

REGISTERED CHARITY NUMBER: 1062823  
REGISTERED COMPANY NUMBER: 3266266

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012  
FOR  
DOWN SYNDROME EDUCATION INTERNATIONAL

Leonard Gold  
Statutory Auditor  
Chartered Accountants  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

**DOWN SYNDROME EDUCATION INTERNATIONAL**

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**FOR THE YEAR ENDED 31 DECEMBER 2012**

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**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

The Trustees herein present their report together with the consolidated financial statements of the charity, its subsidiary and associated nonprofit for the year ended 31 December 2012.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

**Chairman's report**

During 2012, the charity continued to transform the way it works to increase its impact and improve financial sustainability. Over the past few years, we have reduced overheads and closed services we could not sustain, while focusing on the research that is essential to continued progress and the publications and training that reach the most beneficiaries. We have secured substantial cost reductions and yet we continue to serve tens of thousands of families through our books and teaching materials, web sites and online events, and conferences and training.

Despite the upheaval of relocating (and downsizing) our head office in spring 2012, the charity continued to complete important research projects and new publications. The findings of a major trial of a reading and language intervention were published in April and in December we published a comprehensive handbook to support the use of this carefully evaluated and evidence-based programme in schools around the world. We continued to develop resources to support the development of speech, language and reading, number and memory skills in the early years, and we provided training and advice online and in person to thousands of parents and professionals around the world.

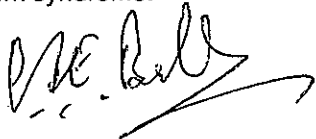
With the restructuring now complete, our attention is focused on the future. So much remains to be done. There is still much we do not understand about development and learning for children with Down syndrome, and few of the therapies and teaching approaches used today have been carefully evaluated in rigorous studies. Meanwhile, what is understood about effective support for children with Down syndrome is too often not applied in practice in many places.

Our strategy is clear. Research drives progress when it is directed to meeting the specific needs of children with Down syndrome and the real life concerns of families and educators. Wide-reaching communication and practical resources are essential for bringing advances from research into everyday practice.

Since publishing our new reading and language intervention 9 months ago, we have supplied over 1,000 copies of the handbook, trained hundreds of educators, and embarked on a pilot of the programme in US schools. Parents and teachers are telling us that the programme is practical and beneficial for their children. This is a perfect illustration of the importance of educational research in improving outcomes for young people with Down syndrome.

With much still to do, we are – as always – dependent on the generosity of our donors for much of our work. We are urgently seeking funds for new research, new books and teaching resources, and translations to extend the availability of evidence-based information and guidance beyond the English-speaking world.

I would like to thank my fellow Trustees, for their sustained efforts, and our staff for their commitment and hard work. I would also like to thank our donors for their generous support for better education for children with Down syndrome.



**Sir Christopher Ball**  
Chairman, Down Syndrome Education International

**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**CEO's report**

During the past year, we have published the findings from two randomized controlled trials evaluating interventions for children with Down syndrome. One of these demonstrated that structured, individualised, one-to-one language and reading instruction, delivered daily, can improve outcomes for many children with Down syndrome. We published the teaching programme in December 2012. The other trial suggested that it may be possible to improve critical memory functions with a relatively short intervention of computer-based memory training activities – something we now need to explore further with adapted software and a larger trial.

Both studies show the potential of educational research to deliver real benefits for today's generation of young people with Down syndrome. This research is grounded in over 30 years of scientific study of the specific learning difficulties experienced by children with Down syndrome – research that is now paying dividends in improved therapies and teaching techniques.

There has been much excitement in recent years about the possibility of advances in our understanding of the biology of Down syndrome leading to drugs that may alleviate some of these learning difficulties. Claims about the incredible promise of genetics and neurobiological research have been made for many years, and this research receives by far the largest share of inadequate Down syndrome research budgets. However, the few trials of drugs hoped to improve cognition completed to date were not promising and so these claims remain speculative.

This is not to say this research is not worthwhile – it may be. But, the fact remains that – to date – only clinical research and educational research have delivered benefits for people with Down syndrome living today. Clinical research that has led to the development of modern healthcare guidelines (together with antibiotics and cardiac surgery) has delivered remarkable improvements in life expectancy for people with Down syndrome – up from 12 years in 1940 to 60 years today. Educational research has transformed our understanding of the children's developmental delays and informed better therapies and teaching practices helping hundreds of thousands of young people with Down syndrome to achieve more.

We are hopeful that recent advances will lead to safe and effective pharmaceutical therapies. Indeed, we are working with the Swiss pharmaceutical company Hoffman La-Roche, which has recently begun trials of a promising compound with people with Down syndrome. However, even if successful, these therapies are several years away from widespread use. Furthermore, these therapies will not be "treatments for Down syndrome" – they will be therapies for some aspects of the condition. A compound that improves memory and makes learning easier for people with Down syndrome – and, of course, that is safe – would be welcome, but it will not be a "cure".

Clinical and educational research therefore remain vital for continued advances for people with Down syndrome. This is why Down Syndrome Education International remains focused on educational research – it makes a difference today and will continue to make a difference tomorrow.

Our recently completed restructuring leaves the charity better placed than ever before to support new research and to bring the benefits of research to thousands of young people with Down syndrome around the world.

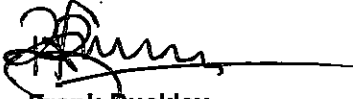
How much we can accomplish more and how fast we can do so very much depend on our donors. While we are building our earned income to cover our core operating costs and to contribute to research, we still depend on charitable income to fund new research and development projects.

We are now urgently seeking support for research that aims to improve speech clarity, improve reading comprehension, support early language development, further develop and evaluate our reading and language intervention, and examine the difficulties children with Down syndrome experience learning number and math concepts. This research will improve education for today's and future generations of young people with Down syndrome.

