or delivered:

- **Annual Conference** - A record breaking 11th Annual Conference held at the Queen's Campus, Durham University, with keynote speakers including, Sir Alan Knight, and all four national funding council chiefs providing information and inspiration to 251 delegates; more than ever before.
- **Website and Member Management System** – The new website was unveiled at the annual conference in April 2007. The resource bank has proved a fantastic facility and resource for members. The new Member Management System has enabled Members to manage their membership online, by adding new contacts and keeping their contact details up to date. The Shop facility has been much improved allowing online payment of membership and events much easier. The ability to now apply and renew membership online has seen an increase in members using this facility, therefore reducing the use of paper and ensuring instant membership access. The new look and ease of use of the website has proved very popular with members and stakeholders alike. The new website incorporates familiar resources such as the Transport Database, Waste Guide and Biodiversity Guides as well. Further developments will be made in the coming year to introduce an online event booking system.
- **Events** – We have run 12 training events across the UK over the year, with 5 in conjunction with HEEPI. Topics included WEEE, Transport, Sustainable Procurement, Site Waste Management Plans, Sustainable Refurbishment, Renewable Energy and an IEMA approved Foundation in Environmental Auditing course. We have attracted over 450 delegates across the sector to these events. We will be developing our staff training programme further in 2008.
- **Sector Training Needs Survey** – In a partnership with the HEEPI Project, the EAUC conducted a significant survey of sector staff development needs. The survey data is being used to drive an ambitious sector-led programme of affordable staff development training for members and the wider sector from 2008.
- **Insight Guides** - An EAUC Insight Guide on the WEEE directive was released in July with 2 successful supporting seminars, attracting 74 delegates. We are looking forward to producing more Insight Guides in the future.
- **Green Gown Awards** – The EAUC now jointly organises the Green Gown Awards with HEEPI. The Awards are presented at the EAUC Annual Conference. We are hoping to plan an award event in June 2008 to celebrate and disseminate the good practice from the winners.
- **Regional Groups** – EAUC regional branches in Scotland and Wales continue to be an important mechanism for ensuring the differing needs of politically distinct member organisations are appropriately met. These groups work in collaboration with the appropriate regional funding councils.
- **Discussion Networks** - The Discussion Networks continue to be an important member tool, with Discussion Networks for Transport, Sustainable Procurement and the CaSpr Projects and Education for Sustainability as well as the familiar general membership network are widely utilized.
- **'Taking Britain to Boston'** – Iain Patton (Executive Director) and Sheri-Leigh Miles (EAUC UK Convenor) were able to represent the organisation at the Campus Health Safety and Environment Conference in Boston in July. A workshop was delivered sharing good practice in the UK with a different landscape within the same sector in the US. This strengthened links with C2E2 and allowed for a fruitful exchange of ideas.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007

(continued)

Achievements and Performance (continued)

Over the last year the following projects have been started or delivered:

- **Sustainable Procurement Project** - The DEFRA funded Sustainable Procurement Project is in its final year. This project, which began in 2005, has involved working with 17 universities and colleges taking on the challenge of implementing sustainable procurement within their institutions. More than 100 project partner staff have been part of this successful project. Year three has been one of consolidation of learning and ensuring each project partner has got as much out of the project as possible. This has taken the form of significant bespoke support onsite and remotely. As the project enters its final evaluation phase, both EAUC and funders DEFRA will be keen to ensure project learning become available to other universities and colleges.
- **Campus Sustainability Programme (CaSpr)** - EAUC Scotland has continued to drive forward its key project, the Campus Sustainability Programme (CaSpr), funded by the Scottish Government and Scottish Funding Council. Due to additional funding from the Scottish Funding Council it has been possible to allow all further and higher institutions in Scotland to be part of the project to deliver workshops, toolkits, networking and research on sustainability. Workshops have been held on Waste Management and Sustainable Construction, with further events on energy, travel, biodiversity and procurement planned. As this funded phase of EAUC CaSpr draws to a close, project evaluation will include an important baseline survey which will indicate sector progress and project impact.
- **HE Benchmarking Report** - The Business in the Community benchmarking project was completed in December 2006 with the dissemination of the report occurring in 2007. Leeds Metropolitan University project managed this HEFCE funded programme, which tested out the appropriateness of the Business in the Community Environment and Corporate Responsibility indexes for the HE sector. As the sector grapples with issues around public reporting this will remain an important piece of work for the sector and the EAUC will be exploring opportunities to further develop this in 2008.
- **Zero Waste in Student Halls** – EAUC have been pleased to support this innovative project funded by HEFCE and managed by the London School of Economics, which aims to benefit students and the local community by diverting reusable items left in halls at the end of the academic year.
- **Sound Impacts Awards** - The EAUC was delighted to be able to build on the success of the Sound Impacts Awards which are managed and run by the National Union of Students trading arm and partner these awards. We are now offering Associate Membership to Students Unions to further support them.
- **EcoCampus** - The EcoCampus project, funded by HEFCE, managed by Nottingham Trent University and partnered by the EAUC started in 2006 and has recruited a number of partners to go through the process. EcoCampus is an environmental management system specifically developed for the sector. A number of workshops have been held to help partners start the process, which has included carrying out baseline reviews and developing environmental policies. Software has been developed to help support these actions.
- **Carbon Academy** – The EAUC are pleased to support this climate change project funded by the Carbon Trust and managed by NUS Services. The project will run between 01 April 2007 and 31 March 2008.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007
(continued)

