

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2008**

Charity Number SC036369

NELSON GILMOUR SMITH
Chartered Accountants & Registered Auditors
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

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**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	The INSP Foundation
Charity number	SC036369
Company registration number	SC280250
Registered office	C/O SCVO Floor 3 Centrum Building 38 Queen Street Glasgow G1 3DX
Directors	Clement Njoroge Serge Lareault Jeroen Willibrord de Rooij (Retired 19 June 2008) Joanne Zuhl Ron Grunberg Michaela Gruendler (Appointed 19 June 2008)
Secretary	Serge Lareault
Auditor	Nelson Gilmour Smith Chartered Accountants & Registered Auditors Mercantile Chambers 53 Bothwell Street Glasgow G2 6TB
Bankers	Bank of Scotland 2 Trongate Glasgow G1 5ET

THE INSP FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2008

The directors present their report and the financial statements of the charity for the year ended 31 December 2008.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

The directors

The directors who served the charity during the period were as follows:

Clement Njoroge
Serge Lareault
Jeroen Willibrord de Rooij
Joanne Zuhl
Ron Grunberg
Michaela Gruendler

Michaela Gruendler was appointed as a Director on 19 June 2008.
Jeroen Willibrord de Rooij retired as a Director on 19 June 2008.

Structure, governance and management

Established in 1994, the International Network of Street Papers (INSP) is a global engine for local poverty solutions across the world.

Street papers are independent newspapers and magazines that provide unique employment opportunities and enterprising social programmes for people experiencing poverty and homelessness. Vendors buy copies of the street paper at a price of 50% or lower than the cover price, then sell the street papers, keeping the proceeds. In addition to employment, many INSP street papers offer their vendors ongoing social support.

INSP supports street paper projects worldwide to create employment for homeless people, connecting nearly 100 street papers in some 40 countries and supporting emerging projects in the developing world. Through the network, street paper members receive advice, training and consultancy support and benefit from sharing resources, experiences and mentoring.

INSP has provided opportunity to over 250,000 poor and vulnerable people since 1994, with a growing emphasis on the developing world. Working locally with NGOs, media organisations and advocacy networks, INSP fills a distinctive niche that reaches across traditional boundaries of social justice work to make a lasting impact.

INSP acts as a bold and united voice against poverty and injustice, educating and engaging a combined annual readership of over 100 million people worldwide. As a global movement of transformative independent media, INSP provides a powerful platform for unheard voices and advocates for the needs and the rights of people living in poverty.

A board of Directors, representing the membership of INSP oversees the organisation with financial and legal responsibility. The INSP Executive Director reports to the board and works with paid and voluntary staff as a team. The board and staff meet monthly telephonically and twice a year face-to-face. A Chairperson, Vice-Chair, Treasurer and Secretary fulfill their individual roles within the board structure.

THE INSP FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

Objectives and activities

INSP provides support, leadership and a line of communication to existing and emerging street papers throughout the world and highlights the need to tackle poverty and homelessness through imaginative means. INSP offers information, consultancy, training and experience-exchange opportunities for its members and facilitates meaningful partnership opportunities between like-minded organisations and individuals.

INSP's objectives are:

- To provide economic opportunity for the world's poorest people by establishing sustainable social enterprises in developing countries;
- To promote independence and dignified employment for people living on the streets by helping some 100 anti-poverty organisations to do their work better;
- To challenge global perspectives on poverty and injustice by uniting a movement of independent media voices that speak from the ground up; and
- To act as a catalyst for worldwide campaigns seeking to bring about social and economic justice.

INSP aims to do this by focusing on three strategic business aims:

- To develop a full and active membership
- To develop and strengthen the core organisation
- To develop key and strategic external relations

The activities of the INSP in 2008 include:

- Providing financial and technical support through international partnership projects for existing member street papers and new street paper start ups to improve the lives of homeless people;
- Co-ordinating important and innovative programmes in Africa, bringing help to thousands of homeless and disenfranchised people aged between 16 and 80. These are user led projects co-ordinated by local organisations and supported by INSP;
- Running an online independent news agency 'Street News Service' (www.streetnewsservice.org), in partnership with Thomson Reuters and Inter Press Service, which shares valuable content between street paper members and distributes the unique voice and message of homeless and poor people worldwide;
- Providing niche training and networking opportunities for street paper members and guests, such as the annual conference (Glasgow 2008, Poznan 2007, Montreal 2006, Buenos Aires 2005 etc);
- Facilitating communication, networking and learning opportunities amongst 100 street papers, homeless advocates, other NGOs, partners and homeless vendors;
- Disseminating information to the general public, journalists, NGO's, government, members and other street papers on key issues relating to homelessness and poverty alleviation;
- Providing international representation on behalf of the street paper movement at many forums such as the United Nations where we have NGO roster consultative status;
- Working closely with The Homeless World Cup (www.homelessworldcup.org) an organisation which was founded by INSP and an event which is now hosted annually by an INSP street paper;
- Providing a supportive learning environment where volunteers can be trained and are given assistance and opportunities for personal development.

THE INSP FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

Achievements and performance

INSP has grown consistently in membership and capacity over this last year. Some of the key achievements are described below:

- With grants from The Scottish Executive International Development Fund and The Lloyds TSB Foundation for Scotland, INSP provided capacity building support to new street papers in Malawi and Burundi. Both street papers aim to launch in early 2009. Over 200 young adults annually living in homelessness and slum conditions will access employment and training opportunities through these projects. INSP also continued to provide technical and financial assistance to develop a new street paper in Nigeria and provided initial consultancy to a newly establishing paper in Zimbabwe.
- INSP additionally continued working with project partners in Kenya and Zambia supporting their development and working towards greater levels of sustainability.
- INSP has continued to invest substantial energy in developing the capacity, accessibility, and relevance of its 'Street News Service' project (SNS - www.streetnewsservice.org) throughout the year. The SNS provides a unique forum for street papers to exchange quality editorial content, building the capacity of individual street papers and bringing local perspectives on poverty and injustice to an international audience. Several meetings were held with external funders in a bid to expand and enhance the service.
- Working in partnership with Scottish street paper 'The Big Issue in Scotland', INSP co-ordinated and delivered a hugely successful annual conference and training event in Glasgow in June. Some 100 delegates representing global street papers and social justice initiatives in over 25 countries participated in the event.
- INSP launched the 'International Street Paper Awards' in Glasgow in June, in partnership with Thomson Reuters, Scottish Government, Glasgow City Council and The Big Issue in Scotland. The Awards were an enormous success and highlighted street papers as significant contributors to independent media and social justice issues worldwide.
- As the headquarters of the international street paper movement, INSP is a central hub for responding to a diverse range of enquiries relating to street papers and homelessness, from students, journalists, government and the general public. In 2008 alone, INSP staff responded to a total of 183 significant enquiries from outside of the membership. This included 16 research-related requests from PHD, Masters and undergraduate students. INSP provided detailed start-up advice, membership information and street paper training tool-kits to 89 organisations and individuals in 34 countries worldwide, including Cameroon, Bolivia, Norway and Israel among others.
- INSP recruited and worked closely with three interns and over 15 new volunteers, many of whom act as volunteer translators. The translators have enabled INSP to develop its capacity to circulate regular news, resources and communication to members and partners into Spanish and German as well as English.
- INSP continued to develop a more regional structure in 2008, with more focused work on German-speaking members and moved into Scandinavia. The principle of regionalisation is to establish more focused support for specific member groupings via regional representation, while connecting a greater number of street papers to the services of INSP in several languages.
- With an award of expert consultancy from the Lloyds TSB Foundation, INSP established a new financial reporting system and a marketing and communication plan.
- INSP also continued to develop and form partnerships with other key organisations, businesses, partners and media outlets worldwide to develop its capacity for effective poverty alleviation. In 2008, these included: AlJazeera English, Thomson Reuters, Inter Press Service, CAF, The Homeless World Cup, Lloyds TSB Foundation for Scotland, Scottish Government and United Nations.

THE INSP FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

Financial review

The charity's financial position at the end of the year is shown in the attached financial statements. Please note that in May 2006 a £90,000 core funding grant was awarded to INSP from CAF which was to be spent over a 3-year period.