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**FOR THE YEAR ENDED 31 DECEMBER 2012**

We are also seeking funds to ensure our resources can reach families on low incomes and those who speak languages other than English so that all of the approximately 1.9 million young people with Down syndrome can benefit from evidence-based early intervention and education.

As always, I am hugely grateful to our small staff team and volunteers for their hard work and commitment. I am also immensely grateful for the support and donations of the many thousands of families, professionals and organisations who we serve.



**Frank Buckley**  
CEO, Down Syndrome Education International

**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**Objectives and principal activities**

Down Syndrome Education International is an international charity that transforms the lives of young people with Down syndrome by improving understanding of their learning needs and by helping families and professionals to provide effective support and education.

Our objective is to improve developmental and educational outcomes for young people with Down syndrome, helping them to lead more independent, productive and fulfilling lives.

The charity is headquartered in the UK and works in close collaboration with an associated nonprofit organisation based in the USA. Many of the charity's publications and services are delivered through a UK-based subsidiary social enterprise company. Our principal activities are scientific research, and information, training and consulting services.

Our scientific research and global services deliver lasting gains for children with Down syndrome in speech and language, reading and literacy, number and maths, memory and cognitive skills, and social development. In 2012, we helped over 140,000 people provide effective support to children with Down syndrome in 170 countries.

**Research**

Our research strategy focuses on human developmental and cognitive research designed to identify interventions that improve speech, language and communication skills, enhance cognitive development, raise levels of achievement in literacy and numeracy, and support effective inclusion.

Our research began over 30 years ago with a project at the University of Portsmouth, UK, that investigated teaching reading to young children with Down syndrome. Since 1987, the charity has conducted and sponsored studies investigating a wide variety of topics relevant to improving developmental and educational outcomes for children with Down syndrome. These include cognitive development, speech, language, reading, numeracy and maths, social and behavioural development and sleep.

**Classroom reading and language intervention study**

During 2012, we published the findings from a multicentre randomised controlled trial of a reading and language programme for primary school children with Down syndrome. The study was conducted in partnership with the Centre for Reading and Language at the University of York, UK, and funded by the UK Big Lottery Fund. The results of this study were published in April in the *Journal of Child Psychology and Psychiatry* (doi:10.1111/j.1469-7610.2012.02557.x). They were also presented at the 45th Annual Gatlinburg Conference on Research and Theory in Intellectual and Developmental Disabilities in March, at the Society of the Scientific Study of Reading Conference in Montreal in July and at the British Psychology Society's Developmental Psychology conference in September, 2012.

The study observed important benefits for many of the children receiving the intervention and in December we published a handbook and begun to support the roll out of the teaching programme in schools around the world.

In August 2012, we began a pilot evaluation of the reading and language intervention in schools in San Antonio, Texas, USA. The study was completed in summer 2013 and we hope to publish our findings later this year.

**Information services**

Our information services provide easy access to reliable, evidence-based information and advice to families, professionals and organisations around the world, helping them to provide effective educational support for children with Down syndrome.

During 2012, we continued to host Down Syndrome Online, reaching over 140,000 families, practitioners and researchers in 170 countries. The web site offers more than 160 articles from past volumes of *Down Syndrome Research and Practice*, and books in the *Down Syndrome Issues and Information Education and Adult Living* series.

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We continued to develop further steps in See and Learn Language and Reading, See and Learn Speech, See and Learn Memory and See and Learn Number, funded by The Equitable Charitable Trust, The Freemason's Grand Charity, the Garfield Weston Foundation, The John Coates Charitable Trust, the Rayne Foundation and the Big Lottery Fund.

**Structure and governance**

Down Syndrome Education International (DSEI) is a company limited by guarantee, registered in England, number 3266266, and is a UK registered charity, number 1062823.

Down Syndrome Education Enterprises CIC (DSEE) is a community interest company, registered in England, number 2413145, that is wholly owned by Down Syndrome Education International.

Down Syndrome Education USA (DSEUSA) is a nonprofit organisation, incorporated in California, USA, and exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, EIN 26-2566125. DSEUSA and DSEI share common goals, and collaborate closely under a partnership agreement.

**Governance**

Overall responsibility for the direction and performance of the charity resides with Board of Trustees. The Trustees meet regularly to review strategy, operational progress and financial performance. Members include individuals with a wide range of applicable skills and experience, many of whom are relatives of people with Down syndrome.

**Governing document**

Down Syndrome Education International is governed by a Memorandum of Association dated 7 October 1996, as amended on 20 May 2008.

**Recruitment and appointment of Trustees**

Trustees are appointed by the existing Board of Trustees. The Board of Trustees recruits new members from among supporters, beneficiaries, service users and other interested persons. The Board aims to maintain a range of skills and experiences from across a variety of industries and professions, and across profit, not-for-profit and public sector organisations.

**Induction and training of Trustees**

New Trustees receive strategic plans, operational plans and budgets, information leaflets, prior meeting minutes and similar materials. New Trustees are also invited to spend time seeing all the charity activities in action and meeting the staff, and to meet families and professionals who use the charity's services.

**Operational responsibility**

Day-to-day operational responsibility is delegated to the CEO.

**Related parties**

Down Syndrome Education International owns Down Syndrome Education Enterprises and has the power to appoint Directors.

Professor Sue Buckley OBE has led the research work of the charity since 1986. Mr Frank Buckley is Professor Buckley's son. Frank was appointed a Director of Down Syndrome Education Enterprises CIC in October 1996, and served as the Finance and Operations Director and Company Secretary of both Down Syndrome Education International and Down Syndrome Education Enterprises CIC from April 1997. In September 2007, Frank Buckley was appointed CEO of Down Syndrome Education International. Dr Angela Byrne has been employed by the charity since 1997. Dr Byrne married Frank Buckley in April 2003. Frank Buckley also serves as the President and CEO of Down Syndrome Education USA.

