



HANSARD SOCIETY LIMITED
ANNUAL REPORT AND ACCOUNTS

Year to 31 December 2019

Company Number: 04332105

“ If our democracy is to work well, citizens must have impartial information. They need to be well informed in order to make informed choices.Will my hon. Friend agree to work with the *Hansard Society*, which does such an excellent job, to demystify the work of MPs in this place so that our constituents understand it and can make informed decisions when they come to the ballot box? ”

Sarah Newton MP (Con)
Hansard, 26 September 2019
House of Commons debate on the
Principles of Democracy and the
Rights of the Electorate

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Public benefit statement

Founded in 1944, the Hansard Society is the UK's leading source of independent research and advice on Parliament and parliamentary affairs.

A research and education Society dedicated to expounding the principles, practices and challenges of parliamentary democracy, the Hansard Society is widely recognised as the Westminster Parliament's 'critical friend'.

The Society's work supports the improvement of knowledge about Parliament and the development of reforms needed to shape our democratic institutions for the 21st century.

Public benefit

The Trustees of the Charity (who are the Directors of the Charity for company law purposes) present their annual report and the financial statements for Hansard Society Limited (the Charity) for the year ended 31 December 2019.

The Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the Charity's governing document, and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.



The Prime Minister, the Rt Hon Theresa May MP, addresses the House of Commons during the Brexit debate on the 'Meaningful Vote'.

15 January 2019

© UK Parliament/Mark Duffy

The Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance, 'Charities and Public Benefit'. The Trustees review the activities of the Charity on an ongoing basis and are satisfied they continue to be directly related to the Society's core mission and objectives.

Beneficiaries of the Society's work to support knowledge and understanding of Parliament include a wide range of groups drawn from across civil society and primarily, but not solely, based in the UK. They include parliamentarians, parliamentary officials, academics, journalists, non-governmental organisations and the business sector, as well as students and teachers.

Most of the Society's resources and publications are made freely available via our website.

Membership of the Society is available at a low annual fee, and

a discount is also available for our quarterly academic journal, *Parliamentary Affairs*. The nature of the Society's work means that most events are held, free of charge, at Westminster.

Any private benefits are incidental as a necessary by-product of carrying out the Charity's aims. Staff are employed and remunerated in order that the Charity's aims are met.



Foreword

The Rt Hon the Baroness Taylor of Bolton

Chair of the Board of Trustees

The Trustees of the Charity are pleased to present this annual report and the financial statements for the Hansard Society, showcasing our work in the calendar year 2019.

We were delighted that the Rt Hon Sir Lindsay Hoyle MP accepted our invitation to serve as the Society's Co-President, following his election as Speaker of the House of Commons.

2019 was an eventful year, with the ongoing Brexit process, the unlawful prorogation of Parliament and a mid-December general election. Throughout, the Society's staff played an invaluable role, providing independent research and advice about the constitutional and procedural challenges facing both the government and the legislature.

Our annual Audit of Political Engagement highlighted public frustrations with the state of our democracy, with opinions of the system of governing at their lowest point in 15-years – worse than in the aftermath of the MPs' expenses scandal. Nonetheless, despite any exasperation they may have felt about the political process as MPs ground their way to a stalemate over Brexit, many people developed a new-found interest in the parliamentary proceedings. Week-by-week, viewers in their hundreds of thousands tuned into BBC Parliament to listen to the BBC's parliamentary correspondent, Mark D'Arcy, and the Society's Director, Ruth Fox, explain the political and procedural implications of the Brexit votes, drawing the parliamentary channel's highest-ever audience ratings.

Our Brexit Statutory Instrument (SI) Dashboard became the go-to resource for campaigners, journalists and diplomats keeping track of this important strand of the UK's preparations for Brexit. Alongside it, our SI Tracker subscription service helped a wide array of organisations across the corporate and civil society sectors to monitor

the legal changes and manage the regulatory risks arising from the Brexit process. The SI Tracker data generated new insights into the delegated legislation process and provided a rich vein of information that was used by MPs and Peers during parliamentary debates and committee inquiries. The data was also cited in evidence in the Supreme Court prorogation case.

Our constitutional and procedural concerns about the SI scrutiny process are rooted in years of painstaking research, tracking and monitoring more than a thousand SIs each parliamentary session. Until recently, the problems with SIs have remained under the political radar, and it has been difficult to generate interest in them among MPs and the media. Today, however, the combination of Brexit and the pandemic has moved these concerns rapidly up the political agenda, and the Society is uniquely well-placed to influence the debate about future reform of the Statutory Instrument process.

Our Scholars programme continued to flourish, with the Spring programme attracting the highest number of enrolments in a programme for many years. However, the Autumn programme was greatly disrupted by the dissolution of Parliament for the general election, which brought the Scholars' placements at Westminster to an abrupt end. We are very grateful to those members and supporters who helped out, at short notice, so as to provide an informative and engaging programme of alternative election-related activities for the Scholars for the remainder of their stay in London.

In the Summer we moved our office to Millbank Tower. We are now based nearer to Westminster, in a better-appointed office, which costs less and provides greater flexibility. The Society's prudent husbanding of its financial resources means the organisation remains on a stable footing despite the challenges now posed by the Covid-19 pandemic.



'Critical friend' scrutiny of Parliament

Brexit and Parliament

Brexit again dominated much of the Society's research activity throughout the year as the government grappled with the legislative and procedural challenges posed by the UK's exit from the EU.

The 'Meaningful Vote'

Much of the research team's work focused on explaining the procedural implications of the 'Meaningful Vote' required under section 13 of the European Union (Withdrawal) Act 2018, how 'business of the House' motions work, the conceptual distinction between the day of the UK's withdrawal from the EU (Brexit day) and 'exit day' in UK law, and the process for changing 'exit day' by Statutory Instrument.

Brexit Statutory Instruments (SIs)

Throughout the first quarter of the year a key question was whether the government would get all the Brexit SIs it needed onto the statute book by 'exit day'. On a daily basis the Society tracked the laying of Brexit SIs before the Westminster Parliament and published regular updates on our Brexit SI Dashboard.

