



UK

ENGINEERS WITHOUT BORDERS

Company Number: 04856607
Charity Number: 1101849
Scottish Charity Number: SC043537

ENGINEERS WITHOUT BORDERS UK

REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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Reference and Administrative Information

Charity Name:	Engineers Without Borders UK
Other names used:	Engineers Without Borders, EWB-UK, EWB
Charity registration number:	1101849
Scottish Charity registration number:	SC043537
Company registration number:	04856607
Principal (and registered) addresses:	The Foundry, 17 Oval Way, London, SE11 5RR

Trustees

Richa Bhuttar, elected November 2012, appointed December 2014
Natalie Bird, elected September 2015
Sarah Bowden, appointed August 2013
Alexa Bruce, elected December 2014
Sacha Grodzinski, **Secretary**, appointed January 2012, re-appointed September 2015
Peter Hansford, **Chair**, elected September 2013, re-elected September 2015
Roger Littlewood, elected September 2015
Tom Newby, elected September 2013, re-elected September 2015
Sam Rose, **Treasurer**, appointed December 2014
Long Seng To, elected September 2015
Nick Tyler, appointed October 2010, re-appointed December 2014

Others who served as Trustees during the period of this report:

Alex Buckman, elected September 2013, resigned September 2015
Rachel Haynes, appointed November 2012, resigned September 2015
Martin McCann, appointed June 2011, resigned December 2015
Conor McGlacken, elected September 2013, resigned September 2015
Elizabeth Miles, elected January 2012, appointed December 2014, resigned August 2015
Priti Parikh, elected November 2012, resigned September 2015

Principal Staff

Doug Harper, Chief Executive

Auditors: Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP

Bank: The Co-operative Bank, 75 Burleigh Street, Cambridge CB1 1DF
CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Trustees Report

Structure, Governance & Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 5 August 2003 and registered as a charity on 30 January 2004, and registered as a Scottish charity on 6 November 2012. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of the Board of Trustees

The Directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association half of the members of the Board of Trustees are elected to serve a term of two years at the Annual General Meeting, while half are appointed by the elected Trustees to serve for a period of up to three years, subject to approval by the voting members at the Annual General Meeting. Both types of Trustee must be re-elected or re-appointed at the Annual General Meeting after their term is complete.

In an effort to maintain a broad skills mix on the Board, the Chair works with the rest of the Board of Trustees to identify areas of weakness on the board and in the event of particular skills being lost due to retirements, individuals are approached and may be appointed to the Board of Trustees subject to approval by the membership.

New Trustees attend an induction and training meeting organised by the Secretary of the Trustees.

Organisational Structure

Engineers Without Borders UK has a Board of Trustees of up to, but no more than, 14 members, who meet at least quarterly as a full board and also regularly in committees. In the year in question 5 committees were convened to address the areas of finance, fundraising, security (of staff and volunteers working overseas), remuneration, and programme quality and ethics. The Trustees set the strategic direction and policies of the charity.

Day to day responsibility for the running of the organisation is delegated by the Board of Trustees to the Chief Executive. In turn, the Chief Executive leads a wider team of staff and volunteers who together ensure that the charity's activities align with the direction set by the Board of Trustees. The Chief Executive is assisted in the running of the charity by a team of key management personnel.

Key management personnel include the Chief Executive, the Head of Education, the Head of International Partnerships, and the Head of Fundraising and Communications. These are all

full time salaried positions. The total employee benefits of key management personnel were £155,240 during the year in question (2015; £121,324).

Engineers Without Borders UK is a member of Engineers Without Borders International (EWB-I). EWB-I aspires to act as an umbrella organisation to member associations who will remain independent in a federated structure. However, EWB-I's progress towards this goal is slow. Currently the Chief Executive attends EWB-I executive committee meetings in an ex-officio capacity.

