



Annual Report & Accounts

31 December 2015

Chairman of Board of Trustees
Lord Grocott (until 20 July 2015)
Lord Fowler (from 20 July 2015)

Hansard Society
5th Floor, 9 King Street
London
EC2V 8EA

Registered Charity number: 1091364
Registered Company Number: 04332105

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Hansard Society Ltd
Legal and Administrative Information
Year to 31 December 2015

Status

The organisation is a charitable company limited by guarantee, incorporated on 25 August 1999 and registered as a Charity on 17 December 1999.

Governing Document

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 and Operational Address

5th Floor, 9 King Street, London, EC2V 8EA

Bankers

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

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

Independent Examiner

Murtaza Jessa FCA - haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

Hansard Society Ltd
Report of the Board of Trustees
Year to 31 December 2015

Hon. Officers

Lord Grocott (Chairman) (resigned 20 July 2015)
Lord Fowler (Chairman) (appointed 20 July 2015)
Roshana Arasaratnam (Hon. Treasurer)

Co-Presidents:

Rt. Hon. John Bercow MP
Rt. Hon. the Baroness D'Souza CMG

Board of Trustees:

Roshana Arasaratnam
Dianne Bevan
Lord Fowler (appointed 20 July 2015)
Lord Grocott (resigned 20 July 2015)
Baroness Jay of Paddington
Peter Kellner (resigned 15 June 2015)
Amelia Knott
Peter Knowles
Lord Lexden OBE
Dr Sheena McDonald
Gerald Shamash
Lord Sharkey

The Trustees of the Charity (who are the Directors of the Charity for company law purposes) present their annual report and the financial statements of Hansard Society Limited (the Charity) for the year ended 31 December 2015. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015.

Structure and Governance

The Charity is registered as a charitable company limited by guarantee. 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 Director and Senior Management Team. The Board of Trustees are elected and co-opted under the terms of the Articles of Association. The Chairman 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 years.

New Trustees are recruited with the aim of gaining a range of views, interests and perspectives. Wide networks are consulted including those of our stakeholders who represent the public, private, statutory and charitable sectors and across all major political parties.

The Board of Trustees met four times during the year. New Trustees are provided with an induction pack providing a broad range of information about the Hansard Society and their responsibilities as a Trustee, including charity law and governance issues. The pack includes the Society's Articles of Association, copies of the last year of Board papers, publications and other background information about the organisation's staff, structure and finances. New Trustees also have an induction meeting with the Chair and Director to discuss particular areas of work and then follow up on these areas with other members of staff.

Key management remuneration

The remuneration of key managers is determined by Trustees and reviewed on an annual basis.

Membership of the Hansard Society

Membership of the Hansard Society is open to the public who can join as ordinary members or as members who in addition subscribe to our journal, *Parliamentary Affairs*. Members of Parliament, the Scottish Parliament, Welsh Assembly or European Parliament can join the Society as Parliamentary Patrons. Organisations, companies or institutions can join as Corporate Supporters.

OBJECTIVES AND ACTIVITIES

Aims of the charity

The Charity's objectives are for the public benefit: we aim to strengthen parliamentary democracy and encourage greater public involvement in politics.

Mission statement

We are an independent, non-partisan political research and education Society working in the UK and around the world to promote democracy and strengthen parliaments.

Public Benefit statement

The aims, mission, achievement and performance sections of this report clearly set out the activities that the Hansard Society undertakes for the public benefit.

The Trustees confirm that they have complied with the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefits, 'Charities and Public Benefit'.

The Trustees make the following observations on the two key principles of public benefit.

Principle 1: There must be an identifiable benefit or benefits

1a) It must be clear what the benefits are

The benefits are set out in the accounts of Achievement and Performance given in the body of this report.

1b) The benefits must be related to the aims

The benefits set out in the accounts of Achievement and Performance are clearly related to the aims of the Society. The Trustees review the activities of the Charity against its aims on an on-going basis and are satisfied that all activities continue to be related to the aims.

1c) Benefits must be balanced against any detriment or harm

No specific issues of detriment or harm have been identified.

Principle 2: Benefit must be to the public or a section of the public

2a) The beneficiaries must be appropriate to the aims

The beneficiaries are primarily people living in the UK, specifically young people, teachers, students, Parliamentarians, parliamentary officials, political academics, journalists and civic society.