'Indicative Votes'

As MPs struggled to reach a consensus about the UK's future relationship with the EU, the government agreed to hold a series of indicative votes to help inform the decision-making process. However, it was clear that different MPs had different objectives for, and expectations of, this process. Some MPs

The House of Commons following the 'Meaningful Vote', 15 January 2019
© UK Parliament/Jessica Taylor



wanted indicative votes to test opinion—to take the temperature of the House—on a range of different, non-binding options. Others wanted a series of indicative votes to determine which one or more of the potential models for the future relationship with the EU might genuinely command a majority and therefore offer a way forward. To help inform this process the Society published a briefing paper, *'Indicative Votes: Options, voting methods and voting systems'*, co-authored by the Society's Director and Lewis Baston, an expert in electoral systems.

Brexit 'flexextension'

After the European Council agreed to the Prime Minister's request to extend the Article 50 period the Society's work switched to focus on the legislative demands of the 'flexextension' period whereby the UK might leave the EU on a range of different possible dates dependent on when the Withdrawal Agreement might be ratified.

In advance of that ratification process, a briefing paper (*'Retained EU law': issues for the Withdrawal Agreement Bill*) produced for us by Swee Leng Harris, then Head of Policy and Public Affairs at the Legal Education Foundation, highlighted legal and constitutional concerns about the status of 'retained EU law' and set out the amendments that would be needed to the EU (Withdrawal) Act 2018 to accommodate an implementation/transition period and to ensure legal certainty.

Briefings, events and evidence

The Society co-sponsored a conference, *'Brexit and the Constitution'*, with UK in a Changing Europe and the Constitution Unit at University College London in July, reflecting on the developments of the last year and their implications, particularly for Parliament. In advance of the Summer recess the Society's Senior Researcher, Dr Brigid Fowler, also spoke at a Constitution Unit event, *'Parliament and Brexit: An End of Term Report'*.

Parliamentary scrutiny of treaties, and trade agreements as a subset of treaties, continued to be a strand of our Brexit work throughout the year, with the Society's research called on at an oral evidence session before the House of Commons Brexit Select Committee.

Research, education, events



Supreme Court proration case

Our Statutory Instrument (SI) Tracker research was utilised in the Supreme Court proration case. The Public Law Project (PLP), an intervener in the case, utilised data derived from our SI Tracker to support its arguments that as a consequence of the lengthy proration, the government would have to resort to greater use of the 'urgency procedure' in the European Union (Withdrawal) Act 2018, whereby an SI can become law before it is scrutinised by Parliament and can remain in force for 28 days after being made by

the minister, when it will fall unless by then approved by both Houses. This, PLP argued, would have the effect of circumventing parliamentary scrutiny and denying parliamentarians "the proper opportunity to debate secondary legislation". The Supreme Court judges clearly found this argument compelling. The President of the Court, Lady Hale, noted in her statement announcing the judgment on 24 September that the only evidence provided by the government to justify the proration decision did not "discuss the impact of proration on the special procedures for scrutinising the delegated legislation necessary to achieve an orderly withdrawal from the European Union, with or without a withdrawal agreement on 31 October."

Mock elections in schools

Over 30,000 young people voted in our 2019 Mock Elections, which were held to coincide with the December general election.

The results differed markedly from the real general election outcome:

- Labour emerged as the clear winner, with a 33.9% vote share.
- The Liberal Democrats came second, with 20.5%.
- The Conservatives were third, with 18.7%.
- The Green Party was fourth, with 15.6%.
- The Brexit Party was fifth, with 3.5%.





New House of Commons Speaker election hustings

On 15 October 2019, all nine candidates to be the new Speaker of the House of Commons participated in a hustings event in Westminster, hosted jointly by the Society and *The House* magazine, and chaired by the presenter of BBC Radio 4's 'Westminster Hour', Carolyn Quinn.

The only hustings hosted for MPs on a cross-party basis, it provided them with an opportunity to put questions to the candidates seeking their support. Parliamentary officials, MPs' staff, academics and journalists were also invited.

The hustings was held three weeks before the House was to decide on the successor to John Bercow, who was stepping down after over a decade in the chair.

Each candidate made an opening statement about their approach to, and priorities for, the role, before taking questions. The hustings was broadcast on BBC Parliament.

This event continued the Society's involvement in Speaker hustings, after we hosted the first-ever public Commons Speaker hustings in 2009, and then did the same for the Speakership of the House of Lords in 2011 and 2016.



The nine candidates running for the Commons Speakership at the time of the hustings, and who took part in the event, were: Sir Henry Bellingham; Chris Bryant; Harriet Harman; Meg Hillier; Sir Lindsay Hoyle; Dame Eleanor Laing; Sir Edward Leigh; Shailesh Vara; and Dame Rosie Winterton.

In advance of the Speaker's election the Society's Director appeared before the Public Administration and Constitutional Affairs Committee to give evidence on the role of the Speaker in the future.



An annual health check on public attitudes to politics

Audit of Political Engagement

The Audit of Political Engagement (APE) is a time-series study providing an annual benchmark to measure political engagement in Great Britain. It gauges public opinion about politics and the political system, and more broadly the general health of our democracy. The study provides a snapshot of public perceptions of, and engagement with, politics at a given moment in time. The first Audit was published in 2004. Each report presents the findings from a face-to-face public opinion survey carried out on a representative quota sample of adults aged 18+ across Great Britain.

The 2019 Audit showed that the public are not apathetic about politics but they are increasingly dissatisfied with the way our system of governing works - so much so that sizeable numbers are willing to entertain quite radical solutions. Preferring a strong leader who is willing to break the rules, or thinking that the government should be able to tackle the country's problems without worrying about the approval of Parliament, would challenge core tenets of our democracy. Although the core indicators - including certainty to vote - remained stable, pessimism about the country's future combines worryingly with anti-system sentiment.

The three main themes in the 16th Audit of Political Engagement were:

1.

Opinions of the system of governing are at their lowest point in the 15-year Audit series - worse now than in the aftermath of the MPs' expenses scandal

2.

