

Registered number: 7374358  
Charity number: 1141471



**Global Network**  
of Civil Society Organisations  
for Disaster Reduction

(A company limited by guarantee)

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011**

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**GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**  
**(A company limited by guarantee)**

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**GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011**

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**Directors**

Mrs O.K. Chadburn (appointed 13 September 2010)  
Mr N.S. Timmins (appointed 13 September 2010)

**Company registered number**

7374358

**Charity registered number**

1141471

**Registered office**

100 Church Street  
Teddington  
Middlesex  
TW11 8QE

**Company secretary**

T.D. Gibson

**Chair of the Steering Group**

M. Oxley

**Auditors**

Braidwood & Company  
Registered Auditor  
Willow Grange  
The Street  
Betchworth  
Surrey  
RH3 7DJ

**Bankers**

Co-operative Bank plc.  
1 Balloon Street  
Manchester  
M60 4EP

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# GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

(A company limited by guarantee)

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## DIRECTORS' REPORT FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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The Directors (who are also directors of the charity for the purposes of the Companies Act) present their report together with the audited financial statements of Global Network of Civil Society Organisations for Disaster Reduction (the GNDR) for the 28 week period ended 31 March 2011. The Directors confirm that the Directors report and financial statements of the GNDR comply with the current statutory requirements, the requirements of the GNDR's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

### **Structure, governance and management**

#### **a. CONSTITUTION**

The GNDR is registered as a charitable company limited by guarantee and was incorporated on 13/9/2010.

The GNDR was officially launched in Geneva during the Global Platform for disaster Reduction in June 2007. The network is a major international alliance of civil society organisations working to influence and implement disaster risk reduction policies and practices around the world.

#### **b. METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the GNDR is the responsibility of the Directors who are elected and co-opted under the Steering Group.

#### **c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF DIRECTORS**

The Chair of the Steering Group will ensure directors receive induction and training.

#### **d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Steering Group functions as the GNDR's governing body and is mandated to act on behalf of all its full members. It is composed of between 12 to 15 full member representatives at any one time, one of whom is elected as the Steering Group Chair. Composition is based on the principle of equitable and balanced representation (regional, global, north/south, gender, expertise, organisational type). Quarterly teleconference and annual face-to-face meetings are held by the Steering Group.

#### **e. HOSTING AGREEMENT**

The secretariat of the GNDR is currently hosted by the INGO Tearfund in London on a five year rotation basis that commenced in September 2007. The Chair of the Steering Group serves as the head of the Secretariat. Hosting agencies must provide the GNDR with a suitably "neutral" location from which to serve its diverse membership with ease of access to information, communications, infrastructure and the institutional support of an established organisation.

#### **f. RISK MANAGEMENT**

The Directors and Steering Group have assessed the major risks to which the GNDR is exposed, in particular those related to the operations and finances of the GNDR, and are satisfied that systems and procedures are in place to minimise our exposure to the major risks.

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## GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

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### DIRECTORS' REPORT (continued) FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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#### Objectives and Activities

##### a. POLICIES AND OBJECTIVES

The principal objects of the GNDR, are: (1) Prevention or relief of poverty, for public benefit. (2) Community capacity building. (3) Promotion of human rights. (4) Sustainable development.

##### b. STRATEGIES FOR ACHIEVING OBJECTIVES

The GNDR is a network of over 500 Civil Society organisations, in over 70 countries, concerned with effective implementation of Disaster Risk Reduction policy at the "frontline", where billions of people vulnerable to disaster live and work.

##### c. ACTIVITIES FOR ACHIEVING OBJECTIVES

The GNDR's activities centre around the programme Views from the Frontline (VFL), which produces reports of progress on implementing the Hyogo Framework for Action (HFA), with strategic recommendations for more effective implementation. HFA 2005-2015 "Building the resilience of Nations and Communities to disasters" was adopted by 168 countries in 2005 at the World Conference on Disaster Reduction held in Hyogo, Japan, to substantially reduce the loss of lives and livelihoods caused by disasters.

#### Achievements and performance

##### a. REVIEW OF ACTIVITIES

VFL was published and presented to the UN in May 2011.

##### b. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

The HFA requires a top down and bottom up approach, involving multi stakeholder partnerships, to provide a global blueprint for disaster risk reduction efforts. However there were growing concerns that the approach was top down, UN and donor driven. VFL provides a bottom up approach, where local people across the globe have their say.

#### Financial review

##### a. INCOME AND EXPENDITURE

The results for the 28 week period as disclosed on page 7, show net incoming resources of £488,443. This represents funds to be spent on VFL and associated activities from 1/4/11 to 31/7/12.

##### b. RESERVES POLICY

All income is spent on VFL and associated secretariat costs. The Directors are developing GNDR'S reserve policy, which will be reviewed annually.

##### c. PRINCIPAL FUNDING

The sources of funding for VFL for the period are SIDA (Swedish International Development Cooperation Agency) and OFDA (Office of U.S. Foreign Disaster Assistance - part of USAID).

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## GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

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### DIRECTORS' REPORT (continued) FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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#### Plans for the future

##### a. FUTURE DEVELOPMENTS

Regional conferences are being held to facilitate the implementation of the VFL. There is to be a review by the Steering Group.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

#### PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing his report and to establish that the charitable company's auditor is aware of that information.

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

This report was approved by the Directors on 20/12/11 and signed on their behalf, by:

Mrs O.K. Chadburn

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## **GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

**(A company limited by guarantee)**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

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I have audited the financial statements of Global Network of Civil Society Organisations for Disaster Reduction for the 28 week period ended 31 March 2011 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My audit work has been undertaken so that I might state to the charitable company's members those matters I am required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for my audit work, for this report, or for the opinion I have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' responsibilities statement, the Directors (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.