2b) Where the benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions; or by the ability to pay any fees charged

As noted above beneficiaries are from a wide range of groups within civic society. Because of the work of the Hansard Society, most events take place in the Westminster or Scottish Parliaments or the National Assembly for Wales. Fees are not charged to attend. Recordings of events and access to publications are available on the Society's website for those unable to attend. All education resources are offered free of charge.

2c) People in poverty should not be excluded from the opportunity to benefit

Beneficiaries have access to our free events and the majority of our publications, briefing papers and research reports are made available to download free from our website.

Membership of the Society is offered at a low annual fee, with a discount for a journal subscription also offered. It is not necessary to be a member of the Society to benefit from the work of the Society.

2d) Any private benefits must be incidental

Private benefits are incidental as they are 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.

Main objectives for the year

In 2015 the Hansard Society focused on:

- 1) Exploring the evolution of representative democracy: offering evidence-based ideas for reform of political and parliamentary institutions, processes and culture to help foster democratic renewal.
- 2) Educating citizens, particularly young people: so that they have the knowledge and confidence to play an active role in our democracy and be future leaders in civic and political life.
- 3) Connecting citizens with parliamentarians and policy-makers: through innovative on and off-line initiatives to address the democratic deficit.
- 4) Convening debate on topical political issues: providing a non-partisan forum for the exchange of ideas about our democratic future.

Strategies for achieving objectives

To achieve these objectives the core activities are carried out through:

Research and education projects

Undertaking research to stimulate reform of political institutions and the law-making process, and looking at new ways to enhance engagement between the public and our political institutions and individuals who represent them.

Hansard Society Scholars

Running one of the most prestigious educational courses on British politics. Primarily for overseas students, it provides an ideal opportunity for those who wish to experience both academic and hands-on experience of the political process.

ACHIEVEMENTS AND PERFORMANCE

The Hansard Society carried out a wide range of activities during 2015 to achieve our objectives as outlined above. Our activities attracted a varied audience from the fields of politics, education, law, civic society, business and the media. The information below provides an overview of the types of events and activities that took place to achieve our objectives, which includes public and private events, publications drawing together research and opinion, online engagement activities and study programmes.

The following section describes the objectives and activities carried out to meet them.

Objective:

Exploring the evolution of representative democracy: offering evidence-based ideas for reform of political and parliamentary institutions, processes and culture to help foster democratic renewal.

Activities:

- *Audit of Political Engagement 12* – the latest in our series of annual health checks on the state of British democracy examining public attitudes to politics and Parliament.
- *Parliamentary Affairs* – four issues of our peer-reviewed academic quarterly were published, with an additional special edition, *Britain Votes 2015*, looking at the general election campaign and outcome.
- A chapter on the future of representative democracy was contributed to the book, *'On Rock or Sand? Firm Foundations for Britain's Future'* edited by the Archbishop of York and published in the run up to the 2015 general election.
- *Parliaments, Public Engagement and Poverty Reduction* – a research project exploring the role that parliamentary public engagement plays in tackling poverty reduction in low-income countries, with a focus on Bangladesh and Ethiopia (conducted in partnership with researchers at the School of Oriental and African Studies, London, and teams in Dhaka and Addis Ababa). In addition to on-going research, during the course of the year staff visited Addis Ababa to meet with local research team members and undertake a constituency visit. They also participated in a conference panel discussion at the bi-annual Wroxton conference of international parliamentarians and parliamentary scholars.
- Oral evidence was given to the National Assembly for Wales' Constitutional Affairs Committee inquiry into the legislative process and facilitation was provided for a seminar hosted by the Committee Review Group in the Scottish Parliament.
- Presentations/meetings were held with international visiting delegations including: the former Speaker of the Australian House of Representatives, Anna Burke MP; the Secretary General of the South African Parliament; a delegation of parliamentary officials from Morocco; and a delegation from the Flemish Parliament.
- *Despatch Box blog* – a dedicated blog was launched drawing on contributions from our own research, from our independently edited journal, *Parliamentary Affairs*, as well as occasional guest contributions from research partners and practitioners with whom we work in the UK and around the world.

Objective:

Educating citizens, particularly young people: so that they have the knowledge and confidence to play an active role in our democracy and be future leaders in civic and political life.

Activities:

- Fifty-one international scholars took part in the *Hansard Society Scholars programme* in 2015. These came from 19 different education institutions overseas.
- Launched the *Hansard Society Magna Carta 800 Scholarships* with the support of the Magna Carta 800th Anniversary Committee – scholarships were awarded to Commonwealth students from Bond University in Australia and Victoria University of Wellington in New Zealand.
- *Mock Elections in Schools* – hundreds of schools across the UK were provided with a free step-by-step guide and resource pack to enable them to run their own 'mock election' around the general election campaign.