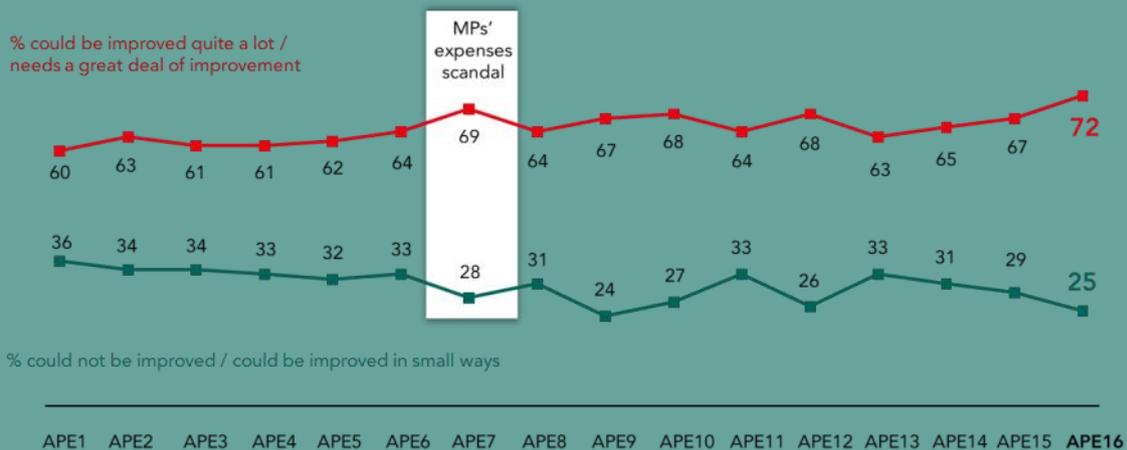
People are pessimistic about the country's problems and their possible solution, with sizeable numbers willing to entertain radical political changes

3.

Core indicators of political engagement remain stable but, beneath the surface, the strongest feelings of powerlessness and disengagement are intensifying

72% say the system of governing needs 'quite a lot' or 'a great deal' of improvement

This measure has risen by five points in the last year and now stands at its highest level in the Audit series, up by 12 points since the first Audit in 2004. The previous high point was in Audit 7, published in 2010 in the aftermath of the financial crisis and the MPs' expenses scandal, when the figure reached 69%.



Q. Which of these statements best describes your opinion on the present system of governing Britain?

INTERNATIONAL INTEREST IN THE AUDIT OF POLITICAL ENGAGEMENT



The Society's Director travelled twice to Yangon in 2019 to run training workshops to support the Enlightened Myanmar Research Foundation (EMReF) and its local partners in organising a survey of public attitudes to politics in Myanmar, with a particular focus on the country's regional parliaments (the Hluttaws). The study is modelled on the Society's Audit of Political Engagement and is funded by a grant from the SOAS-led Global Research Network on Parliaments and People, which in turn is supported by the Arts and Humanities Research Council via the Global Challenges Research Fund.

Rigorous research,
impartial analysis



PARLIAMENTARY AFFAIRS

A Journal of Representative Politics

In 2019... **50** articles
by **79** authors...
about **17** Parliaments

OXFORD
UNIVERSITY PRESS

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SPECIAL SECTIONS

Two special sections were published during the year. The first, on 'Disunity in Parliament', was highly topical given events at Westminster. The second explored the politics of committee assignments.



VIRTUAL ISSUE

To mark 100 years since the election of the first woman to take her seat in Parliament, the editors curated a collection of past articles exploring research about the representation and role of women.

SPECIAL ISSUE

Parliamentary Affairs

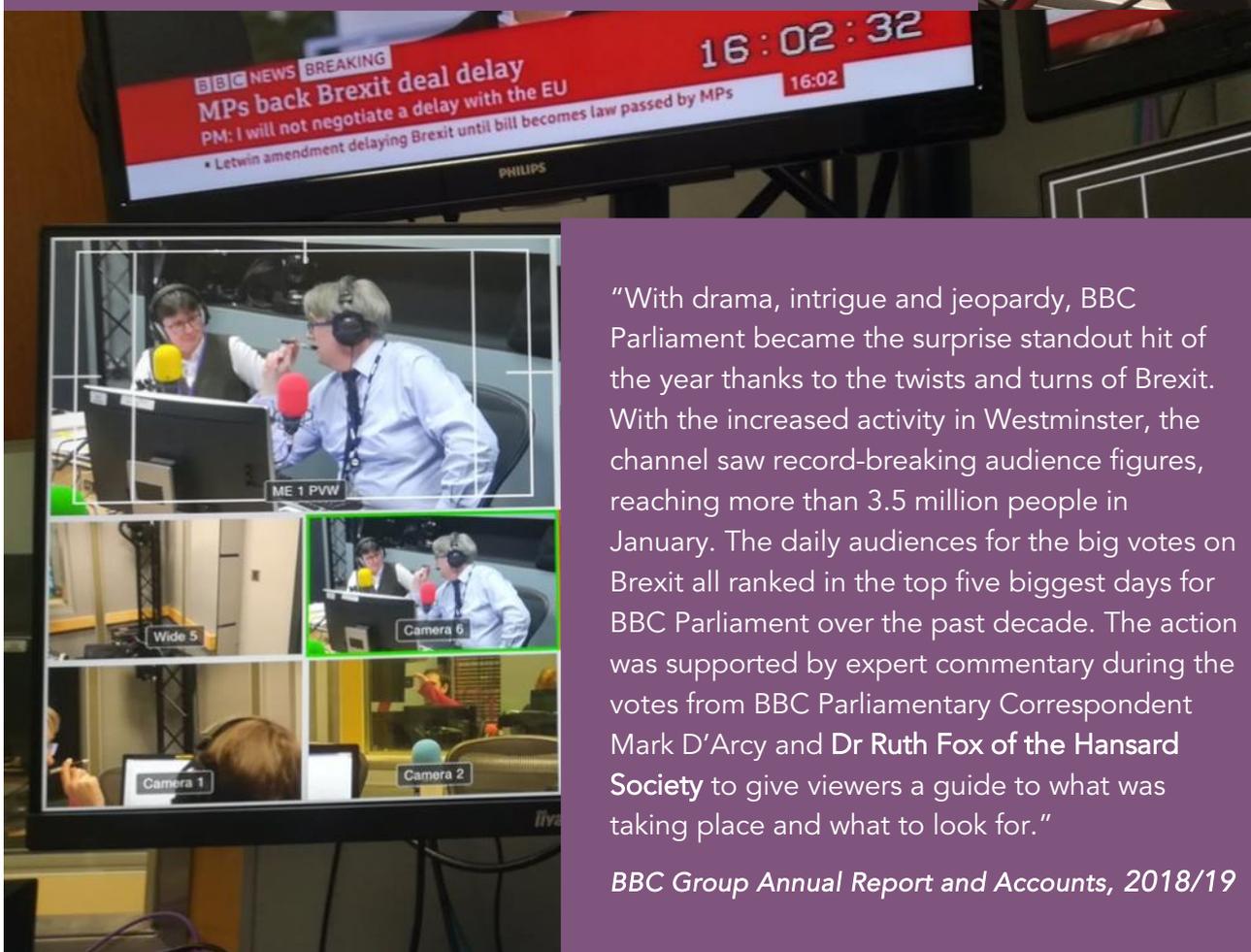
Marking 40 years of departmental
select committees

