

Company Registration No. 05802543 (England and Wales)

DI International Limited

**Annual report and financial statements
for the year ended 31 December 2019**

DI International Limited

Company information

Directors Harpinder Collacott
Daniel Coppard
Tina Blazquez-Lopez (Appointed 4 February 2019)
Timothy Takona (Appointed 4 February 2019)
Paul Stuart (Appointed 4 February 2019)
Dr Alex Ezeh (Appointed 4 February 2019)

Secretary Janet Reilly

Company number 05802543

Registered office North Quay House
Temple Back
Bristol
BS1 6FL

Independent auditor Saffery Champness LLP
St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

DI International Limited

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DI International Limited

Directors' report

For the year ended 31 December 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Christopher Childs	(Resigned 19 July 2019)
Harpinder Collacott	
Judith Randel	(Resigned 31 December 2019)
Catherine Sayer	(Resigned 25 April 2019)
Myles Wickstead	(Resigned 5 February 2019)
Daniel Coppard	
Antony German	(Resigned 31 December 2019)
Tina Blazquez-Lopez	(Appointed 4 February 2019)
Timothy Takona	(Appointed 4 February 2019)
Paul Stuart	(Appointed 4 February 2019)
Dr Alex Ezeh	(Appointed 4 February 2019)

Principal activities

DI International Limited ("DI") exists to undertake research, education and advisory programmes with the aim of eliminating chronic poverty worldwide and to:

- Increase the quality, availability and use of data and evidence resulting in the better targeting of resources to improve the poorest and most vulnerable people's lives;
- Increase awareness of the factors that cause and perpetuate poverty and identify where progress is being made and where people are being left behind.

Our vision is a world without poverty that invests in human security and where everyone shares the benefits of opportunity and growth.

Our mission is to provide key actors with rigorous **information** to support **better decisions**, **influence** policy outcomes, increase **accountability** and **strengthen** the use of data to eradicate poverty.

2019 key achievements

In the penultimate year of Development Initiative's (DI) five-year strategy, 2019 was a year of action. Our priority has been to deepen our work with partners to increase our impact and make much-needed progress at a challenging time of incredible external uncertainty. We find ourselves in a world where progress on the SDGs has been slow and commitment to multilateralism is waning. The impacts of the climate crisis are being increasingly felt across the globe and 2019 sits in the warmest decade on record. In November, we directly witnessed extreme unseasonal rainfall in East Africa, causing loss of life, livelihoods and agricultural devastation. Those most affected were those most vulnerable - living in slums or in non-permanent structures where lives were being destroyed overnight.

Progress in addressing vulnerability is not happening fast enough. Too many people still do not have access to nutritious food, social protection and essential services. Too many children still lack the chance of a decent education that is vital for a secure livelihood and a bright future. Through our work, we are seeing clearly that the decisive action needed by political leaders to end extreme poverty and build the resilience of people who are so desperately in need, seems to be diminishing or in some cases is wholly absent.

Furthermore, at the time of writing this report, the Coronavirus pandemic has shown that now more than ever, the poorest and most vulnerable people and countries are the least equipped to cope when crisis hits. Projections from the IMF and the OECD show that the economic impact of the pandemic will disproportionately affect people in some of the world's poorest places, where health systems are already weak and governments do not have the ability to implement comprehensive social protection schemes, resulting in an increase in poverty.

DI's strategy is to shine a light on these issues and support decision-makers to be more accountable to civil society and their citizens and accelerate their actions so that progress can be made at the global, national and subnational levels. Our unique focus is on the availability and use of good quality, disaggregated and real time data that is key for understanding whose need is the greatest, what works, why many are still not progressing out of poverty and what change is needed. Information and evidence are critical for underpinning efforts to change the current systems and structures that perpetuate poverty, and ensure financial resources are being targeted effectively according to need.

In 2019 we invested more staff time to scale the business and pitch for larger scale tenders than DI has pursued in the past, investing in improving our systems, establishing critical partnerships with other agencies and investing in staff development internally too. This investment is intended to provide a return on investment in the medium term. This was a conscious decision we made at the beginning of the year, being aware this would impact the overall end of year profits.

Overall DI's client base is diversifying well into the future and we have a good mix of small, medium and some larger clients as well as more agreements which are multi-year rather than annual or short term. We project continued growth and development in 2020 and beyond.