Objective:

Connecting citizens with parliamentarians and policy-makers: through innovative on- and off-line initiatives to address the democratic deficit.

Activities:

- *Lords of the Blog* - a 'blog' space for Peers. The only cross-party chamber blog in the world, it provides an education resource targeted at a general, non-expert audience about what is happening in the House of Lords.
- *Sense4us* – an international collaboration supported by the European Commission working to utilise the latest technology to develop tools and techniques to support the gathering and analysis of research and the modelling of policy in real-time, thereby enhancing parliamentary information and scrutiny capacity.
- *SI Tracker* – development of a new data monitoring tool to enable people outside Parliament to track the progress of Statutory Instruments subject to parliamentary proceedings, building on previous research into the delegated legislation process.

Objective:

Convening debate on topical political issues: providing a non-partisan forum for the exchange of ideas about our democratic future.

Activities

- *'A House rebuilt? Progress, governance and an agenda towards 2020'* – a speech by the Speaker of the House of Commons, the Rt. Hon. John Bercow MP.
- Four events were hosted in partnership with the EU Parliament's UK Information Office. Two summits were held on the theme, *'The Transatlantic Trade and Investment Partnership: beneficial to our economy or a threat to our democracy?'* in Leeds and Cambridge. Two further events entitled, *'Scotland's Future: Jobs, Services and the Transatlantic Trade and Investment Partnership'* were hosted in Aberdeen, and in Edinburgh in collaboration with the Scottish Parliament's European and External Relations Committee.
- *What happened on 7 May* – a conference to discuss the general election result, hosted in partnership with the Universities of Liverpool and Sheffield, at the People's History Museum, Manchester.
- *Making Sense of May 7: the 2015 election and the future of British politics* – a panel discussion to mark the launch of the special general election edition of our Parliamentary Affairs journal in London
- *Committee Chairs in Conversation* – a panel discussion with newly elected chairs of select committees (Keith Vaz MP and Sarah Wollaston MP) to discuss their role and work priorities for the year ahead.

FINANCIAL REVIEW

The Hansard Society made a surplus of £129,101 comprising surpluses of £124,098 and £5,004 in unrestricted funds and restricted funds respectively during 2015.

We continue to be funded from a wide range of sources including project-based funding from government departments, statutory bodies, public and private organisations. Project funders contributing over £5,000 in 2015 were the Cabinet Office, jointly the Department for International Development and Economic and Social Research Council, European Commission, House of Commons, UK Office of the European Parliament, City Bridge Trust.

Reserves

The total reserves of the Charity at 31 December 2015 were £376,302 (2014 £247,200). Unrestricted undesignated funds were £305,427 and designated funds nil. (2014 unrestricted undesignated £177,972, designated fund for fixed assets £3,357). Restricted funds totalled £70,875 (2014 £65,871).

Fixed Asset Fund

The Fixed Asset fund represents the net book value of unrestricted tangible fixed assets. Each year an amount is transferred to or from the fund representing the movement in net book value of unrestricted tangible fixed assets in the year. The net book value of assets at the year's end amounted to £nil (2014 £3,357)

Restricted Funding

The Hansard Society received £7,250 restricted funding in 2015 from City Bridge Trust and £26,888 from the European Commission.

PLANS FOR THE FUTURE

The Hansard Society's work is based on the belief that an effective parliamentary system is central to a successful democracy. In 2016 the Hansard Society will continue to build on its research work on improvements to the legislative process, procedural reform, and public attitudes to politics. It will particularly focus on developing its Statutory Instrument Tracker, and in preparing a new 'Future Parliament' programme of work linked to the restoration and renewal of the Palace of Westminster. The Society will continue to improve and diversify its education and training programmes for citizens of all ages to improve their understanding of, and engagement in, the parliamentary process.

Risk Assessment

The Society undertakes a risk analysis to assess any potential impact on our income, expenditure or our ability to carry out activities. The risk analysis is reviewed on a regular basis. Any changes in a risk rating, and updates on high-risk issues are reported to each Board meeting.