To celebrate 40 years since the creation of the first departmental select committees, this special issue brought together contributions by current and former House of Commons officials and leading academics. Many of the contributors also presented their research at a one-day event in Parliament to mark the 40th anniversary, organised by the House of Commons Liaison Committee and the Study of Parliament Group.

Communicating impartial information



BBC Parliament: the Brexit votes



“With drama, intrigue and jeopardy, BBC Parliament became the surprise standout hit of the year thanks to the twists and turns of Brexit. With the increased activity in Westminster, the channel saw record-breaking audience figures, reaching more than 3.5 million people in January. The daily audiences for the big votes on Brexit all ranked in the top five biggest days for BBC Parliament over the past decade. The action was supported by expert commentary during the votes from BBC Parliamentary Correspondent Mark D’Arcy and Dr Ruth Fox of the **Hansard Society** to give viewers a guide to what was taking place and what to look for.”

BBC Group Annual Report and Accounts, 2018/19



© House of Lords/Roger Harris

PROCEDURAL GUIDES

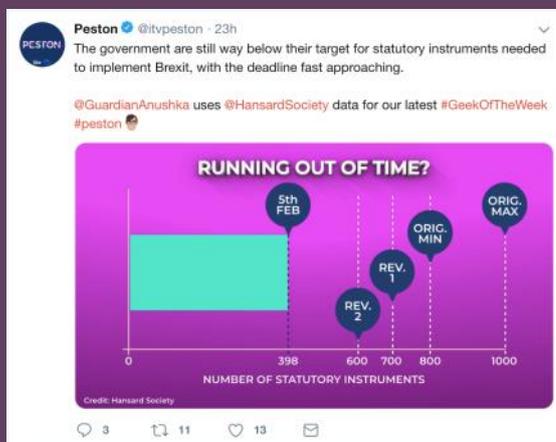
A series of new online procedural and constitutional guides was launched with a specially curated collection, 'Back to Business: procedure at the start of a new Parliament', including the Queen's Speech.



MEDIA

Parliament's handling of Brexit drove considerable media interest in the Society's work all year, with increasing interest from international outlets. But in the UK print market alone we attracted coverage valued at just over £6 million.

DIGITAL FIRST



Our Brexit SI Dashboard continued to be very popular as the 'go-to source' for up-to-date information about the legislative programme. Our blog also attracted many guest contributions on an array of topics including prorogation, the role of select committees, the 'restoration and renewal' of Parliament, recall of MPs, the Irish Parliament's legislative preparations for Brexit, and how Erskine May went online.

Educating future leaders about parliamentary democracy



Hansard Scholars

We welcomed 85 Hansard Scholars during the course of the year, an increase of 26 enrolments compared to 2018. This reflected, in part, rising interest in the British political scene as well as improvements in our own marketing of the programme. The Scholars were drawn from 17 colleges and universities, predominantly across the USA.

The Scholars study two academic modules - *'Parliament and Politics'* and *'Politics and Public Policy'* - and assignments include essays, policy briefs, written end-of-term examinations and supervised dissertations.

They also undertake a bespoke political placement at Westminster. This gives the Scholars direct experience of UK democracy, helping them to develop a more nuanced appreciation of the complex challenges facing representative democracy in the world today.

In addition to their academic work and placement, the Scholars made study

visits to the National Assembly for Wales and the Scottish Parliament, to explore the issues and challenges posed by devolution.

We are grateful to those leading academics, journalists and politicians who give up so much time to share their insights and experience as part of our guest lecture programme.

The Autumn 2019 intake found their semester, particularly their work placements, disrupted by prorogation and then the dissolution of Parliament for the early general



Scholars meeting MSPs at the Scottish Parliament

election. We are very grateful to those who stepped in, at short notice, to participate in an alternative programme of talks and study visits focused on the election.

Speakers included Peter Kellner, journalist and former Chairman of YouGov, on opinion polling and the election night exit poll; Sue English, the former head of BBC Politics, on the party leaders' debates; BBC parliamentary correspondent Mark d'Arcy on what to look out for during the campaign; and Angela Holden of the Association of Election Administrators on the challenges of organising an election at short notice.

Representatives from the US and German Embassies and the Australian and Canadian High Commissions participated in a seminar

exploring how overseas diplomatic missions in London cover the general election and report back to their home countries.

The City of London (Guildhall), the Supreme Court and the Royal Courts of Justice kindly facilitated tours of their institutions and guest talks by staff about their relationship with Parliament.

The Autumn scholars also undertook an additional study visit to Manchester to witness the election campaign being fought out on the ground. They attended the launch of a report on democracy and sovereignty by Brexit Party MEPs for the North-West Claire Fox and Henrik Overgaard-Nielsen, and visited the BBC at Media City and the People's History Museum.



Former Hansard Scholar runs for Democratic Party's presidential nomination

Former Hansard Scholar **Steve Bullock**, the current **Governor of Montana**, joined the Democratic Party race for the US presidency in May 2019. Steve, one of our first-ever Hansard Scholars, is a two-term Governor and was the only candidate in the Democratic race who won election in a state carried by Donald Trump in the 2016 presidential election. During his campaign he stressed the

need to reform campaign finance laws and the need to pay more attention to rural areas, particularly in the west of the country. After ending his campaign in December, Steve is now running for the US Senate in Montana. He is described by the *New York Times* as a coveted recruit to the Democratic Party's efforts to regain control of the Senate.