Many of our Trustees are close relatives of young people with Down syndrome. Their families benefited from the charity's services during the year on the same basis, terms and conditions as other families.

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**Conflict of Interest Policy**

Down Syndrome Education International has a robust Conflict of Interest Policy that applies to all Trustees, Directors and staff of Down Syndrome Education International and its associated companies. The policy is reviewed annually.

**Public Benefit**

The trustees have complied with the duty in Section 4 of the 2006 Charities Act.

**Risk management**

The Board of Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finances of the charity and are satisfied that systems are in place to manage those risks.

**Reference and administrative details**

Company number 3266266

Charity number 1062823

**Directors**

The directors of Down Syndrome Education International are its trustees for the purpose of charity law and the members of the company limited by guarantee. Throughout this report they are collectively referred to as the trustees.

The following individuals served as trustees during 2012 or at the time of approving this report.

Sir Christopher Ball (Chairman)

Professor John Clibbens (Vice Chairman)

Nicholas Campsie (Vice Chairman)

Adrian Blomeley (resigned 25 February 2013)

Rich Clarke (appointed 27 June 2013)

Louise Dickinson (resigned 31 January 2012)

Sarah Gieger (appointed 27 June 2013)

Maggie Hart

Sarah Joseph (appointed 27 June 2013)

Eric Lakin (resigned 11 January 2013)

Laura Leather (appointed 27 June 2013)

Nicholas Lockley (resigned 26 February 2013)

Alison Rayson

Bob Sillet (resigned 28 June 2012)

Kieron Smith (resigned 26 June 2012)

All trustees served for the full year, except where noted above. None had any beneficial interest in the charity and remuneration of directors is neither paid by the charity nor permitted under its Articles of Association.

**CEO**

Frank Buckley

**Chief Scientist**

Professor Sue Buckley OBE

**Senior Statutory Auditor**

Mrs Julie Watts

**Auditors**

Leonard Gold Chartered Accountants, Statutory Auditors  
24 Landport Terrace, Portsmouth, PO1 2RG



**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**Bankers**

HSBC Bank plc  
118 Commercial Road, Portsmouth, PO1 1EP

**Registered office**

6 Underley Business Centre, Kirkby Lonsdale, Cumbria, LA6 2DY

**Financial review**

During 2012, anticipating reduced charitable income, the group continued to restructure and reduce overheads, reflecting strategic priorities and opportunities for property savings.

Group income fell £411,000 from £930,000 in 2011 to £519,000 in 2012, reflecting both the end of a major project funded by the Big Lottery and a more general decline in grants and donations. Group expenditure was reduced from £943,000 to £574,000, leaving an operating deficit of £55,000 (2011: deficit of £13,000).

Following the restructuring, the group has focused on developing new resources and services, and growing earned income. Revenue from publications has risen sharply in the 8 months to August 2013, compared to the same period in 2012. The group is continuing to develop new and updated teaching resources, online courses and books and expects to continue to do so through 2015. Meanwhile, fundraising efforts are prioritising raising funds for new research projects.

The Board anticipates substantial change in the future populations of young children with Down syndrome in more developed countries, following the introduction and rapid growth in new prenatal screening technologies that seem certain to reduce birth rates, and has factored this into the group's strategic planning.

**Going Concern**

Like other charities, Down Syndrome Education International continues to feel the impact of challenging economic conditions - particularly in the UK. In response to a more challenging fundraising environment, the Group continues to diversify income sources, grow social enterprise activities and identify opportunities for efficiency improvements. The Board is satisfied that the right strategies and plans are in place to ensure that the Group will continue to operate for the foreseeable future and that it will continue to maximise impact for its beneficiaries.

**Restricted funds**

Group restricted funds at 31 December 2012 totalled £126,000 (2011: £117,000).

**Reserves policy**

The Trustees regularly review the free reserves of the charity, which are those unrestricted funds not held in fixed assets, investments, designated for specific purposes or otherwise committed. These reviews encompass the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The Trustees consider the primary purpose trading activities of the charity's subsidiary company within these reviews. The latest review concluded that to allow the charity to be managed efficiently and to provide a buffer for uninterrupted services, free reserves equivalent to at least 3 months' expenditure should be accumulated. The charity's free reserves (being unrestricted funds less fixed assets) at 31 December 2012 were in deficit by £159,000 (2011: deficit of £216,000). The retention of surplus unrestricted funds to rebuild free reserves to meet this requirement within the next 3 years remains a key strategic priority.

**Investments**

Down Syndrome Education International owns the entire issued share capital of Down Syndrome Education Enterprises CIC of 480,000 ordinary shares of £1 each (2011: 480,000 shares of £1). This programme related investment furthers the development and distribution of specialist publications and materials, and the supply of specialist training and consulting services, in support of the charity's primary social purpose.

**Annual Accounts**

The trustees present the annual accounts for the year to 31 December 2012.

**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees are responsible for preparing financial statements for each financial year, which give a true and fair view (in accordance with United Kingdom Generally Accepted Accounting Practice) of the state of affairs of the charity and group, and of the surplus or deficit of the charity and group 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 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 confirm that they have complied with the above requirements in preparing the financial statements.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and that enable them to ensure that the financial statements comply with the Companies Act 2006, the Statement of Recommended Practice: The Charities (Accounts and Reports) Regulations 2011, other current statutory requirements and the governing document. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. Each Trustee confirms that:

- in so far as the Trustee is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which Down Syndrome Education International's auditors are unaware; and that
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that Down Syndrome Education International's auditors are aware of that information.

This report has been prepared in accordance with the small company regime (Section 419(2)) of the Companies Act 2006.

