

Charity No: 1121222
Company No: 06279466

**DEBATE MATE LIMITED
(FORMERLY URBANUNLTD LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010**

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DEBATE MATE LIMITED
Report and Accounts
FOR THE YEAR ENDED 30 JUNE 2010

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DEBATE MATE LIMITED
General Information
FOR THE YEAR ENDED 30 JUNE 2010

Trustees and Directors

Daniel Truell (Chair) (appointed June 2007)
Fiona Edwards-Stuart (appointed June 2007)
Janet Lesley Rowlands (appointed June 2007)
Lewis Iwu (appointed June 2007)
Alistair Cormack (appointed November 2008)
Rachel Priddis (appointed August 2008)
Veronica, Lady Bruce – Gardner (appointed November 2008)
Peter Bazelgette (appointed November 2008)
Jonathan Rhodes (appointed June 2010)
Mark-Foster Brown (appointed June 2010)

Chief Executive Officer

M McCabe

Secretary

M McCabe

Business Address and Registered Office

Ms Margaret McCabe
CAN Mezzanine
32-35 Loman Street
London
SE1 0EE

Bankers

Barclays Bank
29 Borough High Street
London
SE1 1LY

Solicitors

Clifford Chance
10 Upper Bank Street
London
E14 5JJ
Canary Wharf

Independent Examiners

Wyatts
Chartered Accountants
York House
1 Seagrave Road
London SW6 1RP

REGISTERED CHARITY NUMBER 1121222
COMPANY NUMBER 06279466

DEBATE MATE LIMITED
Trustees' and Director's Report
FOR THE YEAR ENDED 30 JUNE 2010

The trustees and directors present their report and the independently examined financial statements for the year ended 30 June 2010

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Trustees

Trustees have been selected on the basis of extensive experience and knowledge of the charitable, finance and education sectors, with specialist skills in business, law and fundraising. Significantly, two Trustees are under 25, lending direct experience of championship student debating to the company's core programme.

The Board meets quarterly, with more regular contact between the Chairman and CEO. Trustees serve tenure of three years with the Chairman's discretion to extend.

The CEO reports to the Trustees, who are responsible for

- Establishing clear strategic direction and cultural identity of the company
- Monitoring the performance of the company and establish appropriate operating policies
- Financial
- Ensuring legal and regulatory compliance
- Acting as guardians of the company's assets
- Maintaining the highest possible standards of governance

Organisational management

The company is managed on a day-to-day basis by the Chief Executive Officer, Margaret McCabe. Margaret has over twenty years experience as a commercial barrister combined with two decades in the voluntary sector including Centre Point (homeless under 25s), NSPCC Justice for Children programme and as an advisor Human Rights Watch. Margaret is a recipient of an UnLtd Award, recognising her contribution as a social entrepreneur with the launch of Urban UnLtd Limited and the Debate Mate programme.

The CEO is supported by

- 1 Educational Development Director
- 4 Programme Directors
- 1 Gap year Debater
- 1 Part time support staff
- 1 Part time fundraiser

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity and its finances. The Trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems and by examining the operational and business risks faced by the charity, they have established systems to mitigate those risks.

OBJECTIVES AND AIMS

The company's core objectives as set out in the Company's Memorandum and Articles of Association are to increase life skills, academic attainment, progression to higher education and self-esteem in young people in state schools in Britain through debating (Debate Mate) and the creation of youth volunteering opportunities. Debate Mate is a social enterprise, which delivers life skills and opportunities in areas of high child poverty. A social enterprise puts profit back into the charity to fund its programmes. Via involvement in Debating, Debate Mate aims to provide invaluable experience for the under 25's wishing to gain careers in our main growth industries, namely, music, fashion, media, financial services, politics & good governance. Critically, the programme is offered to under 25's for free. The Debate Mate programme is run in collaboration with Teach First, an independent charity founded to encourage top graduates, who would not normally enter teaching, to teach for at least two years in challenging inner-city schools.

All of the company's activities are aimed at achieving these core objectives and many are complimentary, helping to achieve more than one.

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The charity's aims for June 2009 – June 2010, were to:

- Expand programme in London
- Pilot programme in Birmingham and Manchester
- Continue to develop model of peer-to-peer mentoring
- Pilot Entrepreneur and Employability Programme
- Pilot programme in Nepal
- Continue work in UAE
- Investigate expansion to US
- Develop a social enterprise business plan
- Continue to evaluate impact of programmes

The Debate Mate Programme ran in 60 schools in London, 9 schools in the Midlands and 5 in Manchester from Sept 2009 – June 2010

Debate Mate recruited 3 full time Programme Directors and approximately 120 mentors to deliver the programme