Auditor

Saffery Champness LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

DI International Limited

Directors' report (continued)

For the year ended 31 December 2019

Statement of directors' responsibilities

The directors are responsible for preparing the 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Harpinder Collacott
Director

Date: 28 MAY 2020

DI International Limited

Independent auditor's report

To the members of DI International Limited

Opinion

We have audited the financial statements of DI International Limited (the 'company') for the year ended 31 December 2019 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Independent auditor's report (continued)
To the members of DI International Limited**

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Independent auditor's report (continued)
To the members of DI International Limited**

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Michael Sf

**Michael Strong (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP**

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**Chartered Accountants
Statutory Auditors**

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

DI International Limited

Income statement

For the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover		758,425	691,874
Operating costs		(684,047)	(494,684)
Operating profit		<u>74,378</u>	<u>197,190</u>
Interest receivable and similar income		17	68
Other gains and losses		3,782	2,241
Profit before taxation		<u>78,177</u>	<u>199,499</u>
Tax on profit		(11,491)	(42,231)
Profit for the financial year		<u><u>66,686</u></u>	<u><u>157,268</u></u>

DI International Limited

**Statement of financial position
As at 31 December 2019**

		2019		2018	
	Notes	£	£	£	£
Current assets					
Debtors	3	378,657		263,919	
Cash at bank and in hand		277,173		112,274	
		<u>655,830</u>		<u>376,193</u>	
Creditors: amounts falling due within one year	4	<u>(490,107)</u>		<u>(177,156)</u>	
Net current assets			<u>165,723</u>		<u>199,037</u>
Capital and reserves					
Called up share capital	5		100		100
Profit and loss reserves			<u>165,623</u>		<u>198,937</u>
Total equity			<u>165,723</u>		<u>199,037</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 28/4/20 and are signed on its behalf by:



Harpinder Collacott
Director

Company Registration No. 05802543

DI International Limited

**Statement of changes in equity
For the year ended 31 December 2019**

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 January 2018	100	141,669	141,769
Year ended 31 December 2018:			
Profit and total comprehensive income for the year	-	157,268	157,268
Dividends	-	(100,000)	(100,000)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	100	198,937	199,037
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	66,686	66,686
Dividends	-	(100,000)	(100,000)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	<u>100</u>	<u>165,623</u>	<u>165,723</u>

1 Accounting policies

Company information

DI International Limited is a private company limited by shares incorporated in England and Wales. The registered office is North Quay House, Temple Back, Bristol, BS1 6FL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for provision of services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% straight line
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1 Accounting policies (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

DI International Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2018 - 7).

3 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	334,765	124,016
Other debtors	43,892	139,903
	<u>378,657</u>	<u>263,919</u>

4 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	-	516
Amounts owed to group undertakings	134,594	100,188
Corporation tax	11,491	-
Other taxation and social security	78,756	57,795
Other creditors	34,744	-
Accruals and deferred income	230,522	18,657
	<u>490,107</u>	<u>195,813</u>

5 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

6 Related party transactions

6 Related party transactions (continued)

During the year the company received services from its majority shareholder, Development Initiatives Poverty Research Limited totalling £642,138 (2018: £490,872). The company also continued to receive a loan from this shareholder which is interest free and repayable on demand. The balance at the year end was £134,594 (2018: £100,188).

Development Initiatives Poverty Research America Inc. (DIPRA) is a separately established US registered charity. There is substantial overlap between the boards of DII and DIPRA. The company continued to receive an interest free loan from DIPRA, which is repayable on demand. As at the year end, the company owed DIPRA £35,544 (2018: £516). During the year DIPRA provided services to DIPR totalling £35,028 (2018: £516).

7 Parent company

The ultimate parent is Development Initiatives Poverty Research Limited, a company incorporated in England and Wales.

DI International Limited**Detailed trading and profit and loss account
For the year ended 31 December 2019**

		2019		2018
	£	£	£	£
Turnover				
Fee income		758,425		691,874
Operating costs		<u>(684,047)</u>		<u>(494,684)</u>
Operating profit		74,378		197,190
Investment revenues				
Bank interest received	17		68	
	<u>17</u>		<u>68</u>	
		17		68
Other gains and losses				
Foreign exchange	3,782		2,252	
Irrecoverable VAT	-		(11)	
	<u>3,782</u>		<u>2,241</u>	
		3,782		2,241
Profit before taxation		<u><u>78,177</u></u>		<u><u>199,499</u></u>

This page does not form part of the financial statements on which the auditors have reported.

DI International Limited

**Schedule of operating costs
For the year ended 31 December 2019**

	2019	2018
	£	£
Operating costs		
Outsourced contracts	677,168	491,116
Travelling expenses	103	-
Legal and professional fees	-	549
Accountancy	2,650	2,455
Audit fees	3,450	-
Bank charges	676	564
	<u>684,047</u>	<u>494,684</u>

This page does not form part of the financial statements on which the auditors have reported.