Affiliated Organisations

A number of local groups are affiliated to Engineers Without Borders through an agreement which allows the affiliate to represent Engineers Without Borders UK and carry out fundraising and other activities on its behalf. During the financial year 2015/16 these affiliates were all student societies at UK universities. The following are the recognised affiliated member groups for the year in question:

Brunel University London	University of Exeter
Cardiff University	University of Liverpool
City University (London)	University of Manchester
Durham University	University of Nottingham
Imperial College London	University of Oxford
Queen Mary University London	University of Salford
University College London	University of Sheffield
University of Birmingham	University of Southampton
University of Bristol	University of Strathclyde
University of Edinburgh	University of Warwick

These groups are separate organisations and are also governed by the rules and regulations of their respective students' unions. However, they all exist to further the objects of Engineers Without Borders UK. Affiliates must be self-financing. As well as fundraising and delivering or contributing to Engineers Without Borders UK national initiatives the affiliated groups also organise local activities and some contribute to UK based research projects related to the role that engineering can play in human development. The list of affiliated groups changes from time to time as new ones are formed and others become inactive.

Regional Networks

Engineers Without Borders UK also has a number of regional networks. These networks provide informal opportunities for individuals who are interested in the organisation's work to meet and attend local events. During the financial year 2015/16 the following regional networks were active:

London Regional Network	South West Regional Network
Reading Regional Network	West Midlands Regional Network

Risk Management

The Board of Trustees regularly review a risk and opportunities register which is used to highlight and monitor risks to the organisation. The Chair owns this document but delegates responsibility for maintaining it to the Chief Executive. If risks arise that cannot be mitigated using existing structures then the Board of Trustees will take appropriate action to address them.

Procedures are in place to ensure compliance with health and safety for volunteers undertaking work on behalf of Engineers Without Borders UK or attending Engineers Without Borders UK events. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Objectives and Activities

Engineers Without Borders UK's charitable objects are as follows:

- Relieve, or assist in the relief of, poverty and suffering in the UK and throughout the world, in particular but without limitation to;
 - coordinating, funding and participating in development projects, particularly projects or parts of projects with a strong engineering or technical component;
 - providing and promoting theoretical and practical training in sustainable development;
 - providing experience to and stimulating interest among those with strong potential in the field of development work;
 - promoting, coordinating and funding research on development topics, particularly those with a strong engineering or technical component;
 - the raising of public awareness of development issues, particularly those related to engineering or technology;
 - the provision of assistance to other organisations with objectives aligned with those of the Charity by providing them with human and other resources;
- Advance education, in particular but without limitation to;
 - sustainable development in the UK and in other parts of the world, particularly in developing countries;
 - the causes and effects of poverty and suffering;
- To promote such other exclusively charitable purposes under the law of England and Wales as the Trustees may from time to time resolve.

In furtherance of these objects the organisation has, since 2012, been following a five-year strategy based around a vision of *'a world where everyone has access to the engineering they need for a life free from poverty'* and a mission to *'empower engineers to remove barriers to development'*. The 2012-17 strategy also introduced the concept of *'massive small change'*, a philosophy that promoted the idea that organised, small, people-sized

change is a successful way to bring about the changes needed to tackle global challenges affecting billions of people.

Operationally, during the financial year 2015/16, Engineers Without Borders UK ran a number of national initiatives. These initiatives can be broadly split between international project work, which aims to contribute to the technical aspects of development projects, and our efforts to change the focus of engineering education in the UK to have more emphasis on a 'global dimension':

- **International Placements Programme.** Provides qualified volunteer engineers to enhance the engineering skills and knowledge of our partner organisations while also providing a valuable learning experience for the volunteer.
- **Global Engineer Fellowships.** New for 2015/16, this programme sends qualified engineers, alongside a small group of engineering students, to work on collaborative projects with our partner organisations that address engineering skills and knowledge gaps.
- **Member-led Partnerships Initiative.** Enables affiliated member-groups to develop working partnerships with international development organisations and contribute to projects.
- **The EWB Challenge.** An undergraduate design module based on real world problems encountered by a developing community, which is embedded in university engineering courses.
- **Outreach.** A series of workshops delivered by our ambassadors to school children. The workshops introduce participants to the role that engineering can play in human development.

In addition to these ongoing initiatives, the organisation exploits shorter term opportunities to advance our objectives. We also advertise and assist with the recruitment of participants for international training courses run by one of our partner NGOs in Mexico.

Our affiliated member groups organise a large number of local activities and some independently contribute to UK based projects focusing on engineering for human development.