Key risks and uncertainties

The Hansard Society maintains a detailed risk management framework. Key risks and uncertainties are those that could have a material impact on the Charity in carrying out its work. The Board of Trustees review the risks the Society faces in six categories: operational; financial; strategic; reputational; occupational health; and legal / regulatory matters. The Trustees confirm that controls are in place to mitigate all the major risks identified. The top four 'high' risks identified in 2019 remained the same as in 2018:

Economic downturn impacting on Society-wide activity (e.g. Scholar enrolments)

The Society budgets on a rolling three-year cycle to ensure any future commitments and cost implications are manageable and sustainable. Core staff and office costs have been reduced to a minimum and reserves have been significantly replenished. However, the pandemic poses new financial challenges (see page 19).

Compliance: change in Home Office regulations for international students

Significant staff resource is devoted to monitoring and ensuring we remain compliant with all relevant regulations. We have Tier 4 Sponsor status and are subject to annual review by the Quality Assurance Agency (QAA) for Higher Education. Our most recent review was interrupted by the pandemic but should be complete by the end of 2020.

Premises—risk of rent or service charge increase / termination of lease

We negotiated an advantageous settlement to surrender our lease on the King Street office in Summer 2019, off-setting the risk of serious dilapidation costs in the near future. We moved into serviced office space in Millbank Tower. The 12-month renewable lease limits our risk and gives us flexibility in light of the pandemic.

Inadequate non-project related funding

In the last two years we have developed a new strand of income in the form of a procedural training course and a Statutory Instrument Tracker subscription service. This provides core, unrestricted funding to invest in our research priorities. There remains considerable scope to expand this source of income in the future despite the wider economic situation.



Future plans and the pandemic

Unfortunately, international travel restrictions, domestic lockdowns and the ongoing challenges to normal working practices posed by Coronavirus resulted in the cancellation of the Summer and Autumn 2020 Scholars programmes. It remains to be seen if and when it will be possible to resume operations in 2021.

The pandemic thus generates ongoing uncertainty about the future of the Scholars Programme and the income derived from this strand of our work. However, we have furloughed Scholars staff and renegotiated our office lease to cut costs. The Trustees keep the situation under constant review and staff are consulting with our feeder institutions abroad, and the regulatory authorities at home, about the best way forward, including potentially mothballing the programme until Autumn 2021 or Spring 2022.

The Society's office lease expires in mid-November so this presents an opportunity to cut costs further, either through renegotiation to extend the existing lease or relocation to alternative office space. This decision will be reviewed by Trustees in light of advice from government about continued home working. The significant investment made in 2019 in the Society's IT infrastructure meant that the transition to home working in Spring 2020 was entirely smooth and staff can continue to work from home as needed.

The Society has secured two new two-year grants from the Legal Education Foundation (restricted) and the Joseph Rowntree Charitable Trust (unrestricted), which will enable us to strengthen our research and operations capacity in 2021-22. The Society's prudent financial approach and building-up of the reserves in recent years also provides a cushion, enabling the organisation to weather the pandemic storm and plan for the future, including placing greater emphasis on our other strands of income generation, particularly our Statutory Instrument Tracker and procedural training courses. As well as recruiting two additional project staff we plan to appoint an Operations Manager to support the Director and staff team. This new recruit will also be responsible for leading a membership drive to build on our increasingly high profile among the legal community, public affairs professionals and campaign groups.

We expect that our research will continue to focus on the legislative process, particularly delegated legislation; the implications for parliamentary scrutiny of the UK's future relationship with the EU; and the impact of the pandemic on both Houses of Parliament. We also anticipate devoting more time to exploring procedural and public engagement issues arising from the 'restoration and renewal' of the parliamentary estate and its immediate environs.

The Rt Hon Sir Lindsay Hoyle MP
Speaker of the House of Commons

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Constitution and governance

Organisational structure

The Hansard Society is a charitable company limited by guarantee in England and Wales. It was incorporated on 25 August 1999 and registered as a charity on 17 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company. The company is governed under its Articles of Association.

Legal responsibility for the management and stewardship of the Hansard Society is vested in the Board of Trustees. Day-to-day management of the Charity is delegated to the Senior Management Team: the Director and the Director of the Scholars Programme. They both attend meetings of the Board of Trustees and provide regular reports on the work of the Society. The Board of Trustees are responsible for deciding the staff remuneration policy which they review at Board meetings. Its implementation is delegated to the Director.

The Speakers of the two Houses of Parliament serve as Co-Presidents of the Society. These are

honorary positions reflecting the Society's unique 'critical friend' relationship with the Westminster Parliament, and the Society's commitment to non-partisanship.

The Rt Hon Sir Lindsay Hoyle MP succeeded John Bercow MP as Co-President on his election as Speaker of the House of Commons in November 2019.

The Speakers are very supportive of the work of the Society but they have no formal role in or responsibility for the administration, governance or activities of the Charity.

Board of Trustees

The Board of Trustees meets at least four times per year. The Society does not operate standing sub-committees but convenes these on an *ad hoc* basis as required. Trustees are elected and co-opted under the terms of the Articles of Association. The Chair and Treasurer are appointed on a yearly basis at the Annual General Meeting.

Other members of the Board of Trustees are appointed for a term of three years, after which they may put themselves forward for reappointment for a further three-year term. In some circumstances, Trustees may be co-opted for a further period. New Trustees are recruited with the intention of securing a range of views, interests and perspectives. In addition to public advertisements for new trustees, wide networks are consulted, including those of our stakeholders, who represent the public, private, statutory and charitable sectors, and all the major political parties.

New Trustees are provided with an induction pack containing information about the Society and their responsibilities as Trustees, including charity law and governance issues. New Trustees also have an induction meeting with the Chair and Director to discuss particular areas of work, and then follow up on those areas with other members of staff.

Membership

Membership of the Society is open to members of the public, who can join as ordinary members or as members who in addition subscribe to our journal, *Parliamentary Affairs*. Members of Parliament can join as parliamentary patrons.