Financial Review

These are our third full year accounts as a company and a charity. During this period we have made good progress financially. The association is well managed and financially sustainable.

The accounts show a rise in income. A number of factors have contributed to this good position:

1. The success of the conference in attracting increased income from exhibitors, sponsorship and the increased number of delegates attending. This allowed us to keep member discounts as low as possible.
2. An increase in membership, particularly with FE colleges, due in part to our increased work with the LSC and AoC.
3. An increase in the number of training events staged during the year.
4. Increased income from our products and services we offer, in particular in conjunction with projects such as the BITC work and the LSC and SORTED work (which will continue into the next financial year).

The above increase in income and activity has generated a commensurate rise in costs although these have been well managed so that the Association has been able to role forward a healthy surplus for the benefit of its members. Within that surplus we are happy to say we have met our reserves policy as set out below. In order to cope with the increased activity the Association has employed two fixed term graduate placement students. One is employed full time and one part time.

The small deficit on the restricted funds is simply due to timings of claims and expenditure on the individual funds which run to differing financial years to the Association. These remain well managed and financially sound. It should be noted two major funds (EAF & CaSpr) end in March 2008.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

Reserves Policy

The trustees have forecast the level of free reserves (that is those reserves not tied up in fixed assets, restricted or designated funds) the charity will require to sustain operations. The trustees consider that the most appropriate level of free reserves would be in the region of £20,000 - £24,000, to cover 2 months operational costs. We now have sufficient funds for this. The trustees have this under constant review and will take steps to monitor this, subject to changes in the Charity's operations.

Plans for Future Periods

As an Executive we are committed to meeting the actions and targets as set out in our annual plan. This includes the completion of larger projects such as the Sustainable Procurement project and CaSpr which will continue to deliver resources to members. In addition we will be delivering new projects such as the SORTED toolkit specifically for the FE sector, more Insight Guides will be scheduled relating to topical areas and a new programme of seminar and events will be developed in response to members needs, as determined by the members training needs survey.

Further opportunities for funding from funding councils and other national bodies are also being investigated where it can be shown that they support the strategic aims of the organisation.

We look forward to working with our newly formed Advisory group and continuing meaningful relationships with our many partners. Full details on our Strategic Framework can be found on our website.

**THE ENVIRONMENTAL ASSOCIATION FOR
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007

(continued)

Trustees' Responsibilities in Relation to the Financial Statements

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 charity and of its incoming resources and application of resources for that period. In preparing those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Charities SORP and whether applicable 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 charity will continue in business.

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

Statement as to disclosure of information to auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 234Z of the Companies House 1985) of which the charity's auditors are unaware, and each trustee has taken all steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution to reappoint Davies Mayers Barnett LLP as the charity's auditors will be put to the members at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and in accordance with the Special Provisions of Part VII of the Companies Act 1985, relating to small entities.

By order of the Board on 7th March 2008

J G Snook
Secretary

**THE ENVIRONMENTAL ASSOCIATION FOR
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**Report of the Independent Auditors to the Members of
The Environmental Association for Universities and Colleges**

We have audited the financial statements of The Environmental Association for Universities and Colleges for the year ended 31st December 2007 on pages 13 to 21. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Requirements for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees, (who are also the directors of The Environmental Association for Universities and Colleges for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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 International Standards on Auditing (UK and Ireland).