The maintenance and integrity of Down Syndrome Education International's websites is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees delegate day-to-day management of Down Syndrome Education International to the CEO. Approved by the Board of Trustees of Down Syndrome Education International on 27 Sept. 2013 and signed on its behalf by:



Sir Christopher Ball  
Chairman

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
DOWN SYNDROME EDUCATION INTERNATIONAL**

We have audited the financial statements of Down Syndrome Educational International Group for the year ended 31 December 2012 on pages 11 to 27. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008). (United Kingdom Generally Accepted Accounting Practice applicable for Smaller Entities).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of the Act.

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.

**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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 our opinion the consolidated financial statements:

- give a true and fair view of the state of affairs of the parent charity, its subsidiary undertaking and associated non profit as at 31 December 2012;
- The consolidated statement of financial activities gives a true and fair view of the total incoming resources of the parent charity, its subsidiary undertaking and associated non profit and the movements in the total resources of the group 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 requirements of the Charities Act 2011 and the Companies Act 2006.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
DOWN SYNDROME EDUCATION INTERNATIONAL

*Julie Watts.*

Mrs Julie Watts (Senior Statutory Auditor)  
For and on behalf of Leonard Gold  
Statutory Auditor  
Chartered Accountants  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

Date: 8 November 2013

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

(including income and expenditure account)

	Notes	Unrestricted funds £000	Restricted funds £000	2012 Total funds £000	2011 Total funds £000
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income	2	139	20	159	135
Activities for generating funds	3	<u>14</u>	<u>18</u>	<u>32</u>	<u>198</u>
		153	38	191	333
Incoming resources from charitable activities					
Sales of goods and services	4	193	-	193	391
Grants (performance related) and contracts	5	<u>-</u>	<u>135</u>	<u>135</u>	<u>206</u>
		<u>193</u>	<u>135</u>	<u>328</u>	<u>597</u>
<b>Total income resources</b>		<u><u>346</u></u>	<u><u>173</u></u>	<u><u>519</u></u>	<u><u>930</u></u>
<b>RESOURCES EXPENDED</b>					
Cost of generating funds	6	3	3	6	71
Charitable Activities	7	391	161	552	847
Governance costs	8	16	-	16	25
Other resources expended		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total resources expended</b>		<u>410</u>	<u>164</u>	<u>574</u>	<u>943</u>
<b>NET INCOME FOR THE YEAR</b>		<u>(64)</u>	<u>9</u>	<u>(55)</u>	<u>(13)</u>
Transfers		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>(64)</u>	<u>9</u>	<u>(55)</u>	<u>(13)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>(29)</u>	<u>117</u>	<u>88</u>	<u>101</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>(93)</u></u>	<u><u>126</u></u>	<u><u>33</u></u>	<u><u>88</u></u>

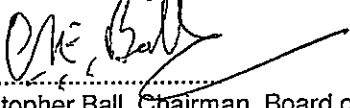
**DOWN SYNDROME EDUCATION INTERNATIONAL**

**CONSOLIDATED BALANCE SHEET**  
**AT 31 DECEMBER 2012**

	Notes	Unrestricted funds £000	Restricted funds £000	2012 Total funds £000	2011 Total funds £000
<b>FIXED ASSETS</b>					
Intangible assets	10	12	-	12	20
Tangible assets	11	11	-	11	47
Investments	12	-	-	-	-
		<u>23</u>	<u>-</u>	<u>23</u>	<u>67</u>
<b>CURRENT ASSETS</b>					
Stocks and work-in-progress		55	-	55	66
Debtors	14	69	124	193	232
Cash at bank		5	2	7	7
		<u>129</u>	<u>126</u>	<u>255</u>	<u>305</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	<u>(245)</u>	<u>-</u>	<u>(245)</u>	<u>(284)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(116)</u>	<u>126</u>	<u>10</u>	<u>21</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(93)</u>	<u>126</u>	<u>33</u>	<u>88</u>
<b>FUNDS</b>					
Restricted funds		-	126	126	117
Unrestricted funds		<u>(93)</u>	<u>-</u>	<u>(93)</u>	<u>(29)</u>
<b>TOTAL FUNDS</b>		<u>(93)</u>	<u>126</u>	<u>33</u>	<u>88</u>

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

The financial statements were approved by the Board of Trustees on 27 September 2013 and were signed on its behalf by:

  
.....  
Sir Christopher Ball, Chairman, Board of Trustees

  
.....  
Alison Press, Trustee

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	Unrestricted funds £000	Restricted funds £000	2012 Total funds £000	2011 Total funds £000
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	116	20	136	74
Activities for generating funds	3	<u>28</u>	<u>18</u>	<u>46</u>	<u>209</u>
<b>Total incoming resources</b>		144	38	182	283
<b>Incoming resources from charitable activities</b>					
Grants (Performance related) and contracts	5	<u>-</u>	<u>135</u>	<u>135</u>	<u>241</u>
		144	173	317	524
Other incoming resources		<u>36</u>	<u>-</u>	<u>36</u>	<u>28</u>
<b>TOTAL INCOMING RESOURCES</b>		<u>180</u>	<u>173</u>	<u>353</u>	<u>552</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds	6	2	3	5	69
Charitable Activities	7	142	161	303	497
Governance costs	8	<u>11</u>	<u>-</u>	<u>11</u>	<u>17</u>
<b>Total resources expended</b>		<u>155</u>	<u>164</u>	<u>319</u>	<u>583</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		25	9	34	(31)
Transfers					-
<b>(Losses) on social investment assets</b>					(380)
<b>Net movement in funds</b>		<u>25</u>	<u>9</u>	<u>34</u>	<u>(411)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>(79)</u>	<u>115</u>	<u>36</u>	<u>447</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>(54)</u>	<u>124</u>	<u>70</u>	<u>36</u>