Eight high-risk items have been noted in the risk analysis:

- (i) Hansard Society Scholars programme – perceived risk of terrorism/war/on-going economic problems leading to a significant drop in numbers. In response we have developed a new website to showcase the Scholars programme offering and improve marketing of the courses in the USA and beyond. We continue to monitor enrolments and have begun to diversify the student base via new feeder institutions.
- (ii) Changes in Home Office regulations for international students. The situation is closely monitored to ensure the Society complies with all Home Office regulations. We retain our Tier 4 Sponsor status and are subject to annual review by the Quality Assurance Agency for Higher Education (QAA). We currently hold the highest rating available.
- (iii) Rise in dollar exchange rate resulting in rising costs to the Scholars programme and thus reduction in projected income. This is monitored throughout the year and an annual review of costs and the pricing structure is undertaken.
- (iv) Continued economic downturn impacting on Society wide activity (Scholar numbers / reduction in project funding etc.). The Society prepares budgets on a rolling three-year cycle that it reviews regularly to ensure any future commitments with cost implications are sustainable. Core staff and office costs have been reduced to a minimum whilst reserves have been rebuilt to a level that will facilitate future investment.

- (v) Inadequate non project-related funding. The Society is looking to diversify its core income streams, through new offerings on the Hansard Scholars Programme, and through the development of a new parliamentary training and Statutory Instrument monitoring initiative built out from our research work on the legislative process and provided under the 'Hansard Society Insight' brand.
- (vi) Permanent loss of key staff. The Society endeavours to mitigate the consequences of this risk by fostering opportunities for staff to take on new responsibilities and develop new skills, ensuring appropriate support and training is available. Following a recent review a sustainable staffing structure and remuneration policy has been put in place to retain staff and attract high quality new recruits.
- (vii) Temporary, unplanned loss of key staff (e.g. due to illness). Mitigation efforts include a knowledge management plan and an extensive network of contacts (e.g. via academic and retired parliamentary staff) that might be able to assist the Society on a short-term basis.
- (viii) Premises - risk of rent or service charge increase / termination of lease. This is monitored and we have regular engagement with the landlords.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

INDEPENDENT EXAMINERS

haysmacintyre resigned as auditors on 23 February 2016 and Murtaza Jessa of haysmacintyre was appointed as independent examiner.

APPROVAL

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.

This report was approved by the Trustees on

2016 and signed on its behalf, by:

.....
Lord Sharkey (Acting Chairman)

I report on the accounts of Hansard Society Limited for the year ended 31 December 2015, which are set out on pages 12-22.

Respective Responsibilities of Trustees and Examiner

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The Society's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5)b of the 2011 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 Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of 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.

Murtaza Jessa FCA
haysmacintyre
26 Red Lion Square
London WC1R 4AG

Date:

Statement of Financial Activities (incorporating income and expenditure account)

For the year ended 31 December 2015

	Note	Restricted Funds 2015 £	Unrestricted Funds 2015 £	Total Funds 2015 £	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total Funds 2014 £
Income from charitable activities							
Study and Scholars programme		-	477,420	477,420	-	359,300	359,300
Projects - research, education and events		34,138	158,480	192,618	28,862	211,551	240,413
Membership subscriptions		-	3,741	3,741	-	3,854	3,854
Publications		-	180,604	180,604	-	160,723	160,723
Other income		-	-	-	-	599	599
Total income from charitable activities		34,138	820,245	854,383	28,862	736,027	764,889
Donations and legacies	2	-	1,721	1,721	-	10,527	10,527
Other trading activities - rent receivable		-	20,755	20,755	-	-	-
Income from investments	3	-	1,359	1,359	-	1,336	1,336
Total Income		34,138	844,080	878,218	28,862	747,890	776,752
Charitable expenditure							
Study and Scholars programme		-	493,121	493,121	-	380,196	380,196
Projects - research, education and events		32,371	211,959	244,330	76,303	296,748	373,051
Publications		-	11,665	11,665	-	3,862	3,862
Total Expenditure on charitable activities	4	32,371	716,745	749,116	76,303	680,807	757,109
Net income/ (expenditure) before transfers		1,767	127,335	129,102	(47,441)	67,084	19,643
Transfers between funds		3,237	(3,237)	-	8,529	(8,529)	-
Movement in funds		5,004	124,098	129,102	(38,912)	58,555	19,643
Total funds at 1 January 2015		65,871	181,329	247,200	104,783	122,774	227,557
Total funds at 31 December 2015		70,875	305,427	376,302	65,871	181,329	247,200

The Statement of Financial Activities includes all gains and losses recognised in the year. All amounts are from continuing activities.