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 consistent with the financial statements, if the charity 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 charity is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited financial statements. 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 other information beyond that referred to in this paragraph.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 charity'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.

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**Report of the Independent Auditors to the Members of
The Environmental Association for Universities and Colleges
(continued)**

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31st December 2007 and of its incoming resources and application of resources, including the company's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

DAVIES MAYERS BARNETT LLP

Chartered Accountants
Registered Auditors
Pillar House
113/115 Bath Road
Cheltenham
Gloucestershire
GL53 7LS

Dated: 7th March 2008

THE ENVIRONMENTAL ASSOCIATION FOR
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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2007

	<u>Note</u>	<u>Unrestricted Funds £</u>	<u>Restricted Funds £</u>	<u>2007 Total £</u>	<u>2006 Total £</u>
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:					
- Donations	3	743	-	743	1,732
Investment income	4	2,643	-	2,643	745
Incoming resources from charitable activities:					
- Conference income		87,435	-	87,435	45,673
- Grants for projects	5	(2,879)	167,588	164,709	133,828
- Membership income		73,498	-	73,498	57,787
- Training workshops		35,620	935	36,555	15,015
- Product and services		48,351	-	48,351	2,202
TOTAL INCOMING RESOURCES		<u>245,411</u>	<u>168,523</u>	<u>413,934</u>	<u>256,982</u>
RESOURCES EXPENDED					
Costs of charitable activities:					
- Conference costs	7	53,914	-	53,914	37,941
- Project costs	7	22,760	175,710	198,470	138,226
- Membership costs	7	40,969	-	40,969	33,740
- Training workshop costs	7	20,128	-	20,128	15,791
- Products and services	7	4,552	-	4,552	5,595
		<u>142,323</u>	<u>175,710</u>	<u>318,033</u>	<u>231,293</u>
Governance costs	6	12,755	-	12,755	11,077
TOTAL RESOURCES EXPENDED		<u>155,078</u>	<u>175,710</u>	<u>330,788</u>	<u>242,370</u>
NET INCOMING/(OUTGOING) RESOURCES					
		90,333	(7,187)	83,146	14,612
Transfers between funds	17	10,203	(10,203)	-	-
NET MOVEMENT IN FUNDS		<u>100,536</u>	<u>(17,390)</u>	<u>83,146</u>	<u>14,612</u>
Reconciliation of funds					
Total funds brought forward		(3,324)	13,472	10,148	(4,464)
TOTAL FUNDS CARRIED FORWARD AT 31ST DECEMBER 2007	19	<u>97,212</u>	<u>(3,918)</u>	<u>93,294</u>	<u>10,148</u>

THE ENVIRONMENTAL ASSOCIATION FOR
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BALANCE SHEET

AT 31ST DECEMBER 2007

	<u>Note</u>	<u>2007</u>		<u>2006</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fixed assets					
Tangible assets	11		1,655		3,464
Current assets					
Debtors	12	64,087		96,459	
Cash at bank and in hand		172,126		76,562	
		<u>236,213</u>		<u>173,021</u>	
Creditors : amounts falling due within one year	13	(144,574)		(166,337)	
Net current assets			91,639		6,684
Total assets less current liabilities			93,294		10,148
Creditors : amounts falling due after more than one year			-		-
Net assets			93,294		10,148
Funds					
Income funds	16		93,294		10,148

These financial statements were prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007), and were approved by the board of trustees on 7th March 2008 and signed on its behalf by: -

S L Miles }
} **TRUSTEES**
J G Snook }

**THE ENVIRONMENTAL ASSOCIATION FOR
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2007

1. Basis of preparation

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and the statement of Recommended Practice; Accounting and reporting by Charities (SORP 2005) issued in March 2005 and the Charities Act 1993.

2. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's accounts.

a) Company status

The charity is a company limited by guarantee. The members of the company are those Universities and Colleges subscribing to the EAUC and totalled 243 at 31st December 2007. 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.

b) Fund accounting

Funds held by the charity are either:-

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

c) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Membership income is accounted for on an accruals basis; therefore membership income is apportioned by the period of membership across accounting periods.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2007

(continued)

c) Incoming resources (continued)

Revenue grants are credited to the profit and loss account in the same period as the revenue expenditure to which they relate is charged. Where the receipt is designated or restricted for a special project that has conditions applied, the income is deferred until the project expenditure is incurred and the conditions have been met.