The vital role that volunteers play in our organisation continues to be an important part of who we are. During the year in question Engineers Without Borders UK employed an average of 8 FTE staff and these were assisted by more than 60 dedicated volunteers who contributed hundreds of hours to the work of the national charity. Volunteers in our affiliated groups further contributed countless hours in their local area. We would not be able to achieve all that we do without their valuable efforts.

Statement of Public Benefit

When reviewing our activities the Trustees have regard to the Charity Commission guidance on public benefit. The Trustees ensure that the activities undertaken are in line with the charitable objects of Engineers Without Borders UK, and in doing so are satisfied that Engineers Without Borders UK's activities meet the requirements on demonstrating public benefit.

Achievements and Performance

From a strategic perspective, the year in question has, as expected, been dominated by the strategy review process. This has produced a new five year strategy, Engineering Change, that will be implemented from the start of the 2016 financial year.

At an operational level, excellent progress has been made to build a resilient organisation. Financial management has been a key focus, with improved processes being implemented across the organisation. HR support has also been a major activity with new employee and volunteer manuals being rolled out during the year. Employee retention has been stabilised, largely due to work that was carried out in the previous years and staffing levels have increased, with the appointment of three new positions during the year. The increased staffing levels, alongside the reduction in scope of activities, has led to universal improvements in programme quality and implementation.

The delivery of all of Engineers Without Borders UK's initiatives has been greatly improved by these organisational changes. Importantly, there is now much greater alignment between our international project work and our UK educational work.

The much improved branding, which was launched in early 2015, and a new website that was launched in September 2015 have enabled significantly more professional communications, allowing us reach wider audiences and to better understand and share our impact.

Notable Achievements: International Partnerships

Narrowing our focus to three sectors and consolidated partnerships. Historically Engineers Without Borders UK placements have been offered across a range of sectors – ICT to agricultural engineering to energy, and with a large number of partners. Based on the needs of our partners and in order to increase the impact of our work, placements are now only offered in the energy, WASH (water, sanitation and hygiene), and built environment sectors. The number of partners we work with for international placements has also been reduced to 11 (from 18).

Launching the Global Engineer Fellowship programme. In response to feedback from our partners and to strengthen the peer-to-peer learning opportunities, we have launched three fellowship programmes in Kenya, Borneo and Mexico. The fellowship programme enables young professionals to work together with the student Member led partnership teams.

Introducing new monitoring, evaluation and learning (MEL) processes. In order to better understand the impact of our work and to identify opportunities for improving the international programme, new MEL measures (such as partner calls) were introduced, and improvements will continue to be made in this area.

Producing our first International Partnerships Impact report. For the first time, Engineers Without Borders UK has been able to share the impact of our international work

through stories and statistics. This provides a valuable oversight to external audiences of the relevance of our work in the energy, WASH and built environment sectors within the global context. In line with better communicating the impact of what we do, we have also been much more active in presenting our technical work at external conferences.

Improving pre departure training. The content of the course now includes more focus on international development and our role as engineers. The fees have also been increased to recoup the true costs of running the course.

Reviewing the Member Led Partnership Initiative. After 3 years of running the MLP programme it has been decided that a review is necessary to identify whether it is meeting the desired educational and development objectives.

Notable Achievements: Engineering Education

Successfully concluding two EU funded projects. The Global Dimension in Engineering Education project, aimed at providing teaching resources to those delivering higher education and 'Make The Link', part of our Outreach initiative, both concluded during the 2015/16 financial year.

Partnering with STEMNET to improve our Outreach workshop delivery. A step change was achieved in the delivery of our Outreach initiative after the signing of a Memorandum of Understanding with the STEMNET STEM Ambassadors scheme. This takes advantages of STEMNET's large national network and more comprehensive administrative systems to widen the pool of people trained to deliver our workshops.

Launching revised Outreach workshops. Following feedback from teachers and an internal review we replaced our previous Outreach workshops with two new iterations entitled 'Power for Everyone Everywhere' and 'Water for Everyone Everywhere'. The workshops provide much improved materials and teaching objectives. They also use more appropriate language and imagery.