With an award of expert consultancy from the Charities Aid Foundation, INSP formalised its distinct fundraising plan, encouraging fresh income streams into the organisation as well as establishing new key partnerships. The plan will be launched in 2009 with support from INSP's new Patron The Lord Provost of Glasgow, Councillor Bob Winter and INSP's new Honorary President, Mr David Schlesinger, Editor-in-Chief, Thomson Reuters News.

In line with financial best practice for charities, INSP currently has a three-month reserves fund. For a charity of INSP's size, scope and capacity, it was felt that 3-months reserves were a sufficient fund to have in place. The reserves are made possible through INSP membership fees. At the end of 2008, INSP has five months' full running costs in place or pledged and 3 months reserves funding. However, various measures are in place to bring in additional funds for 2009-11. These include hiring a fundraiser in 2008, developing a Trust & Foundation fundraising scheme, working with a CAF consultant to introduce of a new corporate giving scheme and increasing the income from membership fees. INSP is also developing further funding partnerships with the government, individuals and other independent Trusts and Foundations.

In 2008, INSP's principal funders and supporters included CAF, the Scottish Government (Third Sector), The Scottish Government (International Division), The Lloyds TSB Foundation for Scotland and Open Society Institute. Each of these funders require INSP to deliver detailed reports about how their core of project funding is spent. All funding reports have been fully approved by INSP funders in 2008 and the funders have been satisfied that INSP has fulfilled the agreed outcomes of the funding.

Plans for future periods

In September/October 2008, INSP staff and board met in Glasgow to build update the original 3-year business plan (2007-09) which was managed by the INSP board Chair. Continuing a strategic focus and a greater business approach to network management, allowed the group to develop the areas where street papers needs are greatest and where INSP's support can help to bring about positive social change. The board and staff will continue their important work under 3 key strategic aims:

1. To develop a full and active membership
2. To develop and strengthen the core organisation
3. To develop key and strategic external relations

Responsibilities of the directors

The directors are responsible for preparing the Directors Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

DIRECTORS ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

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

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

In so far as the directors are aware:

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

Auditor

A resolution to re-appoint Nelson Gilmour Smith as auditor for the ensuing year will be proposed at the Annual General Meeting.

Registered office:
C/O SCVO
Floor 3
Centrum Building
38 Queen Street
Glasgow
G1 3DX

Signed on behalf of the directors



Serge Lareault
Chairperson

07/05/2009
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**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSP FOUNDATION

YEAR ENDED 31 DECEMBER 2008

We have audited the financial statements of The INSP Foundation for the year ended 31 December 2008 on pages 9 to 18 which have been prepared under the historical cost convention and the accounting policies set out on page 11.

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

Respective responsibilities of the directors and auditors

The responsibilities of the directors for preparing the Directors Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the directors on pages 5 to 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Directors Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the directors and other transactions is not disclosed.

We read the Directors Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out below:

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

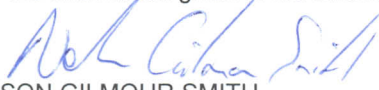
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSP FOUNDATION (continued)

YEAR ENDED 31 DECEMBER 2008

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors Annual Report is consistent with the financial statements.



NELSON GILMOUR SMITH
Chartered Accountants
& Registered Auditors
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

7/5/2009

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE
ACCOUNT)**

YEAR ENDED 31 DECEMBER 2008

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	16,037	142,100	158,137	90,072
Investment income	3	5,221	–	5,221	9,005
Incoming resources from charitable activities					
	4	–	–	–	220
Other incoming resources	5	12,076	12,966	25,042	10,260
Total incoming resources		33,334	155,066	188,400	109,557
Resources expended					
Costs of generating funds:					
Fundraising	6	(9,256)	–	(9,256)	–
Charitable activities	7/8	(60,944)	(120,538)	(181,482)	(168,750)
Governance costs	9	(1,355)	–	(1,355)	(1,405)
Total resources expended		(71,555)	(120,538)	(192,093)	(170,155)
Net outgoing resources before transfers					
	10	(38,221)	34,528	(3,693)	(60,598)
Transfer between funds	11	(384)	384	–	–
Net expenditure for the year		(38,605)	34,912	(3,693)	(60,598)
Reconciliation of funds					
Total funds brought forward		75,154	66,669	141,823	202,421
Total funds carried forward		36,549	101,581	138,130	141,823

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 11 to 18 form part of these financial statements.