The core programme, targeted at 12 – 15 year olds, consisted of

- A launch event at the Royal Institute, attended by Michael Gove, Secretary of State for Education
- Regional launch events in Birmingham and Manchester
- 16 weeks of after-school debating clubs – Approximately 1000 young people took part in Debate Mate clubs each week
- The Debate Mate Urban Debate League (in partnership with The Joseph Rowntree Foundation), 3 rounds of local debating competitions followed by a final at Deloitte's. Approximately 450 young people took part in each round and 50 in the final.
- The concluding competition, the Richard Koch Cup, a series of one day debating competitions at the London School of Economics, Birmingham and Manchester Universities, and a grand final at the House of Lords attended by Stephen Fry, Krishan Guru Murthy and Alan Parker, Chair of Brunswick PR. The competition was sponsored by founding funder Richard Koch. Approximately 600 young people took part
- Training of teachers whose schools took part in the Debate Mate programme
- Online resources to support teachers and students via the Debate Mate interactive website

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Debate Mate also ran

- 2 training days at the Shell Centre and 1 at the Legatum institute, involving over 120 young people
- A pilot of the Entrepreneur and Employability Programme, working with 16 – 18 year olds using debating to develop entrepreneurial skills, and skills relevant to the world of work. Approximately 80 young people completed the programme
- A project with Petchey Academy in Hackney, working with the entire Year 8 cohort (12 – 13 year olds) using debating as a tool to deliver core curriculum subjects (Science and History)

In addition, Debate Mate

- Selected and trained the UAE Schools team throughout the year, assisted by world champion debaters. The team of five students competed at the World Championships and won the inaugural best newcomer award
- Partnered with the Bamboo Schools in the poorest areas of Nepal to run a debate training programme run by several Debate Mate mentors during the summer of 2010. 800 young people participated in the programme held over 6 weeks
- Investigated and developed a model for expansion of the programme into the US

Monitoring and evaluation of the programme:

The clubs are monitored on an ongoing basis, with regular mentor evaluations. The Programme Directors and CEO attend the clubs and receive weekly feedback from the teachers in school (online and by phone). This information is collated by the Programme Directors and used to refine techniques and professional development of mentors.

Debate Mate followed a model originally developed in partnership with the New Economic Foundation to comprehensively evaluate the impact of the programme

- Improvement in academic performance (mental discipline) and achievement
- Greater academic involvement/engagement among participants
- An increased curiosity to learn
- Higher self-esteem, pride and sense of achievement
- Greater respect of others and their lives
- More young people being empowered
- More confidence to try new things

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Amongst other findings

- 89% of participants stated that their ability to spot a bad argument had increased or increased greatly
- 86% of participants stated that their ability to use formal English fluently and with confidence had increased or increased greatly
- 86% of participants had stated that their ability to prepare for a discussion had increased or increased greatly
- 61% of participants had stated that their ability to work on their own had increased or increased greatly
- 83% of participants had stated that their ability to combine different arguments/ideas/examples had increased or increased greatly

Summary of main achievements

In its second full year of operation, Debate Mate has

- Successfully delivered core programme, Debate Mate
- Successfully expanded outside of London
- Created positive outcomes for young people
- Successfully piloted debating in the curriculum at Petchey Academy
- Developed its work overseas (UAE, Nepal, US)
- Secured funding resources to sustain its development

Future

June 2010- June 2011

Debate Mate will

- Implement development strategies
- Expand programme nationally and internationally
- Develop model for accreditation of participants running their own Debate Mate clubs and mentoring younger pupils in their school, developing sustainability and increasing impact
- Work in partnership with the Cabinet Office and relevant organisations to deliver the National Citizen Service
- Develop a bespoke programme for marginalised young people, in particular piloting a programme for Looked After Children (children in care), and a programme with inmates of HMP Feltham YO1
- Improve cost-effectiveness through refined scheduling and allocation of resources

DEBATE MATE LIMITED
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Long-term, Debate Mate aims to:

- Embed the use of debating in the schools Debate Mate work in
- Develop an exportable and sustainable model of peer-to-peer learning
- Develop into a social enterprise delivering skills programmes in major growth industries (Media, Music, Fashion, Finance, Good Governance) for those who have taken part in the Debate Mate programme
- Develop an accreditation programme for participants volunteering their time to run their own debate club and mentor other young people in their school
- Raise consciousness of the value of debating in
 - Education (Schools, Local Education Authorities, Ofsted, etc)
 - Government DCSF, DIUS, DCLG, DWP, Ministry of Justice

Equal Opportunities, Access and Cultural Diversity

Debate Mate strives to be an equal opportunities employer and encourages contributions from all sectors of the community. The company is committed to student-led and peer-to-peer learning. In the areas where Debate Mate operates, there are 200 different cultures, our target groups are by their very nature culturally diverse. The programme works in concert with schools to support the curriculum through debating. Debating is a compulsory part of the curriculum at Key Stage 3 and 4 'speaking and listening'. Debate Mate is the only organisation teaching it. Debate Mate explores subjects of community and global interest through the clubs, promoting skills to combat conflict resolution, encourage good citizenship, and develop verbal intelligence in young people traditionally excluded from opportunities for career development.