Increasing the credibility and reach of the EWB Challenge. The 2014/15 EWB Challenge was delivered in 23 universities and won by Birmingham City University. It was also endorsed by the Engineering Professors' Council and the Engineering Council, recognising not only the quality of the programme but also the importance and value of introducing the concept of global responsibility in engineering education.

Contributing to the wider debate around engineering education. The credibility of our expertise and experience around engineering education continues to rise, exemplified well by our co-authorship on a paper for the 17th International Conference on Engineering & Product Design Education. We have also been part of the stakeholder meetings for the formation of a new university focused solely on engineering 'NMiTE' (New Model in Technology and Engineering), contributed a chapter to the Royal Academy of Engineering eBook 'Engineering in Society' and secured Art, Humanities and Research Council funding to work with the University of Leeds on the development/exploration of a Declaration of Global Responsibility for Engineers.

Financial Review

As budgeted, expenditure exceeded income during the year in question. This was due to the drawing down of the multi-year donation received from Anglo American to fund the EWB Challenge. At the year end Unrestricted funds available to Engineers Without Borders UK had increased by 21% to £236,559 (2014/15 £195,819).

We raised a total income of £559,108 (2014/15 £887,097) including gifts in kind worth £92,365 (2014/15 £58,207). 63% of income was in Unrestricted funds (2014/15 46%).

Our expenditure for the year was £684,733 (2014/15 £518,877), including the value of gifts in kind. Costs for running The EWB Challenge increased to £196,769 (2014/15 £105,976), reflecting the expansion of the programme and the appointment of a staff member to manage its operation on a full time basis. The International Placement Programme also increased in cost to £254,938 (2014/15 £144,978) due to a more accurate allocation of staff time and overhead expenditure. Costs for Generating Voluntary income rose to £11,067 (2014/15 £5,555). Expenditure on Community Areas fell to £83,098 (2014/15 £91,786). Governance costs fell slightly to £8,961 (2014/15 £14,245).

Reserves

Engineers Without Borders UK is committed to the prudent use of funds that it receives as soon as is practical. However, to operate effectively, and with the confidence to plan for the future, requires adequate financial reserves.

The reserves policy is reviewed annually by the Board of Trustees and, for the year in question, remained unchanged from the previous year.

Unrestricted reserves are to be in a range between £128k and £192k. This represents approximately 4-6 months operating costs, including staff salaries, based on the current operating budget.

Trustees will be informed if the level of unrestricted reserves falls below this range so that they can meet and take appropriate action.

At 31 March 2016 the total Unrestricted fund stood at £236,559, 23% above the range specified in the reserve policy.

Plans for Future Periods

Engineering Change, our strategy for 2016-21, puts the organisation in a much stronger position than previously to properly plan for the future. It has reduced the breadth of our strategic ambitions to three objectives:

- To **inspire** students, educators and engineers at all levels about the principles and potential of ethical, environmentally sound and culturally sensitive engineering.
- To **enable** partner organisations, people and communities to use and develop their engineering capabilities to address global challenges.

- To **influence** an engineering community to lead by example and make a positive contribution as responsible global citizens.

During 2016-17 Engineers Without Borders UK will work towards these objectives for the first time. Broadly speaking our educational work will contribute towards the objective to 'inspire' and our international work towards 'enable'. However, work will continue to ensure that the progress made to date to better integrate all that we do is built upon.

A new area of work concerns influencing the engineering community and we will overtly pursue this objective for the first time in 2016/17.

A vital area of focus during 2016/17 will be our organisational structure and we will be undertaking a comprehensive review of our membership, both individual and member groups, to ensure that it is structured in the most appropriate way to positively contribute to our strategic objectives. We will also look to that any future membership model is financially sustainable in the long term.

Our current initiatives will be improved in the year ahead and expanded where appropriate. If, after analysis, it is felt that they do not adequately contribute towards any of our strategic objectives then they will be tailored appropriately or cancelled. This is to ensure that we are using the charity's resources to have the greatest impact against our objectives. Our educational programmes, in particular, should reach wider audiences than ever before during 2016/17 with a target of 35 universities for a new version of the EWB Challenge. We also hope to train at least 200 new 'EWB Ambassadors' to deliver our Outreach workshops.