Fundraising

The Society does not raise funds directly from the public. Nevertheless, it is mindful of the code issued by the fundraising regulator.

Financial review

The accounts for 2019 show expenditure of £1,136,261 (2018: £882,369) and income of £1,160,518 (2018: £845,479). Income was principally through various programmes and publications in the year which amounted to £1,106,267 (2018: £819,864). The Society had a net surplus of £24,257 (2018: net deficit of £36,890).

Reserves

The current funds position shows unrestricted funds of £450,447 (2018: £426,190) including designated funds of £96,288 (2018: £71,231). The balance on the general fund at the year end is therefore £354,159 (2018: £354,959). The Trustees have decided that a minimum of £312,591 reserves would be an appropriate level, based on three months of core operational expenditure considering the future plans of the organisation. This gives the Society financial stability to continue to build its activities in future years. The reserves policy is reviewed on a yearly basis.



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Legal & Administrative Details

Honorary Co-Presidents

The Rt Hon Sir Lindsay Hoyle MP, Speaker of the House of Commons

The Rt Hon the Lord Fowler, Lord Speaker

Trustees

Sir David Beamish KCB

Dianne Bevan

Shirley Cameron (Treasurer)

Sue English

The Rt Hon the Baroness Jay of Paddington

Amelia Knott

Lord Lexden OBE

Gerald Shamash

Lord Sharkey (Chair until 10 Sept 2019)

Sir Paul Silk KCB

The Rt Hon the Baroness Taylor of Bolton (Chair from 10 Sept 2019)

Status and governing document

The organisation is a charitable company limited by guarantee, incorporated on 25 August 1999 and registered as a charity on 17 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association.

Company Number

04332105

Charity Number

1091364

Registered office

Room 1.17, 1st Floor Millbank Tower, 21-24 Millbank, London, SW1P 4QP

Bankers

Unity Trust Bank, 9 Brindley Place, Birmingham, B1 2HB

Scottish Widows, PO Box 12757, 67 Morrison Street, Edinburgh, EH3 8YJ

Independent Auditor

Murtaza Jessa FCA - Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Hansard Society for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

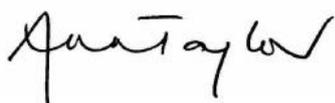
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 'going concern' basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant information of which the charitable company's independent examiner is unaware; and
- Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

The report of the Trustees has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Trustees on 20 October 2020 and signed on their behalf, by:



.....
The Rt Hon the Baroness Taylor of Bolton (Chair)

Independent Auditor's Report

Opinion

We have audited the financial statements of Hansard Society for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Financial Reporting Standard 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 charitable company's affairs as at 31 December 2019 and of the charitable company's net movement in funds, including the income and expenditure, 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 Charity 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement (set out on page 23), the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 Trustees' use of the 'going concern' basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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 the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the Director's report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Director's report included within the Trustees' Annual Report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the Director's report).

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

- adequate accounting records have not been kept by the charitable company; or

- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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28 October 2020

Murtaza Jessa (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place, London, EC4R 1AG

Statement of financial activities

Incorporating an income and expenditure account for the year ending
31 December 2019

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOME					
Income from:					
Donations and legacies:					
		53	-	53	397
	3	1,106,267	-	1,106,267	820,582
Other trading activities:					
		36,641	-	36,641	24,500
		145	-	145	-
		17,412	-	17,412	-
TOTAL INCOME		1,160,518	-	1,160,518	845,479
EXPENDITURE					
Expenditure on:					
		1,136,261	-	1,136,261	882,369
TOTAL EXPENDITURE	4	1,136,261	-	1,136,261	882,369
Net income/ (expenditure) and Net movement in funds		24,257	-	24,257	(36,890)
Balances brought forward		426,190	-	426,190	463,080
Balances carried forward		450,447	-	450,447	426,190

There are no recognised gains or losses other than those shown in the Statement of Financial Activities.

All income and expenditure in each of the above two years derive from continuing activities.

Balance sheet

Company Number: 04332105

As at 31 December 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Intangible assets	7		8,532		16,814
Tangible assets	8		7,368		-
CURRENT ASSETS					
Debtors	9	677,730		676,219	
Cash at bank and in hand		<u>229,226</u>		<u>349,883</u>	
		906,956		1,026,102	
Creditors: amounts falling due within one year	10	(472,409)		(616,726)	
NET CURRENT ASSETS			<u>434,547</u>		409,376
NET ASSETS			<u>450,447</u>		<u>426,190</u>
FUNDS					
Unrestricted funds					
Designated funds	11	96,288		71,231	
General fund	11	<u>354,159</u>		<u>354,959</u>	
			450,447		426,190
			<u>450,447</u>		<u>426,190</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. They were approved, and authorised for issue, by the directors on 20 October 2020 and signed on their behalf by:-

The Rt Hon the Baroness Taylor of Bolton (Chair)

Shirley Cameron (Honorary Treasurer)

Statement of cash flows

For the year ended 31 December 2019

	2019	2018
	£	£
Cash provided by / (used in) operating activities		
Net movement in funds	24,257	(36,890)
Add back depreciation charge	15,650	8,282
Increase in debtors	(1,511)	(322,021)
(Decrease) / increase in creditors	<u>(144,317)</u>	<u>179,428</u>
Net cash (used in) operating activities	(105,921)	(171,201)
Cash flows from investing activities		
Purchase of tangible fixed assets	(14,736)	-
Purchase of intangible fixed assets	<u>-</u>	<u>(10,600)</u>
Net cash (used in) investing activities	<u>(14,736)</u>	<u>(10,600)</u>
(Decrease) in cash and cash equivalents in the year	(120,657)	(181,801)
Cash and cash equivalents at the beginning of the year	349,883	531,684
Total cash and cash equivalents at the end of the year	<u>229,226</u>	<u>349,883</u>

Notes to the financial statements for the year ended 31 December 2019

1. STATUTORY INFORMATION

The Hansard Society is a charitable company limited by guarantee and is incorporated in England and Wales (Company No. 04332105). The registered office address and principal place of business is Room 1.17, 1st Floor Millbank Tower, 21-24 Millbank, London, SW1P 4QP.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102, applicable in the United Kingdom and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' issued in 2015, applicable accounting standards and the Companies Act 2006.