The Trustees are very grateful to all our volunteers and donors, some of whom have pledged three-year support for the children, young people and adults we serve.

Public Benefit

The charity's main activities and who we provide them for are described above. All our charitable activities this year focused on delivering the Debate Mate training programme to young people in areas of high child poverty in inner city schools and were undertaken to further the charitable purposes for the public benefit.

Approximately 1000 young people took part in Debate Mate programmes per week during the period of the core programme (October 2009 – April 2010). 120 Debate Mate mentors, young people themselves, benefited from direct training in leadership and programme delivery. However, the benefit is much wider than this, each club is sustainable within each school, and the skills imparted to pupils and teachers is utilised across the school and curriculum, to many more young people. The programme is provided for free.

The evaluation framework developed by the New Economic Foundation was followed, and Debate Mate identified qualitative and quantitative outcomes of benefit to those involved, acknowledging the long-term benefits (and achievements of Debate Mate), working towards empowering young people to achieve entrance to further education and the workplace. Debate Mate is developing Onward Learning projects and work placements with partner in the UK's key growth industries, noted above.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

DEBATE MATE LIMITED
Trustees' and Director's Report
FOR THE YEAR ENDED 30 JUNE 2010

FINANCIAL REVIEW

Reserves Policy

As explained, the charity carries out a diverse range of activities. The Trustees have examined the requirement for reserves i.e. those funds not designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of reserves should be maintained at not less than three months operating costs in reserve. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income flows and adequate working capital to cover costs.

The charity had £43,548 in bank current accounts at the end of the year.

Principal funding sources.

The organisation developed corporate sponsorship and in-kind partnerships with Shell UK, Clifford Chance, Investec and Time Out.

The Trustees are particularly grateful to all our donors and these include

WeareV	£46,200
Richard Koch Charitable Trust	£92,000
- Peter Davies	£85,000
The Malkin family	£10,000
Joseph Rowntree Foundation	£10,000
J P Morgan Foundation	£25,000
St James Trust	£5,000
Wessex Trust Youth Trust	£10,000
Clare Duffield Trust	£25,000

DEBATE MATE LIMITED
Trustees' and Director's Report
Year Ended 30 June 2010

Directors' and trustees responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income and expenditure, of the charity for the year. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are responsible and prudent,
- state whether applicable UK accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the Independent Examiner

So far as the Trustees are aware there is no relevant information of which the charity's independent examiner is unaware. Additionally, the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant information and to establish that the charity's independent examiner is aware of that information.

The report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved by the Board of Trustees on 15/2/11 and signed on its behalf by



D Truell
Chair of Trustees

DFBATE MATE LIMITED
Independent Examiners' Report
Year Ended 30 June 2010

Independent Examiner's Report to the Trustees of UrbanUnltd Limited

I report on the financial statements of the company for the year ended 30 June 2010, which are set out on pages 8 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the Institute of Chartered Accountants.

Having satisfied myself that charity is not subject to audit under company law and eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 386 of the Company Act 2006 and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name *GARY WHITT*

Wyatts Chartered Accountants

York House, 1 Seagrave Road,

London SW6 1RP

Date

15/2/11

DEBATE MATE LIMITED
Statement of Financial Activities
Year Ended 30 June 2010

	Note	Unrestricted fund £	Restricted fund £	Total funds <u>2010</u> £	Total funds <u>2009</u> £
INCOMING RESOURCES					
Activities furthering the charity's objects:					
Donations receivable		496,456	-	496,456	314,528
Investment income:					
Bank interest receivable		-	-	-	-
Total incoming resources		<u>496,456</u>	<u>-</u>	<u>496,456</u>	<u>314,528</u>
RESOURCES EXPENDED					
Charitable activities	2	481,971	-	481,971	263,915
Governance costs	3	<u>9,500</u>	<u>-</u>	<u>9,500</u>	<u>9,887</u>
Total resources expended		<u>491,471</u>	<u>-</u>	<u>491,471</u>	<u>273,802</u>
Net incoming resources for the year		<u>4,985</u>	<u>-</u>	<u>4,985</u>	<u>40,726</u>
Balances brought forward		<u>(2,236)</u>	<u>-</u>	<u>(2,236)</u>	<u>(42,962)</u>
Balances carried forward	9	<u>£2,749</u>	<u>-</u>	<u>£2,749</u>	<u>£(2,236)</u>

All activities relate to continuing operations

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

The accompanying notes are an integral part of these financial statements.