Legacies, bequests and donations are recognised in the accounts on receipt. Where the receipt is designated or restricted for a special project, the income is deferred until the project expenditure is incurred.

d) Allocation of overhead and support costs

Overhead and support costs have been allocated first between direct charitable and governance. Overhead and support costs relating to Charitable Activities have been apportioned based on the amount of staff time spent. Where items involve more than one category they are apportioned between the categories according to the nature of the cost.

e) Resources expended and irrecoverable VAT

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overheads and support costs.

g) Fixed assets

Fixed assets are stated in the balance sheet at cost less accumulated depreciation. Cost is defined as purchase cost less any residual value.

Net book values are regularly reviewed by the trustees and any appropriate adjustments are made to carrying values.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2007

(continued)

h) Amortisation and depreciation

Depreciation will be provided on fixtures, fittings and computer equipment to write off the cost of each asset over its expected useful life on the straight line method at the rates of 20% and 50% respectively per annum.

3. Donations

	Unrestricted Funds	Restricted Funds	2007	2006
	£	£	£	£
- HEEPI – contribution to EAUC costs	743	-	743	1,732
	743	-	743	1,732
	743	-	743	1,732

4. Investment income

	2007	2006
	£	£
- Bank interest receivable	2,643	745
	2,643	745
	2,643	745

5. Revenue grants

Revenue grants can be analysed as follows:-

	2007	2006
	£	£
<u>Grants received:</u>		
<u>Restricted funds</u>		
- Environmental Action Fund Grants	50,737	81,410
- Sustainable Action Grant	37,774	41,462
- Sustainable Action Grant extension	76,198	333
- Waste Guide	-	6,993
	164,709	130,198
<u>Unrestricted funds</u>		
- Biodiversity guide	-	3,630
	-	3,630
	164,709	133,828

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6. Allocation of support costs and overheads

The breakdown of support costs and how these were allocated between Governance and Charitable Activities is shown in the table below.

	<u>Charitable Activities</u>	<u>Governance</u>	<u>Total Allocated</u>	<u>Basis Apportionment</u>
	<u>£</u>	<u>£</u>	<u>£</u>	
Staff costs	55,499	-	55,499	Staff time
Travel & subsistence	5,535	6,120	11,655	Staff time and actual
Marketing & printing	8,513	-	8,513	Staff time and actual
Products & services	175	-	175	Actual
Website & computer costs	5,820	280	6,100	Staff time and actual
Audit & accountancy	-	5,950	5,950	Actual
Insurance	1,882	339	2,221	Staff time and actual
Bank charges	1,798	66	1,864	Staff time
Depreciation	1,809	-	1,809	Staff time
Consultancy	2,925	-	2,925	Staff time
Hospitality	1,435	-	1,435	Staff time
Sundry & office expenses	3,689	-	3,689	Staff time
Bad debt expense	1,961	-	1,961	Actual
Total	91,041	12,755	103,796	

7. Analysis of charitable expenditure

	<u>Charitable Activity</u>	<u>Support Costs</u>	<u>Total 2007</u>	<u>Total 2006</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Conference costs	40,258	13,656	53,914	37,941
Project costs	175,710	22,760	198,470	138,226
Membership costs	-	40,969	40,969	33,740
Training workshops	11,024	9,104	20,128	15,791
Products and services	-	4,552	4,552	5,595
	226,992	91,041	318,033	231,293

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8. Net incoming resources/(resources expended)

Net incoming resources/(resources expended) are stated after charging/(crediting):-

	2007	2006
	£	£
Auditors' remuneration	2,850	2,745
Depreciation of tangible owned fixed assets	1,809	1,809
	-----	-----

9. Staff costs

The aggregate employment costs amounted to:-

	2007	2006
	£	£
Wages and salaries	79,413	62,314
Social Security costs	5,664	4,262
Pension costs	10,796	8,322
	95,873	74,898

The charity has no employees. The above relates to recharges of staff costs from the University of Gloucestershire (a member of the charity) for 5 seconded employees.

The trustees received no remuneration during the period. A total of £6,120 (2006: £3,164) was reimbursed for directly incurred travel expenses to 8 trustees.