Our international work will be more focused, with a greater emphasis on impact, and we will seek new opportunities to collaborate with partner organisations. We still recognise that long-standing relationships are better able to withstand challenges whilst also providing a more meaningful return to local communities. Accordingly, we will continue to develop our partnership relationships with this in mind.

We remain committed to being part of Engineers Without Borders International and will also strive to build strong working relationships with other Engineers Without Borders organisations around the world. We will continue to work closely with our colleagues in Australia, in Canada and in the USA and we hope to further develop ties with other parts of our movement, in Europe and further afield.

Statement of Responsibilities of the Board of Trustees

The Trustees (who are also directors of Engineers Without Borders UK 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).

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

the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement Of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Investment (Scotland) Act 2005 and the Charity Accounts Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

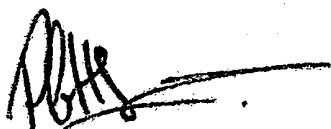
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Appointment of Auditors

Mazars LLP were appointed to complete a statutory audit of our annual report and accounts for the year ended 31 March 2016, in line with the requirements of the Charities Act 2006.

Approved by the Board of Trustees on 8 August 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'PHS', followed by a long horizontal stroke.

Peter Hansford
Chairman

Independent auditor's report to the members of Engineers Without Borders UK

We have audited the financial statements of Engineers Without Borders UK for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on the other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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



Richard Bott (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street, Bristol, BS1 6DP

Date 8/8/16

Mazars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities for the year ended 31 March 2016
(incorporating an income and expenditure account)

	Notes	Unrestricted Funds £	Restricted funds £	Total 2016 £	Total 2015 £
Income and endowments from:					
Donations and legacies	3	347,186	159,893	507,079	825,552
Charitable activities		2,500	45,099	47,599	51,191
Other trading activities		3,395	687	4,082	9,880
Investment income		348	0	348	474
Total		353,429	205,679	559,108	887,097
Expenditure on:					
Raising funds	4	(11,066)	0	(11,066)	(5,555)
Charitable activities	4/9	(146,819)	(526,848)	(673,667)	(513,322)
Total		(157,885)	(526,848)	(684,733)	(518,877)
Net income/expenditure before losses on investments		195,544	(321,169)	(125,625)	368,220
Losses on investments	6	(708)	0	(708)	0
		194,836	(321,169)	(126,333)	368,220
Transfer between funds	9	(154,096)	154,096	0	0
Net movement in funds		40,740	(167,073)	(126,333)	368,220
Reconciliation of funds					
Funds brought forward	10	195,819	332,742	528,561	160,341
Funds carried forward	9,10	236,559	165,669	402,228	528,561

Continuing operations

All incoming resources and resources expended derive from continuing activities.

Total recognised gains and losses

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 20 to 28 form part of these financial statements.

Company Number: 04856607

Balance Sheet as at 31 March 2016

	Notes	2016 £	2015 £
Fixed Assets			
Tangible assets	5	13,927	0
Investments	6	29,292	0
Total fixed assets		43,219	0
Current Assets			
Debtors: Due in one year	7	86,751	91,165
Due after one year	7	0	85,000
Cash at bank and in hand		280,603	372,948
Total current assets		367,354	549,113
Creditors: Amounts falling due within one year	8	(8,345)	(20,552)
Net current assets		359,009	528,561
Total assets less current liabilities		402,228	528,561
Funds:			
Unrestricted Funds	10	236,559	195,819
Restricted Funds	9	165,669	332,742
Total funds		402,228	528,561

On behalf of the trustees:



Peter Hansford
Chairman



Samuel Rose ACA
Treasurer

Approved and authorised for issue by the Board on 8 August 2016.