DEBATE MATE LIMITED
Balance sheet
Year Ended 30 June 2010

	Notes	<u>2010</u> £	<u>2009</u> £
Fixed assets			
Tangible fixed assets	6	1,693	-
Current Assets			
Debtors	7	173,625	66,600
Cash at bank and in hand		<u>42,243</u>	<u>43,548</u>
		215,868	110,148
Creditors due within one year:			
Trade creditors		15,368	-
Tax and social security		64,998	59,410
Accruals		39,279	4,175
Other creditors	8	<u>95,167</u>	<u>48,799</u>
		<u>214,812</u>	<u>112,384</u>
Net current assets/liabilities		<u>1,056</u>	<u>(2,236)</u>
NET ASSETS		<u>£2,749</u>	<u>£(2,236)</u>
FUNDS			
Unrestricted general funds	9	2,749	(2,236)
Restricted fund	9	<u>-</u>	<u>-</u>
		<u>£2,749</u>	<u>£(2,236)</u>

For the year ending 30 June 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies


Director's responsibilities,

- i) The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476
- ii) The directors acknowledge their responsibilities for complying with requirements of the Act with respect to accounting records and the preparation of financial statements

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

Approved on behalf of the Board on

The accounts were approved by the Board on 15/2/2011 and signed on its behalf by


D Truell
Chair of Trustees

1. Accounting policies

a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005) applicable accounting standards and the Companies Act 2006

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

b) Incoming Resources

Grants and donations

Grants and donations are only included in the Statement of Financial Activities once the charity has unconditional entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability

Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report

c) Taxation

Debate Mate Limited is a registered charity which renders its income exempt from UK income tax

d) Resources expended

Liabilities are recognised as resources expended where there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and includes, where applicable, value added tax which is irrecoverable.

e) Costs of charitable activities

Costs of charitable activities are the costs applied by the charity in undertaking its work and achieving its charitable objectives, as opposed to the cost of raising funds to finance these objectives. Charitable activities are all the resources expended by the charity in the delivery of the educative services, including its programme that is directed at the achievement of the charitable aims and objectives. Such costs include direct costs of the charitable activities

f) Governance costs

Governance costs are the costs associated with the governance arrangements of the charity that relate to the general running of the charity, as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic planning for its future development, the training of the Trustees, external review and any legal advice

DEBATE MATE LIMITED
Notes to the financial statements - continued
Year Ended 30 June 2010

4. Trustees and employees information

Neither the trustees nor any other persons connected with them received any remuneration or reimbursement of expenses from the charity during the year.

The trustees have not yet taken out indemnity insurance

Employee costs during the year were:

Salaries and fees	189,646	167,825
Social security costs	<u>19,183</u>	<u>11,172</u>
	<u>£208,829</u>	<u>£178,997</u>

The average number of persons employed during the year:

Full time - support	<u>5</u>	<u>3</u>
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The number of employees whose emoluments exceeded £80,000 for the year is as follows:

£80,000 - £85,000	<u>1</u>	<u>1</u>
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5. Taxation

No provision for taxation is required as the company is a registered charity.

6. Tangible fixed assets

	<u>Computer equipment</u> £
COST	
Additions	<u>2,373</u>
At 30 June 2010	<u>2,373</u>
Depreciation	
Change in year	<u>680</u>
At 30 June 2010	<u>680</u>
NET BOOK VALUE	
30 June 2010	<u>£1,693</u>

DEBATE MATE LIMITED
Notes to the financial statements - continued
Year Ended 30 June 2010

7. Debtors

	<u>2010</u>	<u>2009</u>
	£	£
Donation receivable	165,000	66,600
Prepayments	6,569	-
Other debtors	<u>2,056</u>	<u>-</u>
	<u>£173,625</u>	<u>£66,600</u>

8. Other creditors

Unsecured loan from CEO	<u>£95,167</u>	<u>£48,799</u>
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The CEO Margaret McCabe provided the finance to meet the initial set up and running costs of the Charity. The loan is interest free and will not be repaid in preference to any other creditors. The CEO salary of £84,600 for the year ended 30 June 2010 (2009: 75,000) was approved by the Trustees and partially accrued for the year ended 30 June 2010 due to lack of day to day funds to pay on a regular basis. The salary will be paid when the Charity is in a stable financial position and has sufficient funds.

9. Statement of Funds

	Unrestricted Fund	Restricted Fund	<u>2008</u>
	£	£	£
Balance at 1 July 2009	(2,236)	-	(2,236)
Movement in funds for the year	<u>4,985</u>	<u>-</u>	<u>4,985</u>
Balance at 30 June 2010	<u>£2,749</u>	<u>-</u>	<u>£2,479</u>

10. Share capital

The company is limited by guarantee and has no authorised or issued share capital.