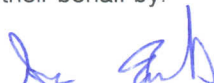
**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2008

	Note	2008 £	£	2007 £
Fixed assets				
Tangible assets	14		277	373
Current assets				
Debtors	15	2,084		12,435
Cash at bank		144,337		135,945
		146,421		148,380
Creditors: Amounts falling due within one year	16	(8,568)		(6,930)
Net current assets			137,853	141,450
Total assets less current liabilities			138,130	141,823
Net assets			138,130	141,823
Funds				
Restricted income funds	17		101,581	66,669
Unrestricted income funds	18		36,549	75,154
Total funds			138,130	141,823

These financial statements were approved by the Directors on the 07/05/2009 and are signed on their behalf by:


Serge Lareault
Chairperson

The notes on pages 11 to 18 form part of these financial statements.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	- 25% Straight Line
Fixtures & Fittings	- 20% Straight Line

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Donations				
Donations - General	6,037	-	6,037	836
Grants receivable				
Grants - Core funding	10,000	-	10,000	13,480
Grants - Conference	-	11,898	11,898	6,949
Grants - Namibia, Zambia and Kenya Project	-	31,625	31,625	44,107
Grants - Nigeria	-	-	-	22,700
Grants - INSP Website	-	-	-	2,000
Grants - Malawi	-	40,901	40,901	-
Grants - Capacity Building	-	6,340	6,340	-
Grants - International Street Paper Awards	-	17,500	17,500	-
Grants - Burundi	-	29,900	29,900	-
Grants - INSP Partnering Scheme	-	3,936	3,936	-
	<u>16,037</u>	<u>142,100</u>	<u>158,137</u>	<u>90,072</u>

In May 2006, INSP was awarded a 3-year £90,000 core funding grant from CAF which was awarded in full at this time. The grant was intended to be divided and spent on core network activities during the period 2006-09. INSP also receives a contribution to core costs from its international projects, such as the 'Malawi project' and 'Namibia, Zambia, Kenya project'.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

3. Investment income

	Unrestricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£
Bank interest receivable	<u>5,221</u>	<u>5,221</u>	<u>9,005</u>

4. Incoming resources from charitable activities

	Total Funds 2008	Total Funds 2007
	£	£
Homeless World Cup Project	<u>–</u>	<u>220</u>

5. Other incoming resources

	Unrestricted Funds	Restricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£	£
Membership fees	12,076	–	12,076	2,425
Conference delegate fees	–	12,966	12,966	7,835
	<u>12,076</u>	<u>12,966</u>	<u>25,042</u>	<u>10,260</u>

The membership fees reflected in 2007 are lower than normal as INSP re-structured its fee period from conference to conference to January-December, bringing it in line with its financial year. Therefore the 2008 figure reflects a return to standard income from membership fees, but with an additional contribution of £2,737 from the dissolved German street paper network.

6. Fundraising

	Unrestricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£
Fundraising	<u>9,256</u>	<u>9,256</u>	<u>–</u>

INSP hired a part-time fundraising consultant (2 days per week) in January 2008 - June 2008. A former intern then took up fundraising activities (4 days per week) from August 2008. This post may become a fully staffed position in 2009 should sufficient funding be found. The £9,256 fees cover staff costs relating to INSP fundraising activities throughout 2008.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

7. Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£	£
Support of Street Papers	60,944	–	60,944	80,947
INSP Conference	–	25,645	25,645	14,781
Kenya Project	–	–	–	12,080
Namibia, Zambia and Kenya Project	–	42,857	42,857	56,222
Homeless World Cup Project	–	–	–	220
Nigeria Project	–	1,585	1,585	4,500
Malawi Project	–	10,804	10,804	–
Street News Service Project	–	34	34	–
Capacity Building Project	–	6,337	6,337	–
International Street Paper Awards Project	–	17,125	17,125	–
Burundi Project	–	8,831	8,831	–
INSP Website	–	3,384	3,384	–
INSP Partnering Scheme	–	3,936	3,936	–
	<u>60,944</u>	<u>120,538</u>	<u>181,482</u>	<u>168,750</u>