Cash Flow Statement for the year ended 31 March 2016

	2016 £	2015 £
Net cash (used in)/provided by operating activities - see below	(39,892)	255,967
<i>Cash flows from investing activities</i>		
Interest received	348	474
Purchase of investments	(30,000)	0
Purchase of property, plant and equipment	(22,801)	0
Net cash (used in)/provided by investing activities	(52,453)	474
Change in cash and cash equivalents from activities in the year ended 31 March 2016	(92,345)	256,441
Cash and cash equivalents at 1 April 2015	372,948	116,507
Cash at bank and cash equivalents at 31 March 2016	280,603	372,948

Reconciliation of net (expenditure)/income to net cash flow from operating activities

Net (expenditure)/income as shown in the Statement of Financial Activities	(126,333)	368,220
<i>Adjustments for :-</i>		
Depreciation charges	3,506	0
Dividends, interest and rents from investments	(348)	(474)
Loss on disposal of assets	5,368	0
Loss on investments	708	0
Decrease/(increase) in debtors	89,414	(122,438)
Increase/(Decrease) in creditors	(12,207)	10,659
Net cash (used in)/provided by operating activities	(39,892)	255,967

Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	Unrestricted Funds £	Restricted funds £	Total 2015 £
Income and endowments from:			
Donations and legacies	384,849	440,703	825,552
Charitable activities	13,271	37,920	51,191
Other trading activities	6,971	2,909	9,880
Investment income	474	0	474
Total	405,565	481,532	887,097
Expenditure on:			
Raising funds	(5,555)	0	(5,555)
Charitable activities	(268,878)	(244,444)	(513,322)
Total	(274,433)	(244,444)	(518,877)
Net income	131,132	237,088	368,220
Transfer between funds	0	0	0
	131,132	237,088	368,220
Net movement in funds	131,132	237,088	368,220
Reconciliation of funds			
Funds brought forward	64,687	95,654	160,341
Funds carried forward	195,819	332,742	528,561

Notes to the Financial Statements for the year to 31st March 201

1. Accounting policies

Basis of Preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required. The transition date was 1 April 2014.

Preparation of the Accounts on a Going Concern Basis

The financial statements are drawn up on the going concern basis which assumes Engineers Without Borders UK will continue for the foreseeable future. The Board have given due consideration to the working capital and cash flow requirements of Engineers Without Borders UK. The Board consider Engineers Without Borders UK's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

Incoming resources

All incoming resources are included in the consolidated SOFA when the charity is legally entitled to them, receipt is virtually certain and the amount can be measured with sufficient reliability.

Grants receivable

Grants are credited to the SOFA when receivable. Incoming resources are only deferred where there are time constraints imposed by the donor or if the funding is performance related. Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within voluntary income. Grants that have specific restrictions placed upon their use are included within incoming resources from charitable activities.

Donations and Legacies

Donations are recognised in the period in which they are received.

Restricted income

Income received that has specific restrictions placed upon its use is credited to restricted income within the SOFA on a receivable basis. Unspent balances are carried forward within the relevant restricted fund.

Donated Goods, Services & facilities

Goods, facilities and services donated for the charity's use, where the benefit is quantifiable and the goods or services would otherwise have had to be purchased, are recognised in the financial statements, as both income and expenditure, at a reasonable estimate of their value in the period in which they are donated.

Fundraising events

Fundraising events income is included in voluntary income as the funds received are by nature donations rather than funds paid to gain a benefit. Event income to which Engineers Without Borders UK has a legal entitlement and that is being held by a third party agent is recognised on a receivable basis.

Resources Expended

Resources expended are recognised in the period in which they are incurred on an accruals basis. Resources expended include attributable VAT which cannot be recovered.

Costs of charitable activities include direct expenditure incurred through grants to volunteers and operational activities together with associated support costs.

The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.

Governance Costs

Governance costs are those associated with the governance arrangements relating to the strategic operations of the charity as opposed to those costs associated with general running of the charity, fundraising or charitable activity. These governance costs include external audit costs and trustee expenses.

Support Costs

Support costs include the central functions. They are recognised on an accruals basis and have been allocated to fundraising, charitable activities and governance on a basis consistent with the use of the resources.

Fund Accounting

Unrestricted funds are the funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs where appropriate. Negative balances are only carried forward where the Trustees are confident of future cash flows for that fund.

Fixed Assets Investments

The charity only has financial investments of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the transaction price and subsequently measured fair value through the Statement of Financial Activities.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

All creditors and provision arising from ongoing activities are included.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

Pension accounting

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Operating lease

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Transfers

Transfers to and from restricted funds are only completed if the donor has approved this transfer, and transfers to and from designated funds are subject to trustee approval.

Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All bank accounts are held in pound sterling.

Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity is not registered for VAT, and VAT is accrued on expenditure items where payable.

Fixed Assets

Any purchase of property (or Gift in Kind) in excess of £100 that is expected to have a useful life of greater than one year is determined to be a Fixed Asset. The following classes of Fixed Asset are in use at Engineers Without Borders UK:

Asset Class	Fixed Useful Life
Furniture & fixtures:	5 years
Computer equipment:	4 years
Office equipment:	3 years

2. Turnover

Incoming resources from charitable activities and activities for generating funds comprises participant contributions to the cost of training courses and events run by Engineers Without Borders UK. Participation fees are charged to universities who take part in the EWB Challenge.

3. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Branch Fundraising	0	0	0	351
Donations	25,453	45,359	70,812	43,449
Grants	102,361	16,623	118,984	416,176
Sponsorship	143,314	81,604	224,918	307,369
Gift in kind income	76,058	16,307	92,365	58,207
Voluntary Income	347,186	159,893	507,079	825,552

4. Expenditure

4a. Total Expenditure

	Direct Costs £	Support Costs £	Total 2016 £	Total 2015 £
Charitable Expenditure:				
Programme Areas				
EWB Challenge	159,608	37,161	196,769	105,976
GDEE EuropeAid	32,694	4,610	37,304	81,242
International Placement Program	201,272	53,666	254,938	144,978
International Education	0	0	0	13,670
Member Led Partnerships	31,433	9,310	40,743	26,106
Outreach	37,571	14,282	51,853	35,319
Charitable Expenditure:				
Community Areas				
EWB Community	64,529	18,569	83,098	91,786
Charitable Expenditures:				
Governance	7,854	1,108	8,962	14,245
Total Charitable Expenditure	534,961	138,706	673,667	513,222
Costs of Generating Voluntary Income				
Fundraising	7,350	1,035	8,385	1,220
Press and publications	2,350	331	2,681	4,335
Net Charitable Expenditure	544,661	140,072	684,733	518,877

4b. Audit Fee

Governance costs include the audit fee of £6,120 (2015: £6,186)

4c. Support Costs

	Total 2016 £	Total 2015 £	Allocation
Finance	12,656	7,109	Allocated in line with proportion of direct costs
IT and Website	49,625	57,905	Allocated in line with proportion of direct costs
Facilities	56,313	23,997	Allocated in line with proportion of direct costs
Insurance	12,573	7,398	Allocated in line with proportion of direct costs
CEO	8,905	7,358	Allocated in line with proportion of direct costs
Total	140,072	103,767	

4d. In Kind Expenditure

Included is the following expenditure that has been recognised in line with our gifts in kind accounting policy.

	Total 2016 £	Total 2015 £
Communications	0	867
Facilities	4,785	407
Training	9,210	0
IT	49,413	56,933
Consultancy	25,490	0
Publications	467	0
Research	3,000	0
Total	92,365	58,207

5. Tangible fixed assets

	Fixtures & Fittings	Computer and Office Equipment	Totals
	£	£	£
Cost			
At 1 April 2015	-	-	-
Additions	7,679	15,122	22,801
Disposal	0	(5,368)	(5,368)
At 31 March 2016	7,679	9,754	17,433
Accumulated Depreciation			
At 1 April 2015	-	-	-
Charge for the year	1,419	2,087	3,506
At 31 March 2016	1,419	2,087	5,485
Net Book Value			
At 31 March 2016	6,260	7,667	13,927
At 31 March 2015	-	-	-

6. Fixed Asset Investments

	Listed Investments 2016 £	Listed Investments 2015 £
Market Value		
At 1 April 2015	0	0
Additions	30,000	0
Revaluations	(708)	0
At 31 March 2016	29,292	0
At 31 March 2015	0	0

	2016 £	2015 £
Analysed as follows:		
Rathbone Ethical Bond Fund managed by Rathbone:		
Bond	<u>29,292</u>	<u>0</u>

7. Debtors

	Total 2016 £	Total 2015 £
Trade debtors	85,375	176,165
Accrued income	271	0
Other debtors	1,105	0
Total debtors	86,751	176,165