The notes form part of these financial statements

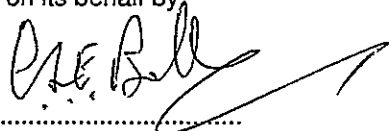
**DOWN SYNDROME EDUCATION INTERNATIONAL**

**BALANCE SHEET**  
**AT 31 DECEMBER 2012**

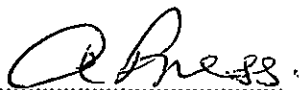
	Notes	Unrestricted funds £000	Restricted funds £000	2012 Total funds £000	2011 Total funds £000
<b>FIXED ASSETS</b>					
Intangible assets	10	1	-	1	1
Tangible assets	11	4	-	4	36
Programme related investments and loans	12	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		105	-	105	137
<b>CURRENT ASSETS</b>					
Debtors	14	58	124	182	138
Cash at bank		<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
		-	124	182	139
<b>CREDITORS</b>					
Amounts falling due within one year	15	<u>(217)</u>	<u>-</u>	<u>(217)</u>	<u>(240)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>					
		(159)	124	(35)	(101)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>(54)</u>	<u>124</u>	<u>70</u>	<u>36</u>
<b>FUNDS</b>					
Restricted funds	16	-	124	124	115
Unrestricted funds		<u>(54)</u>	<u>-</u>	<u>(54)</u>	<u>(79)</u>
<b>TOTAL FUNDS</b>					
		<u>(54)</u>	<u>124</u>	<u>70</u>	<u>36</u>

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

The financial statements were approved by the Board of Trustees on 27 September 2013 and were signed on its behalf by:



.....  
Sir Christopher Ball, Chairman, Board of Trustees



.....  
Alison Press, Trustee

The notes form part of these financial statements



**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

The charity has adjusted the formats from those prescribed by the Companies Act 2006, to include headings that are relevant to its activities, to enable it to show a true and fair view.

**Basis of consolidation**

The financial statements of the Down Syndrome Education International's wholly owned subsidiary Community Interest Company, Down Syndrome Education Enterprises C.I.C, and the financial statements of Down Syndrome Education USA, are consolidated with the accounts of the parent charity on a line-by-line basis.

Down Syndrome Education USA is an independent California Non-profit Public Benefit Corporation, exempted from US Federal income tax under section 501(c)(3) of the Internal Revenue Code. Down Syndrome Education USA is not directly owned by Down Syndrome Education International.

Down Syndrome Education International and Down Syndrome Education USA share common goals, and collaborate closely under a strategic partnership agreement to achieve these goals. This partnership includes collaborative strategic and operational planning, fundraising, sales and marketing, services development and delivery.

Down Syndrome Education USA markets and sells publications supplied by Down Syndrome Education International's subsidiary company, Down Syndrome Education Enterprises C.I.C.

Down Syndrome Education International supported the initial incorporation and development of Down Syndrome Education USA, and continues to support ongoing operations. Down Syndrome Education International's CEO also serves as CEO and President of Down Syndrome Education USA.

Although Down Syndrome Education USA remains an independent entity, through this collaborative partnership, Down Syndrome Education International either does exercise or could exercise significant influence over Down Syndrome Education USA and aspects of both organisations are managed on a unified basis. For accounting purposes, Down Syndrome Education USA is therefore treated as a subsidiary undertaking in keeping with SORP 2005, the Companies Act 2006 and FRS2.

Both organisations achieve substantial benefits for their beneficiaries through this collaborative partnership. The trustees of Down Syndrome Education International consider the preparation of consolidated financial statements that include activities of Down Syndrome Education USA offers our stakeholders a true and fair view of the overall work of the organisation, and its achievements for beneficiaries worldwide.

**Fund accounting**

General funds are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are set aside at the discretion of the Trustees for specific purposes. They would otherwise form part of the other unrestricted funds.

Restricted and endowment funds are subject to specific restrictions imposed by the donor or by the nature of an appeal.

## DOWN SYNDROME EDUCATION INTERNATIONAL

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2012

#### **Incoming resources**

Income, including donations, legacies and investment income, is recognised in the period in which the organisation is entitled to receipt and the amount can be measured with reasonable certainty.

Income is deferred only when the organisation has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, including grants for the purchase of fixed assets, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised in full when the charity becomes unconditionally entitled to the grant. Incoming resources from grants the receipt or retention of which depends on explicit performance-related criteria, are accounted for as the charity earns the right to consideration by its performance.

Legacies are included when the Charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Trading income is recognised net of value added tax and trade discounts when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

#### **Resources expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, inclusive of any VAT which cannot be recovered.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred. Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with research, information dissemination and advisory and education services and include both the direct costs and support costs relating to these activities.

Costs relating to a particular activity are allocated directly. Staff costs are allocated to activities and projects according to the time spent.

Support costs include administrative, accounting and technical support functions and property overheads and have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

#### **Foreign currencies**

Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date.

Foreign exchange gains and losses are included in the Statement of Financial Activities for the period in which they are incurred.

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**Fixed assets**

All fixed assets are valued at original cost or valuation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life as follows:

Audio visual equipment	- 5 years
Computer equipment	- 3 years
Computer software	- 2 years
Printing and print finishing equipment	- 5 years
Other equipment, furniture and fittings	- 5 years
Library books	- 10 years

**Stock**

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bring each product to its present location and condition, as follows:

- Raw materials, consumables and goods for resale: purchase cost on a first-in, first-out basis
- Work in progress and finished goods: cost of direct materials

Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal.

**Lease and hire purchase commitments**

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the Group, are capitalised in the balance sheet and depreciated over their useful lives. The capital element of future obligations under the leases is included as liabilities in the balance sheet. The interest element of the rental obligations is charged to the Statement of Financial Activities over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding. Rentals payable under operating leases are charge in the profit and loss account on a straight line basis over the term.

**Research and development**

Development expenditure on clearly defined projects whose outcome can be assured with reasonable certainty is capitalised and amortised over the lesser of the expected life of the project or five years.