The Hansard Society meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

2.2 Company status

The Charity is a company limited by guarantee. The members of the company include the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The Trustees have assessed whether the use of the 'going concern' basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees have considered the impact of the Coronavirus pandemic that has taken hold since the year-end. As a consequence of the pandemic, our Scholars programme has been put on hold for the foreseeable future. In response, the Charity has taken a number of cost-cutting measures including furloughing staff on the Scholars team and negotiating a significant reduction in the cost of our office lease.

Having reviewed our budget and projections in light of the current situation, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the 'going concern' basis in preparing its financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The costs of raising such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 Income

All income, including from government, is recognised once the charity has entitlement to income, it is probable that income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies income includes donations and gifts. Income is deferred only when the Society has to fulfil conditions before becoming entitled to it or where the donor has specified the income is to be expended into a future period. Where donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included as restricted income when receivable.

2.5 Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included within the item of expense to which it relates. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between the expenses headings on the basis of time spent.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity, and include governance costs which are incurred in connection with enabling the Society to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties.

2.6 Intangible fixed assets and amortisation

All assets costing more than £500 are capitalised.

Intangible fixed assets are stated at cost less amortisation. A full year of amortisation is charged on all assets in the year of purchase. Amortisation is provided at rates calculated to write off the cost of intangible fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Website development - 3 years straight line.

2.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. A full year of depreciation is charged on all assets in the year of purchase. Depreciation is provided at rates calculated to write off

the costs of tangible fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Office and computer equipment - 2 years straight line.

2.8 Employee benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme: the Charity operates a defined contribution pension scheme, the assets of which are administered by Scottish Widows. All contributed costs are accounted for on the basis of charging the cost of providing pensions over the period when the charity benefits from the employees' services. The charity has no further liability under the scheme.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

2.11 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

2.13 Accounting judgements and estimates

The key judgements and estimates used in the preparation of these Financial Statements are as follows:

- The depreciation rate of tangible fixed assets and amortisation rate of intangible fixed assets (as detailed above).
- Support costs are apportioned to direct activities based on the direct staff costs allocated to those activities (see Note 4).

There are no other key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2019	2019	2019	2018
	£	£	£	£
Study and Scholars programme	847,970	-	847,970	581,000
Projects - research, education and events	69,433	-	69,433	56,231
Membership subscriptions	-	-	-	718
Publications	188,864	-	188,864	182,633
	<u>1,106,267</u>	<u>-</u>	<u>1,106,267</u>	<u>820,582</u>

In the year to 31 December 2018, all income from charitable activities was unrestricted.

4. EXPENDITURE

CURRENT YEAR

	Direct Staff costs	Direct costs	Support costs	Total 2019
	£	£	£	£
Study and Scholars programme	140,293	469,127	226,509	835,929
Projects - research, education and events	91,392	54,046	147,556	292,994
Publications	2,724	216	4,398	7,338
Support costs (see Note 5)	100,845	277,618	(378,463)	-
	<u>335,254</u>	<u>801,007</u>	<u>-</u>	<u>1,136,261</u>

PRIOR YEAR

	Direct Staff costs	Direct costs	Support costs	Total 2018
	£	£	£	£
Study and Scholars programme	123,520	306,374	97,246	527,140
Projects - research, education and events	138,523	96,523	109,057	344,103
Publications	2,900	5,943	2,283	11,126
Support costs (see Note 5)	82,630	125,956	(208,586)	-
	<u>347,573</u>	<u>534,796</u>	<u>-</u>	<u>882,369</u>

5. SUPPORT COSTS

	2019 £	2018 £
Governance costs:		
Audit (2019) / Independent examination (2018)	11,500	2,300
Board expenses	1,090	609
	<u>12,590</u>	<u>2,909</u>
Other support costs		
Staff costs	100,845	82,630
Premises, equipment and depreciation	200,093	68,551
Stationery, post, phone and IT	17,306	10,126
Information, research and communications	10,542	13,280
Legal and professional	25,917	23,089
Other	11,170	8,001
	<u>378,463</u>	<u>208,586</u>

6. EMPLOYEE AND KEY MANAGEMENT PERSONNEL

The key management personnel of the Charity comprise the Trustees ("Directors" for the purposes of the Companies Act) and Senior Management Team. The total amounts paid in respect of the key management personnel of the Charity (including employer's National Insurance contributions and employer's pension contributions) were £124,311 (2018: £124,371).

None of the Trustees (or any persons connected with them) received any remuneration from the charity during the year. Reimbursed Trustee travel expenses amounted to £1,090 to two Trustees. (2018 - £609).

There were no related party balances as at 31 December 2019 (2018: nil).

	2019 £	2018 £
The aggregate payroll costs were:		
Wages and salaries	288,854	300,360
Social security costs	28,027	28,013
Employer pension contributions	18,373	19,200
	<u>335,254</u>	<u>347,573</u>

No employees had emoluments amounting to over £60,000 in the year or the previous year (exclusive of employer pensions and employer National Insurance contributions).

Particulars of employees:

	2019 No.	2018 No.
	<u>8.3</u>	<u>8.6</u>

7. INTANGIBLE FIXED ASSETS

	Website development £
Cost	
At 1 January 2019	25,096
Additions in the year	-
At 31 December 2019	<u>25,096</u>
Amortisation	
At 1 January 2019	8,282
Charge for the year	8,282
At 31 December 2019	<u>16,564</u>
Net book value	
At 31 December 2019	<u>8,532</u>
At 31 December 2018	<u>16,814</u>

8. TANGIBLE FIXED ASSETS

	Computer and Office Equipment £
Cost	
At 1 January 2019	7,984
Additions in the year	14,736
Disposals in the year	<u>(6,666)</u>
At 31 December 2019	<u>16,054</u>
Depreciation	
At 1 January 2019	7,984
Disposals in the year	(6,666)
Charge for the year	7,368
At 31 December 2019	<u>8,686</u>
Net book value	
At 31 December 2019	<u>7,368</u>
At 31 December 2018	<u>-</u>