8. Creditors – amounts falling due within one year

	Total 2016 £	Total 2015 £
Trade creditors	791	9,757
Taxation and social security	0	2,450
Other creditors	0	911
Accruals	7,554	7,434
Total	8,345	20,552

9. Restricted Funds

Fund	Funds as at 1 April 2015	Income	Expenditure	Transfers	Funds as at 31 March 2016
EWB Challenge	271,512	34,793	(158,380)	0	147,925
EWB Community	0	21,057	(58,116)	37,059	-
GDEE EuropeAid	18,916	0	(32,694)	13,778	-
International Placement Programme	15,843	112,955	(210,675)	81,877	-
Member Led Partnerships	400	6,587	(28,369)	21,382	-
Outreach	26,071	30,287	(38,614)	0	17,744
Total restricted funds	332,742	205,679	(526,848)	154,096	165,669

Each fund relates to an ongoing initiative or area of work for which income has been specifically received:

EWB Challenge: An undergraduate design module based on real world problems encountered by a developing community, which is embedded in university engineering courses.

EWB Community: Income raised in relation to sustaining the member group structure and for organising conferences, events and seminars for the wider Engineers Without Borders Community.

- GDEE EuropeAid:** A programme to provide teaching materials and case studies around the concept of Globally Responsible Engineering for educators to use.
- International Placement Programme:** Provides qualified volunteer engineers to enhance the engineering skills and knowledge of our partner organisations while also providing a valuable learning experience for the volunteer. This fund also includes income donated for the pilot of the Global Engineer Fellowship programme.
- Member Led Partnerships:** Enables affiliated member-groups to develop working partnerships with international development organisations and contribute to projects.
- Outreach:** A series of workshops delivered by either staff or our volunteer ambassadors to school children. The workshops introduce participants to the role that engineering can play in human development.

10. Total funds reconciliation

Fund	Funds as at 1 April 2015 £	Income £	Expenditure £	Transfers £	Loss on investment £	Funds as at 31 March 2016 £
Restricted Funds	332,742	205,679	(526,848)	154,096	0	165,669
Unrestricted Funds	195,819	353,429	(157,885)	(154,096)	(708)	236,559
Total funds	528,561	559,108	(684,733)	0	(708)	402,228

11. Staff Costs

11a. Staff Costs

	Total 2016 £	Total 2015 £
Salaries and wages	243,512	164,829
Social security	23,701	16,013
Pension costs	3,281	671
Total	270,494	181,513

Pension costs relate to Engineers Without Borders UK's contributions to an employee Defined Contribution scheme.

11b. Full time equivalent number of employees

	Total 2016	Total 2015
Programme staff	6.75	6.75
Support staff	1.25	0.25
TOTAL	8.00	7.00

No employees' emoluments exceeded £60,000 within the year.

11c. Key Management Personnel

Key management personnel include senior staff who manage the key activities of the Charity on a day to day basis. This is deemed to include the CEO, the Head of Education, the Head of International Partnerships, and the Head of Fundraising and Communications. The total employee benefits of key management personnel were £155,240 (2015; £121,324).

12. Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

13. Other Financial Commitments

At 31 March 2016 Engineers Without Borders UK was committed to making the following payments under non-cancellable operating leases in the forthcoming financial year. Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

	Total 2016 £	Total 2015 £
Operating leases which expire:		
Within 1 year	9,590	12,784
	9,590	12,784

14. Trustees Remuneration and Expenses

The Trustees are not remunerated for their work with Engineers Without Borders UK. However, during the year seven of the trustees were reimbursed for expenses incurred. A total of £993 for travel and miscellaneous expenses were incurred when attending trustee meetings and branch society meetings (2015; £1,139).

15. Related party transactions

Martin McCann was, until December 2015, a Trustee of Engineers Without Borders UK and is also the Chief Executive of RedR-UK. Engineers Without Borders UK and RedR-UK have an agreement to engage in a shared fundraising appeal each Christmas. Under this agreement Engineers Without Borders UK received £1,561 in donations in the year ended 31st March 2016 (2015; £1,014). Fundraising cost paid to RedR UK in 2016 £256 (2015; £87).