Amortisation is commenced upon completion of the project, or the completion of identifiable parts thereof. All other research and development expenditure is written off in the year in which it is incurred.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. VOLUNTARY INCOME**

Voluntary income includes donations and membership subscriptions receivable from individuals and organisations and non-contractual grants where entitlement is not conditional on the delivery of a specific performance by the charity.

**GROUP**

	2012	2011
	£000	£000
Donations and gifts	119	64
Legacies	2	-
Grants (non-contractual)	<u>38</u>	<u>71</u>
	<u>159</u>	<u>135</u>

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**2. VOLUNTARY INCOME – CHARITY**

	2012	2011
	£000	£000
Donations and gifts	114	45
Legacies	2	-
Grants (non-contractual)	<u>20</u>	<u>29</u>
	<u><u>136</u></u>	<u><u>74</u></u>

**3. ACTIVITIES FOR GENERATING FUNDS – GROUP**

Activities for generating funds are fundraising activities carried out by the charity and its supporters primarily to generate incoming resources which will be used to undertake its charitable activities.

	2012	2011
	£000	£000
Income from fundraising events	29	195
Income from appeals	-	-
Fundraising product sales	<u>3</u>	<u>3</u>
	<u><u>32</u></u>	<u><u>198</u></u>

**3. ACTIVITIES FOR GENERATING FUNDS – CHARITY**

	2012	2011
	£000	£000
Income from fundraising events	46	212
Income from appeals	<u>-</u>	<u>(3)</u>
	<u><u>46</u></u>	<u><u>209</u></u>

**4. PRIMARY PURPOSE SALE OF GOODS AND SERVICES – GROUP**

Sales of goods and services include sales of books, DVDs, teaching materials, computer software and invoiced fees for consultancy and training.

	2012	2011
	£000	£000
Sales of books and teaching materials	150	228
Consulting, training and conference fees	43	158
Printing and design services	<u>-</u>	<u>5</u>
	<u><u>193</u></u>	<u><u>391</u></u>

**5. PERFORMANCE-RELATED GRANT INCOME – GROUP**

Performance-related grants are those where the terms of the grant require the performance of a specified service that furthers the objectives of the donor and where payment of the grant receivable is conditional on a specified output being provided by the charity. Performance-related grants receivable in 2012 totalled £135,000 (2011:£206,000).

**RESOURCES EXPENDED**

**6. COSTS OF GENERATING FUNDS – GROUP**

	2012	2011
	£000	£000
Fundraising staff salaries and NI	-	18
Fundraising marketing and PR expenses	-	-
Direct costs of events and appeals	6	31
Other fundraising expenses	<u>-</u>	<u>22</u>
	<u><u>6</u></u>	<u><u>71</u></u>

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**6. COSTS OF GENERATING FUNDS – CHARITY**

	2012	2011
	£000	£000
Fundraising staff salaries and NI	-	18
Fundraising marketing and PR expenses	-	-
Direct costs of events and appeals	5	29
Other fundraising expenses	-	22
	<u>5</u>	<u>69</u>

**7. CHARITABLE ACTIVITIES COSTS - GROUP**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Totals 2011 £000
<b>Staffing</b>				
Salaries, taxes and pension contributions	133	69	202	358
Other staffing costs	-	16	16	1
	<u>133</u>	<u>85</u>	<u>218</u>	<u>359</u>
<b>Direct project and activities expenses</b>				
Grants and bursaries	3	8	11	75
Other activities operating expenses	18	7	25	51
	<u>21</u>	<u>15</u>	<u>36</u>	<u>126</u>
<b>Costs of primary purposes sales</b>				
Costs of sales of books and teaching materials	48	1	49	96
Costs of consulting, training and conferences	42	28	70	50
Costs of printing and design services	-	-	-	-
	<u>90</u>	<u>29</u>	<u>119</u>	<u>146</u>
<b>Support Costs</b>				
Office supplies, printing and postage	9	3	12	26
Communications and advertising	8	-	8	9
Heat, light, telecoms and IT	58	2	60	79
Banking, finance, insurance and legal	28	1	29	31
Property costs	18	2	20	45
Depreciation and amortisation	16	2	18	15
Other depreciation amortisation	-	-	-	9
Loss on disposal	10	22	32	2
	<u>147</u>	<u>32</u>	<u>179</u>	<u>216</u>
	<u>391</u>	<u>161</u>	<u>552</u>	<u>847</u>

**7. GRANT EXPENSES DURING THE YEAR**

	2012	2011
	£000	£000
University College London (Research)	-	2
University of York (Research)	11	43
Lejeune Clinic for children with Down Syndrome, London (medical and development care and advice)	-	30
	<u>11</u>	<u>75</u>

**DOWN SYNDROME EDUCATION INTERNATIONAL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**7. CHARITABLE ACTIVITIES COSTS - CHARITY**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Totals 2011 £000
<b>Staffing</b>				
Salaries, taxes and pension contributions	85	69	154	285
Other staffing costs	-	16	16	1
	<u>85</u>	<u>85</u>	<u>170</u>	<u>286</u>
<b>Direct project and activities expenses</b>				
Grants and bursaries	3	8	11	75
Other activities/project expenses	14	36	50	53
	<u>17</u>	<u>44</u>	<u>61</u>	<u>128</u>
<b>Support Costs</b>				
Office supplies, printing and postage	-	3	3	3
Communications and advertising	1	-	1	1
Heat, light, telecoms and IT	11	2	13	31
Banking, finance, insurance and legal	15	1	16	16
Property costs	2	2	4	25
Depreciation and amortisation	11	24	35	7
	<u>40</u>	<u>32</u>	<u>72</u>	<u>83</u>
	<u>142</u>	<u>161</u>	<u>303</u>	<u>497</u>

**8. GOVERNANCE COSTS – GROUP**

	2012 £000	2011 £000
-		
Auditors' remuneration	8	13
Non audit fees	3	7
Other governance expenses	5	5
	<u>16</u>	<u>25</u>

**8. GOVERNANCE COSTS – CHARITY**

	2012 £000	2011 £000
Auditors' remuneration	6	12
Other governance expenses	5	5
	<u>11</u>	<u>17</u>

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**8. GOVERNANCE COSTS - CHARITY**

Governance costs include audit fees, statutory fees and staffing costs attributable to statutory compliance and reporting activities. The split of auditors remuneration is £4,000 for audit fees and £2,000 for other services.