9. DEBTORS

	2019	2018
	£	£
Trade debtors	372,848	319,026
Prepayments	179,002	239,444
Accrued income	108,023	117,749
Other debtors	17,857	-
	<u>677,730</u>	<u>676,219</u>

10. CREDITORS (amounts falling due within one year)

	2019	2018
	£	£
Trade creditors	21,422	8,514
Taxes and social security	8,148	8,708
Pension contributions	1,886	3,761
Accruals	24,844	53,624
Other creditors	22,045	26,085
Deferred income	394,064	516,034
	<u>472,409</u>	<u>616,726</u>
Deferred income:		
Balance brought forward	516,034	279,500
Amount released to income	(516,034)	(279,500)
Amount deferred in the year:		
Scholars income	390,000	497,000
Statutory Instrument Tracker income	4,064	19,034
	<u>394,064</u>	<u>516,034</u>

11. STATEMENT OF FUNDS — CURRENT YEAR

Designated funds

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Fixed assets	16,814	-	(15,650)	14,736	15,900
Political Engagement polling	34,029	-	(34,029)	60,000	60,000
Visual identity review	20,388	-	-	-	20,388
Total designated funds	71,231	-	(49,679)	74,736	96,288

Fixed asset fund: this represents the next book value of tangible fixed assets in use by the Society and therefore not available to meet future operational expenditure. A transfer is made each year to reflect the change in net book value.

Political Engagement Polling: a transfer of £60,000 has been made into the fund to cover the costs of the 17th annual Audit of Political Engagement opinion poll survey, to be spent in 2020.

Visual identity review: to cover the costs of investment in a communications and visual identity review. The balance on the fund is due to be spent in 2020.

SUMMARY OF FUNDS IN THE YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Designated funds	71,231	-	(49,679)	74,736	96,288
General fund	354,959	1,160,518	(1,086,582)	(74,736)	354,159
Total funds	426,190	1,160,518	(1,136,261)	-	450,447

12. STATEMENT OF FUNDS — PRIOR YEAR

Restricted funds

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 December 2018 £</i>
People to Parliament	10,039	-	(10,039)	-	-
Total restricted funds	10,039	-	(10,039)	-	-

Designated funds

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 December 2018 £</i>
Fixed assets	14,496	-	(8,282)	10,600	16,814
Political Engagement polling	38,357	-	(64,328)	60,000	34,029
Visual identity review	20,388	-	-	-	20,388
Total designated funds	73,241	-	(72,610)	70,600	71,231

SUMMARY OF FUNDS IN THE PRIOR YEAR

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 December 2018 £</i>
Designated funds	73,241	-	(72,610)	70,600	71,231
General fund	379,800	845,479	(799,720)	(70,600)	354,959
	453,041	845,479	(872,330)	-	426,190
Restricted funds	10,039	-	(10,039)	-	-
Total funds	463,080	845,479	(882,369)	-	426,190

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

CURRENT YEAR	Designated funds	General funds	Restricted funds	Total funds
	£	£	£	£
Fixed assets	15,900	-	-	15,900
Net current assets	80,388	354,159	-	434,547
	96,288	354,159	-	450,447

PRIOR YEAR	Designated funds	General funds	Restricted funds	Total funds
	£	£	£	£
Fixed assets	16,814	-	-	16,814
Net current assets	54,417	354,959	-	409,376
	71,231	354,959	-	426,190

14. PENSION

The Society operates defined contribution schemes for its employees, making a contribution of 7% of gross salaries. The assets of the schemes are held separately from those of the Society in independently administered funds. The pension charge represents contributions payable by the Society and amounted to £18,373 (2018: £19,200). Contributions totalling £1,886 (2018: £3,761) were payable to the fund at the balance sheet date and are included in creditors.

15. OPERATING LEASE COMMITMENTS

At the reporting end date the company had the following future minimum lease payments under non-cancellable operating leases (all for property) which fall due as follows:

	2019	2018
	£	£
Less than one year	46,742	56,680
Between two and five years	-	127,530
	46,742	184,210

16. STATEMENT OF FINANCIAL ACTIVITIES — PRIOR YEAR

	<i>Unrestricted Funds 2018 £</i>	<i>Restricted Funds 2018 £</i>	<i>Total Funds 2018 £</i>
<i>INCOME</i>			
<i>Income from:</i>			
<i>Donations and legacies: Donations</i>	397	-	397
<i>Charitable activities</i>	820,582	-	820,582
<i>Other trading activities:</i>			
<i>Rent receivable</i>	24,500	-	24,500
TOTAL INCOME	845,479	-	845,479
<i>EXPENDITURE</i>			
<i>Expenditure on:</i>			
<i>Charitable Activities</i>	872,330	10,039	882,369
TOTAL EXPENDITURE	872,330	10,039	882,369
<i>Net income/ (expenditure) and Net movement in funds</i>	<i>(26,851)</i>	<i>(10,039)</i>	<i>(36,890)</i>
<i>Balances brought forward</i>	453,041	10,036	463,080
<i>Balances carried forward</i>	426,190	-	426,190

17. POST BALANCE SHEET EVENT DISCLOSURE: COVID-19

A prudent budget was prepared for 2020 projecting a small surplus of £3K but with plenty of contingency built into it. However, the pandemic had a significant impact on the Society's plans from mid-February onwards. The Spring Scholars programme was disrupted although the timing was such that we were able to bank all the expected income for the first four months of the year. However, we had to cancel the Summer and Autumn Scholars programmes.

We have minimised the impact by reducing costs: we furloughed some Scholars Programme staff for a period, we temporarily halted planned staff recruitment, and we negotiated a 4-month extension to our office lease at a significantly lower rent level. We anticipate extending the lease at this lower rate for a further period.

We have also secured two new two-year grants (an unrestricted grant from the Joseph Rowntree Charitable Trust and a restricted grant from the Legal Education Foundation) which will enable us to recruit additional staff and invest in our research capacity.

The Trustees do not consider there to be any adjusting post balance sheet events.



HANSARD
SOCIETY

HANSARD SOCIETY LIMITED

ANNUAL REPORT AND ACCOUNTS

Year to 31 December 2019

Company Number: 04332105