The Directors have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly I have been appointed as auditor under section 43 of the Charities Act 1993 and report to you in accordance with regulations made under section 44 of that Act. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the GNDR's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **OPINION ON FINANCIAL STATEMENTS**

In my opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the 28 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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**GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

I have nothing to report in respect of the following matters where the Charities Act 1993 requires me to report to you if, in my opinion:

- the information given in the Directors' report is inconsistent in any material respect with the financial statements; or
- the company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Mrs C.Braidwood (Statutory Auditor)

**Braidwood & Company**  
Chartered Accountants and  
Registered Auditor

Willow Grange  
The Street  
Betchworth  
Surrey  
RH3 7DJ  
Date:

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GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

(A company limited by guarantee)

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STATEMENT OF FINANCIAL ACTIVITIES  
(incorporating income and expenditure account)  
FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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	Note	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £
<b>INCOMING RESOURCES</b>				
Incoming resources from generated funds:				
Grants	2	76,373	998,184	1,074,557
<b>TOTAL INCOMING RESOURCES</b>		<b>76,373</b>	<b>998,184</b>	<b>1,074,557</b>
<b>RESOURCES EXPENDED</b>				
Charitable activities	7	76,373	508,241	584,614
Governance costs	3	-	1,500	1,500
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>76,373</b>	<b>509,741</b>	<b>586,114</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE PERIOD - NET INCOMING RESOURCES</b>		<b>-</b>	<b>488,443</b>	<b>488,443</b>
<i>Total funds at 13 September 2010</i>		<i>-</i>	<i>-</i>	<i>-</i>
<b>TOTAL FUNDS AT 31 MARCH 2011</b>		<b>-</b>	<b>488,443</b>	<b>488,443</b>

The notes on pages 9 to 13 form part of these financial statements.

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GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

(A company limited by guarantee)  
REGISTERED NUMBER: 7374358

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BALANCE SHEET  
AS AT 31 MARCH 2011

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	Note	£	2011 £
<b>CURRENT ASSETS</b>			
Debtors	10	496,191	
<b>CREDITORS:</b> amounts falling due within one year	11	<u>(7,748)</u>	
<b>NET CURRENT ASSETS</b>			<u>488,443</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>488,443</u>
<b>CHARITY FUNDS</b>			
Restricted funds	12	-	
Unrestricted funds	12		<u>488,443</u>
			<u>488,443</u>

The Directors consider that the GNDR is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the GNDR to obtain an audit for the 28 week period in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 43 of the Charities Act 1993.

The Directors acknowledge their responsibilities for ensuring that the GNDR keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the GNDR as at 31 March 2011 and of its net incoming resources for the 28 week period then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the GNDR.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Directors on 20/12/11 and signed on their behalf, by:

Mrs O.K. Chadburn

The notes on pages 9 to 13 form part of these financial statements.

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# GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

(A company limited by guarantee)

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

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

#### 1.2 Company status

The GNDR is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the GNDR being wound up, the liability in respect of the guarantee is limited to £10 per member of the GNDR.

#### 1.3 Fund accounting

General funds are used for VFL and associated activities. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

#### 1.4 Incoming resources

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

#### 1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

### 2. GRANTS

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £
SIDA (Swedish government)	-	933,038	933,038
OFDA (United States government)	76,373	-	76,373
Other	-	65,146	65,146
	<u>76,373</u>	<u>998,184</u>	<u>1,074,557</u>

The OFDA grant contract is with Tearfund, who issued a sub-agreement with GNDR.

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**GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011**

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**3. GOVERNANCE COSTS**

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £
Auditors' remuneration	-	1,500	1,500

**4. DIRECT COSTS**

	2011 £
VFL	493,833
Wages and salaries	65,360
National insurance	7,504
Pension cost	7,417
	574,114

**5. SUPPORT COSTS**

	2011 £
VFL	10,500

**6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2011 £	Other costs 2011 £	Total 2011 £
VFL	80,281	504,333	584,614
Governance	-	1,500	1,500
	80,281	505,833	586,114

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GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2011 £	Support costs 2011 £	Total 2011 £
VFL	<u>574,114</u>	<u>10,500</u>	<u>584,614</u>

8. NET INCOMING RESOURCES

This is stated after charging:

	28 week period ended 31 March 2011 £
Auditors' remuneration	<u>1,500</u>

9. EMPLOYEES AND DIRECTORS

Employee costs were as follows:

	28 week period ended 31 March 2011 £
Wages and salaries	65,360
Social security costs	7,504
Other pension costs	7,417
	<hr/>
	<u>80,281</u>

The average monthly number of employees during the 28 week period was 3.

No employee received remuneration amounting to more than £60,000 in the period.

During the 28 week period, no Directors received any remuneration, benefits in kind, or reimbursement of expenses.

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GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011

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10. DEBTORS

	2011 £
Owed by Tearfund	419,818
Accrued grants	76,373
	<hr/>
	<u>496,191</u>

11. CREDITORS:  
Amounts falling due within one year

	2011 £
Accruals and deferred income	<hr/> <u>7,748</u>

12. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	-	998,184	(509,741)	488,443
Restricted funds	-	76,373	(76,373)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>-</u>	<u>1,074,557</u>	<u>(586,114)</u>	<u>488,443</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted fund £	Unrestricted funds £	Total funds 2011 £
Current assets	-	496,191	496,191
Creditors due within one year	-	(7,748)	(7,748)
	<hr/>	<hr/>	<hr/>
	<u>-</u>	<u>488,443</u>	<u>488,443</u>

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**GLOBAL NETWORK OF CIVIL SOCIETY ORGANISATIONS FOR DISASTER REDUCTION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 28 WEEK PERIOD ENDED 31 MARCH 2011**

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**14. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £7,417.