**9. STAFF COSTS- GROUP**

	<b>2012</b>	<b>2011</b>
	£000	£000
Wages and Salaries	181	321
Social Security costs	19	34
Other pension costs	<u>2</u>	<u>4</u>
	<u>202</u>	<u>359</u>

The average monthly number of employees during the year was as follows:

<b>2012</b>	<b>2011</b>
<u>5</u>	<u>15</u>

One employee received emoluments exceeding £60,000 during the current year to 31 December 2012. No employees in the previous year to 31 December 2011 received emoluments exceeding £60,000.

**10. INTANGIBLE ASSETS – GROUP**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Totals 2011 £000
<b>Cost</b>				
At 1 January 2012	227	-	227	227
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2012	<u>227</u>	<u>-</u>	<u>227</u>	<u>227</u>
<b>Amortisation</b>				
At 1 January 2012	207	-	207	200
Charge for year	<u>8</u>	<u>-</u>	<u>8</u>	<u>7</u>
At 31 December 2012	<u>215</u>	<u>-</u>	<u>215</u>	<u>207</u>
<b>Net book value</b>				
At 1 January 2012	<u>20</u>	<u>-</u>	<u>20</u>	<u>27</u>
At 31 December 2012	<u>12</u>	<u>-</u>	<u>12</u>	<u>20</u>

Included within Intangible assets are fully depreciated items with a cost of £187,567 (2011:£187,567).

**10. INTANGIBLE ASSETS - CHARITY**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Totals 2011 £000
<b>Cost</b>				
At 1 January 2012	1	-	1	1
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2012	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>Amortisation</b>				
At 1 January 2012	-	-	-	-
Charge for year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>				
At 1 January 2012	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
At 31 December 2012	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**11. TANGIBLE ASSETS - GROUP**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Totals 2011 £000
<b>Cost</b>				
At 1 January 2012	150	35	185	423
Additions	8	-	8	5
Disposals	<u>(89)</u>	<u>(23)</u>	<u>(112)</u>	<u>(243)</u>
At 31 December 2012	<u>69</u>	<u>12</u>	<u>81</u>	<u>185</u>
<b>Depreciation</b>				
At 1 January 2012	103	35	138	361
Charge for the year	10	-	10	18
Depreciation on disposals	<u>(55)</u>	<u>(23)</u>	<u>(78)</u>	<u>(241)</u>
At 31 December 2012	<u>58</u>	<u>12</u>	<u>70</u>	<u>138</u>
<b>Net book value</b>				
At 1 January 2012	<u>47</u>	<u>-</u>	<u>47</u>	<u>62</u>
At 31 December 2012	<u>11</u>	<u>-</u>	<u>11</u>	<u>47</u>

**11. TANGIBLE ASSETS - CHARITY**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Total 2011 £000
<b>Cost</b>				
At 1 January 2012	45	35	80	144
Additions	2	-	2	4
Disposals	<u>(29)</u>	<u>(23)</u>	<u>(52)</u>	<u>(68)</u>
At 31 December 2012	<u>18</u>	<u>12</u>	<u>30</u>	<u>80</u>
<b>Depreciation</b>				
At 1 January 2012	9	35	44	104
Charge for year	5	-	5	7
Depreciation on disposals	<u>-</u>	<u>(23)</u>	<u>(23)</u>	<u>(67)</u>
At 31 December 2012	<u>14</u>	<u>12</u>	<u>26</u>	<u>44</u>
<b>Net book value</b>				
At 1 January 2012	<u>36</u>	<u>-</u>	<u>36</u>	<u>40</u>
At 31 December 2012	<u>4</u>	<u>-</u>	<u>4</u>	<u>36</u>

**11. TANGIBLE FIXED ASSETS - GROUP**

	Fixtures and fittings £000	Total £000
<b>Cost</b>		
At 1 January 2012	185	185
Additions	8	8
Disposals	<u>(112)</u>	<u>(112)</u>
At 31 December 2012	<u>81</u>	<u>81</u>
<b>Depreciation</b>		
At 1 January 2012	138	138
Charge for year	10	10
Depreciation on disposals	<u>(78)</u>	<u>(78)</u>
At 31 December 2012	<u>70</u>	<u>70</u>
<b>Net book value</b>		
At 1 January 2012	<u>47</u>	<u>47</u>
At 31 December 2012	<u>11</u>	<u>11</u>

Included within fixed assets are fully depreciated items with a cost of £36,528 (2011: £56,900).



**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**11. TANGIBLE ASSETS - CHARITY**

	Fixtures and Fittings £000	Totals 2012 £000
<b>Cost</b>		
At 1 January 2012	80	80
Additions	2	2
Disposals	<u>(52)</u>	<u>(52)</u>
At 31 December 2012	<u>30</u>	<u>30</u>
<b>Depreciation</b>		
At 1 January 2012	44	44
Charge for year	5	5
Depreciation on disposals	<u>(23)</u>	<u>(23)</u>
At 31 December 2012	<u>26</u>	<u>26</u>
<b>Net book value</b>		
At 1 January 2012	<u>36</u>	<u>36</u>
At 31 December 2012	<u>4</u>	<u>4</u>

**12. PROGRAMME-RELATED INVESTMENTS LOANS**

The wholly-owned subsidiary, Down Syndrome Education Enterprises C.I.C, which is incorporated in England and Wales, operates primary-purpose trading activities. Down Syndrome Education International owns the entire issued share capital of 480,000 ordinary shares of £1 each (2011: 480,000 shares £1). The Trustees consider the market value of the shares to be £100,000.