8. Costs of charitable activities by activity type

	Activities undertaken directly	Total Funds 2008	Total Funds 2007
	£	£	£
Support of Street Papers	60,944	60,944	80,947
INSP Conference	25,645	25,645	14,781
Kenya Project	–	–	12,080
Namibia, Zambia and Kenya Project	42,857	42,857	56,222
Homeless World Cup Project	–	–	220
Nigeria Project	1,585	1,585	4,500
Malawi Project	10,804	10,804	–
Street News Service Project	34	34	–
Capacity Building Project	6,337	6,337	–
International Street Paper Awards Project	17,125	17,125	–
Burundi Project	8,831	8,831	–
INSP Website	3,384	3,384	–
INSP Partnering Scheme	3,936	3,936	–
	<u>181,482</u>	<u>181,482</u>	<u>168,750</u>

9. Governance costs

	Unrestricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£
Audit fees	949	949	940
Depreciation	406	406	465
	<u>1,355</u>	<u>1,355</u>	<u>1,405</u>

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

10. Net outgoing resources for the year

This is stated after charging:

	2008	2007
	£	£
Staff pension contributions	1,514	1,725
Depreciation	406	465
Auditors' remuneration:		
- audit of the financial statements	949	940
	<u>949</u>	<u>940</u>

11. Fund transfers

During the year, £1,962 was transferred from the Namibia, Zambia and Kenya project to the INSP conference project for travel support for delegates to the 2008 INSP conference from Big Issue Namibia, Big Issue Zambia and Big Issue Kenya.

During the year, £1,000 was transferred from the Namibia Zambia and Kenya Project to the INSP Website project to develop the African regional forum on the new INSP website. A further £384 was transferred from the general fund to cover the remaining deficit balance of the INSP Website project.

During the year, £277 was transferred from the General Fund to the designated Fixed Asset fund.

12. Staff costs and emoluments/consultancy

Total staff costs were as follows:

	2008	2007
	£	£
Wages and salaries	46,813	43,356
Social security costs	4,898	4,858
Other pension costs	1,514	1,725
	<u>53,225</u>	<u>49,939</u>

Wages totalling £21,226 were allocated to the Namibia, Zambia & Kenya Project (£13,516), the Burundi Project (£6,000) and the Malawi Project (£1,750) representing the core costs, which INSP Foundation spent on the projects.

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2008	2007
	No	No
Number of other staff	2	3
	<u>2</u>	<u>3</u>

In addition to having two full-time employees in 2008, INSP also hired a part-time fundraiser on a consultancy basis.

No employee received emoluments of more than £60,000 during the year (2007 - Nil).

13. Directors' remuneration

No director received remuneration in the year.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

14. Tangible fixed assets

	Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1 January 2008	1,630	287	1,917
Additions	310	–	310
At 31 December 2008	<u>1,940</u>	<u>287</u>	<u>2,227</u>
Depreciation			
At 1 January 2008	1,358	186	1,544
Charge for the year	349	57	406
At 31 December 2008	<u>1,707</u>	<u>243</u>	<u>1,950</u>
Net book value			
At 31 December 2008	<u>233</u>	<u>44</u>	<u>277</u>
At 31 December 2007	<u>272</u>	<u>101</u>	<u>373</u>

15. Debtors

	2008 £	2007 £
Trade debtors	–	222
Other debtors	2,013	11,731
Prepayments	71	482
	<u>2,084</u>	<u>12,435</u>

16. Creditors: Amounts falling due within one year

	2008 £	2007 £
Trade creditors	3,120	–
Taxation and social security	1,641	4,120
Accruals	3,807	2,810
	<u>8,568</u>	<u>6,930</u>

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

17. Restricted income funds

	Balance at 1 Jan 2008 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2008 £
Namibia, Zambia & Kenya Project	46,466	31,625	(42,857)	(2,962)	32,272
INSP Conference	3	24,864	(25,645)	1,962	1,184
Nigeria Street Paper Project	18,200	–	(1,585)	–	16,615
INSP Website	2,000	–	(3,384)	1,384	–
Malawi Project	–	40,901	(10,804)	–	30,097
Capacity Building International Street Paper	–	6,340	(6,337)	–	3
Awards	–	17,500	(17,125)	–	375
Burundi Project	–	29,900	(8,831)	–	21,069
Street News Service	–	–	(34)	–	(34)
INSP Partnering Scheme	–	3,936	(3,936)	–	–
	<u>66,669</u>	<u>155,066</u>	<u>(120,538)</u>	<u>384</u>	<u>101,581</u>