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10. Taxation

The company is a registered charity and hence no provision for taxation is included in the financial statements as it benefits from the exemptions offered by Section 505 of Income and Corporation Taxes Act 1988.

11. Tangible fixed assets

	<u>Fixtures & Fittings</u>	<u>Computer Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost			
At 1st January 2007 and 1st December 2007	2,758	2,515	5,273
Depreciation			
At 1st January 2007	551	1,258	1,809
Charge for the year	552	1,257	1,809
At 31st December 2007	1,103	2,515	3,618
Net Book Value			
At 31st December 2007	1,655	-	1,655
Net Book Value			
At 31st December 2006	2,207	1,257	3,464

All assets are used in direct furtherance of the charity's objects.

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(continued)

12. Debtors

	<u>2007</u>	<u>2006</u>
	<u>£</u>	<u>£</u>
Trade debtors	60,073	93,108
Prepayments and accrued income	4,014	3,351
	<u>64,087</u>	<u>96,459</u>

13. Creditors

	<u>2007</u>	<u>2006</u>
	<u>£</u>	<u>£</u>
Amounts falling due within one year: -		
Accruals	32,023	24,776
Deferred income	105,384	135,954
Social Security and other taxes	7,167	5,607
	<u>144,574</u>	<u>166,337</u>

Deferred income is comprised of the following items:

	<u>2007</u>	<u>2006</u>
	<u>£</u>	<u>£</u>
<u>Unrestricted funds: -</u>		
- Membership received in advance	49,872	42,601
- Conference sponsorship received in advance	21,415	21,125
- Events attendance fee received in advance	-	2,520
- Products and Services invoiced in advance	6,871	-
	<u>78,158</u>	<u>66,246</u>
<u>Restricted funds:-</u>		
- Grant income for projects	27,226	69,708
	<u>105,384</u>	<u>135,954</u>

The restricted funds represent grant monies received in advance of specific projects, where conditions are applied, in furtherance of the charity's objectives, and have been deferred in order to properly coincide with planned expenditure.

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14. Capital commitments

There were no capital commitments at the balance sheet date (2006: £Nil).

15. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2006: £Nil).

16. Analysis of assets and liabilities between funds

	<u>Fixed Assets</u> £	<u>Current Assets</u> £	<u>Creditors Due Within One Year</u> £	<u>Creditors Due After One Year</u> £	<u>Funds</u> £
Restricted Funds	-	24,680	(28,598)	-	(3,918)
Unrestricted Funds: - General	1,655	211,533	(115,976)	-	97,212
	<u>1,655</u>	<u>236,213</u>	<u>(144,574)</u>	<u>-</u>	<u>93,294</u>

17. Transfers between funds

The transfer between funds amounted to £10,203 during the year. Of this figure, £8,015 related to expenditure where the associated income had been accounted for in the unrestricted funds and thus a transfer between the funds was necessary. The remaining £2,188 related to donations received from the old charity (prior to incorporation) that was to be used on specific projects. These projects have now ceased and thus the balance of funds transferred to unrestricted funds.

18. Related party balances

At the year ended 31st December 2007 the charity had a balance held within accruals of £29,173 (2006: £22,026) in relation to the amounts due to the University of Gloucestershire for administrative expense and salary recharges.

During the year the total amount recharged from the University of Gloucestershire to the charity amounted to £104,882 (2006: £93,828)

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19. Analysis of charitable funds

a) Analysis of unrestricted fund movements

	Balance at 31st December 2006 £	Incoming resources £	Resources expended £	Transfers £	Fund at 31st December 2007 £
General fund	(3,324)	245,411	(155,078)	10,203	97,212

b) Analysis of restricted fund movements

	Balance at 31st December 2006 £	Incoming Resources £	Resources expended £	Transfers £	Fund at 31st December 2007 £
Grants for projects	13,472	167,588	(175,710)	(10,203)	(4,853)
Training workshops	-	935	-	-	935
	13,472	168,523	(175,710)	(10,203)	(3,918)

Purpose of Restricted Funds:-

- Grants for projects - This represents externally funded projects, Sustainable Procurement Project, Campus Sustainability Programme and the Waste Guide in furtherance of our charitable objective to promote and advance the education of sustainable development in universities and colleges.
- Training workshops- This represents HEEPI training events to advance the education of sustainable development in universities and colleges.
- Products and services- This represents training provided to the LSC on Sustainable Procurement to advance the education of sustainable development in universities and colleges.