The group or the charity's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiary**

**Down Syndrome Education Enterprises C.I.C**

Country of incorporation: England

Nature of business: Sale of books, videos and audio tapes and the organisation of conferences and psychological assessment services in support of Down Syndrome Education International.

Class of shares:	%
Ordinary 'A'	holding 100.00

	2012 £	2011 £
Aggregate capital and reserves	51,902	103,877
(Loss)/profit for the year	<u>(51,975)</u>	<u>13,974</u>

**13. PROFIT OF DOWN SYNDROME EDUCATION USA**

As permitted by Section 408 of the Companies Act 2006, the Income and Expenses Account is not presented as part of these financial statements. The deficit for the financial year was £39,000 (2011: surplus of £4,000).

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

<b>14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP</b>	2012 £000	2011 £000
Accounts receivable	130	141
Prepayments	11	13
Taxes reclaimable	6	19
Realisable pledged income and tax claims	46	59
	193	232
<b>14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – CHARITY</b>	2012 £000	2011 £000
Accounts receivable	124	117
Prepayments	4	5
Sums due from associated organisations	12	9
Realisable pledged income and tax claims	42	7
	182	138
<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – GROUP</b>	2012 £000	2011 £000
Accounts payable	164	179
Accruals	22	30
Payroll liabilities	17	31
Bank loans, overdrafts and credit cards	42	41
Grant commitments	-	3
Sums due to associated organisations	-	-
	245	284
<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – CHARITY</b>	2012 £000	2011 £000
Accounts payable	129	136
Accruals	14	9
Payroll liabilities	17	31
Bank loans, overdrafts and credit cards	40	41
Grant commitments	-	3
Other creditors	17	20
	217	240

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**16. MOVEMENT IN FUNDS – CHARITY**

	Balance at 01.01.12	Incoming funds	Outgoing funds	Transfers (to)/from	Balance at 31.12.12
<b>Restricted funds</b>					
<b>Research</b>					
Sue Buckley Research Fund	-	2	(2)	-	-
Language intervention trial (Big Lottery Fund)	7	119	(114)	-	12
Reading and language pilot Texas	-	17	(16)	-	1
Speech and language trial	-	19	(3)	-	16
	<u>7</u>	<u>157</u>	<u>(135)</u>	<u>-</u>	<u>29</u>
<b>Information, Publishing and Training Services</b>					
'See and Learn' teaching materials	26	-	-	(12)	14
'See and Learn' number (Big Lottery Fund)	12	16	(2)	12	38
'In Practice' Reading film	24	-	-	-	24
	<u>62</u>	<u>16</u>	<u>(2)</u>	<u>-</u>	<u>76</u>
<b>Education, Consulting and Outreach Services</b>					
'Topics' advice sheets	19	-	-	-	19
Ukraine outreach services	5	-	(5)	-	-
	<u>24</u>	<u>-</u>	<u>(5)</u>	<u>-</u>	<u>19</u>
<b>Other</b>					
Sarah Duffen Centre works (Big Lottery Fund)	10	-	(10)	-	-
Sarah Duffen Centre works	12	-	(12)	-	-
	<u>22</u>	<u>-</u>	<u>(22)</u>	<u>-</u>	<u>-</u>
<b>Total restricted funds</b>	<u>115</u>	<u>173</u>	<u>(164)</u>	<u>-</u>	<u>124</u>
<b>General Funds</b>	<u>(79)</u>	<u>180</u>	<u>(155)</u>	<u>-</u>	<u>(54)</u>
<b>Total unrestricted funds</b>	<u>(79)</u>	<u>180</u>	<u>(155)</u>	<u>-</u>	<u>(54)</u>
<b>TOTAL FUNDS</b>	<u>36</u>	<u>353</u>	<u>(319)</u>	<u>-</u>	<u>70</u>

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**16. MOVEMENT IN FUNDS – CHARITY – continued**

The restricted and designated funds held by the charity at 31 December 2012 included the funds described below.

**Language Intervention Trial**

This fund is for a randomised controlled trial of a classroom language and reading intervention. This project is funded by the Big Lottery Fund.

**See and Learn teaching materials**

This fund is for the development of materials and software to support and promote effective, targeted early language, speech, number and memory interventions.

**Reading development video production**

This fund is for the production of a film exploring activities and techniques to promote reading development for children with Down syndrome.

**Topic Sheets**

This fund is for the development of topic sheets for parents and professionals on a range of topics covering education, development and social issues from birth to adulthood for people with Down Syndrome and the development of interactive web-based services to provide easy access.

**Ukraine Down Syndrome Project**

This fund is for a project to improve support for people with Down syndrome and their families living in Ukraine.

**18. OBLIGATIONS UNDER LEASES**

The following operating lease payments are committed to be paid within one year.

	Land and Buildings	
	2012	2011
	£	£
Expiring: In more than five years	<u>18,110</u>	<u>18,110</u>

**LEASE COMMITMENTS**

In May 2012, the charity committed to a lease of offices at Underley Business Centre, Kirkby Lonsdale, Cumbria expiring in 2018.

**DOWN SYNDROME EDUCATION INTERNATIONAL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**18. TRANSACTIONS WITH RELATED PARTIES**

D Halle, a director of Down Syndrome Education USA was paid £14,761 during the year for her services as an employee.

£238 was reimbursed to trustees during the year ended 31 December 2012 for travel expenses.

There was no remuneration paid to any of the trustees during the year ended 31 December 2012, nor the year ended 31 December 2011.

**19. CONTROLLING PARTY**

There is no one controlling party of Down Syndrome Education International.

**20. POST BALANCE SHEET EVENTS**

The financial statements take into consideration events occurring between the balance sheet date and the date of their approval by the Board of Trustees.