(i) Namibia, Zambia and Kenya Project

INSP received the third tranche (£33,272) of a three-year award in December 2008 from the Scottish Government International Department to help establish new street papers in Zambia and Kenya, while supporting the existing street paper in Namibia. A £160 donation to the Kenya project was also received from individual fundraising efforts. The project began 2008 with a carry forward balance from late 2007 of £46,466 and £42,857 was spent during 2008 on project activities. The total remaining balance will be spent on the project during 11 months in 2009 by which time the grant will be spent in its entirety. A monthly contribution of £1100 is made from this project to INSP 'unrestricted funds' to be used for project management costs.

(ii) INSP Conference

INSP received £12,966 of conference delegate fees for the 2008 conference in Glasgow. In addition, INSP was awarded £998 from BISS and £5,900 from Stiftung Open Society and £5,000 from Big Issue in May. £25,645 was spent during the year and a balance of £1,184 is to be carried forward for the 2009 annual conference. The total cost of this project in 2008 was higher than in the previous year as the event was hosted in INSP's host city (Glasgow) and INSP had to pay for the total conference costs, as opposed to splitting it with a host street paper as was the case in 2007.

(iii) Nigeria Street Paper Project

In August 2007, INSP received a £22,700 award from The Lloyds TSB Foundation for Scotland to help establish a new street paper in Lagos, Nigeria. The funds were initially to be spent over a one-year period, but due to unforeseen changes locally, the project will now continue into 2009 with approval from the funder. £1,585 was spent in 2008 on an INSP street paper development training in Lagos, Nigeria and the balance is to be carried forward into 2008 to complete project activities.

**THE INSP FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

(iv) INSP Website

INSP received a grant for £2,000 from Business Gateway for INSP website development. In addition, there was a transfer of funds of £1,000 from the Namibia, Zambia, Kenya project (funded by the Scottish Government International Division) to support the development of the members area of the website to encourage greater member communication between African street papers. A transfer from INSP unrestricted funding covers the remaining funds.

(v) Malawi Project

In November 2008, INSP received the first tranche (£36,700) of a 3-year Award from the Scottish Government International Department. A monthly contribution of £741 is made from this project to INSP 'unrestricted funds' to be used for project management costs. In addition, INSP received £4,201 from two UK-based Trusts for a street-paper development training in Blantyre and other vendor costs. INSP was also instigative in helping the local organisation to obtain a donation of £25,000 from a UK-based philanthropist. This was donated directly to the local street paper project.

(vi) Capacity Building

The Lloyds TSB Foundation for Scotland Awarded INSP with a grant for consultancy support throughout the year. This was to enable their consultants to work with INSP staff to build the capacity of INSP in the following areas: financial management and reporting, marketing & communication and fundraising. Eleven days in total were awarded to INSP.

(vii) International Street Paper Awards

During the 2008 INSP Conference in Glasgow, INSP organised the first-ever International Street Paper Awards. This event was used to highlight the significant contribution that street papers make to independent journalism and social justice issues worldwide. Some 100 INSP members were in attendance, as well as judges, sponsors and VIP guests from organisations such as Thomson Reuters, AlJazeera English, Scottish Government, Glasgow City Council, Big Issue and In These Times. The event will now become an annual event in the street paper calendar. £17,500 was raised in sponsorship for this event and £17,125 spent, with £375 carried forward into 2009.

(viii) Burundi Project

In August 2008, INSP was awarded a 1-year grant (£27,400) from the Lloyds TSB Foundation for Scotland to help establish a new street in Bujumbura. £8,831 of this was spent in 2008 and the balance was carried forward into 2009 in order to complete project activities. In addition, INSP received two donations from two UK foundations (£1,500 and £1,000 respectively) to be spent on project activities in Burundi.

(ix) Street News Service

INSP is currently fundraising for the development of the 'Street News Service' project. Any funds obtained from this project would come in during 2009 and would cover the £34 balance from 2008.

(x) INSP Partnering Scheme

BISS street paper, Munich, donated £3,936 to INSP in order to distribute it to three INSP street papers in Brazil and Ukraine to support their vendor initiatives. This money came straight in and out of INSP's bank account.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

18. Unrestricted income funds

	Balance at 1 Jan 2008	Incoming resources	Outgoing resources	Transfers	Balance at 31 Dec 2008
	£	£	£	£	£
Fixed Asset Fund	–	–	–	277	277
General Funds	75,154	33,334	(71,555)	(661)	36,272
	<u>75,154</u>	<u>33,334</u>	<u>(71,555)</u>	<u>(384)</u>	<u>36,549</u>

19. Analysis of net assets between funds

	Tangible fixed assets	Net current assets	Total
	£	£	£
Restricted Income Funds:			
Namibia, Zambia & Kenya Project	–	32,272	32,272
INSP Conference	–	1,184	1,184
Nigeria Street Paper Project	–	16,615	16,615
Malawi Project	–	30,097	30,097
Capacity Building	–	3	3
International Street Paper Awards	–	375	375
Burundi Project	–	21,069	21,069
Street News Service	–	(34)	(34)
	–	<u>101,581</u>	<u>101,581</u>
Unrestricted Income Funds:			
Designated Funds	277	–	277
General Funds	–	36,272	36,272
	<u>277</u>	<u>36,272</u>	<u>36,549</u>
Total Funds	<u>277</u>	<u>137,853</u>	<u>138,130</u>

20. Related party transactions

Since 11 April 2006 INSP has been a Trustee of Poverty Solutions, a company limited by guarantee (Company Registration Number SC229431). During the year end 31 December 2008 Poverty Solutions repaid INSP a total of £7,027 which was for the payment of its audit fee (£1,057) and a cash advancement (£5,970) to help their cashflow position for their Russian project.

21. Company limited by guarantee

The company is limited by guarantee and does not have a share capital. In the event of a winding up the liability of each member is limited to £1.

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2008

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 7 to 8.**

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2008

Incoming resources		
Voluntary income		
Donations - General	6,037	836
Grants - Core funding	10,000	13,480
Grants - Conference	11,898	6,949
Grants - Namibia, Zambia and Kenya Project	31,625	44,107
Grants - Nigeria	-	22,700
Grants - INSP Website	-	2,000
Grants - Malawi	40,901	-
Grants - Capacity Building	6,340	-
Grants - International Street Paper Awards	17,500	-
Grants - Burundi	29,900	-
Grants - INSP Partnering Scheme	3,936	-
	158,137	90,072
Investment income		
Bank interest receivable	5,221	9,005
Incoming resources from charitable activities		
Homeless World Cup Project	-	220
Other incoming resources		
Membership fees	12,076	2,425
Conference delegate fees	12,966	7,835
	25,042	10,260
Total incoming resources	188,400	109,557

**THE INSP FOUNDATION
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2008

Resources expended		
Fundraising		
Consultancy Fees	9,256	—
Charitable activities		
Wages & Salaries	46,813	40,070
Staff costs - Employer's NIC	4,898	4,858
Staff costs - Pension costs	1,514	1,725
Establishment - Rent	7,846	4,632
Establishment - Repairs & maintenance	640	748
Establishment - Insurance	333	447
Travel & subsistence - Board	4,961	5,308
Travel & subsistence - Staff	545	999
Travel & subsistence - Telephone Board Meetings	371	29
Professional - Accountancy fees	1,170	563
Legal & professional - Other	—	12,895
Office expenses - Telephone	—	268
Office expenses - Other	1,166	3,920
Project costs	99,272	75,503
Publications	—	477
Recruitment costs	442	528
CAF consultancy costs	—	3,480
Consultancy costs	11,364	—
Volunteer costs	129	—
Interest payable	18	—
Kenya Project	—	12,080
Homeless World Cup Project	—	220
	181,482	168,750
Governance costs		
Audit fees	949	940
Depreciation	406	465
	1,355	1,405
Total resources expended	192,093	170,155
Net outgoing resources for the year	(3,693)	(60,598)