The notes on pages 15 to 22 form part of these accounts.

Hansard Society Ltd
Balance Sheet
As at 31 December 2015

		2015		2014	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	7		-		3,357
CURRENT ASSETS					
Debtors	8	156,220		203,472	
Cash at bank		513,609		393,606	
		<u>669,829</u>		<u>597,078</u>	
Creditors: amounts falling due within one year	9	(293,528)		(353,235)	
Net current assets			376,302		243,843
NET ASSETS			<u>376,302</u>		<u>247,200</u>
CHARITY FUNDS					
Restricted funds	13		70,875		65,871
Unrestricted funds:					
Designated funds	13		-		3,357
General funds	13		305,427		177,972
			<u>376,302</u>		<u>247,200</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on _____ by:

Lord Sharkey - Acting Chair

Roshana Arasaratnam - Treasurer

The notes on pages 15 to 22 form part of these financial statements

Hansard Society Ltd
Statement of Cash Flow
For the year ended 31 December 2015

	2015 £	2014 £
Reconciliation of net income to net cash-flow from operating activities		
Net income for the reporting period	129,102	19,643
Adjustments for:	-	-
Depreciation	3,356	3,356
Decrease / (increase) in debtors	47,252	(25,015)
Increase / (decrease) in creditors	(59,707)	(16,899)
Interest received	(1,359)	(1,335)
Net cash provided by operating activities	118,644	(20,250)
Cash flows from investments		
Interest received	1,359	1,336
Purchase of fixed assets	-	(6,713)
Net cash inflow (outflow) from investments	1,359	(5,377)
Change in cash and cash equivalent in the reporting period	120,003	(25,627)
Cash at start of year	393,606	419,233
Cash at end of year	513,609	393,606
Analysis of cash and cash equivalents		
Cash at bank and in hand	513,609	393,606
Notice deposits over 3 months	-	-
Total cash and cash equivalent	513,609	393,606

1 Accounting Policies

The principal accounting policies adopted, judgement and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

1.1 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.

1.2 Company Status

The Charity is a company limited by guarantee. The members of the company include the Trustees named on page 1. 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 consider that there are no material uncertainties about the Charity's ability to continue as a going concern. With respect to the next reporting period 2016, the most significant areas of uncertainty are Scholars enrolments. The review of our financial position, reserve levels and future plans give the Trustees confidence that the Charity remains a going concern.

1.3 Reconciliation with Previous Generally Accepted Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required immaterial amount arising from a liability for holiday pay. No restatement of items has been required in making the transition to FRS 102. The transition date was 1 January 2014.

1.4 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 cost of raising and administering 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.

Accounting Policies (continued)

1.5 Income

All income 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 in incoming resources of restricted funds when receivable.

1.6 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. 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.

1.7 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 cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office and computer Equipment 2 years straight line

Accounting Policies (continued)

1.8 Employee Benefits

Short-term benefits

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

Termination benefits

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

Pension scheme

The Charity operates two defined contribution pension schemes, the assets of which are administered by Scottish Widows and AJ Bell Youinvest . 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.

1.9 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.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 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.

1.12 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 normally recognised at their settlement amount after allowing for any trade discounts due.

2 DONATIONS AND LEGACIES

	2015	2014
	£	£
Legacy	-	10,000
Donations	1,721	527
	<u>1,721</u>	<u>10,527</u>

3 INVESTMENT INCOME

Interest receivable	<u>1,359</u>	<u>1,336</u>
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4 EXPENDITURE ON CHARITABLE ACTIVITIES
2015

	Direct staff costs	Other direct costs	Support costs	Total
Study and Scholars	109,098	247,610	136,413	493,121
Projects - research and education inc events	92,672	73,267	78,391	244,330
Publications	2,383	6,301	2,980	11,664
	<u>204,154</u>	<u>327,178</u>	<u>217,784</u>	<u>749,116</u>

2014

Study and Scholars	113,068	195,679	71,449	380,196
Projects - research and education inc events	182,997	98,161	91,893	373,051
Publications	1,709	1,073	1,080	3,861
	<u>297,774</u>	<u>294,913</u>	<u>164,422</u>	<u>757,109</u>

5 ANALYSIS OF SUPPORT COSTS
2015

	Study and Scholars	Projects inc events	Publications	Total
Staff costs	50,552	29,050	1,104	80,706
Premises, equipment and depreciation	64,716	37,189	1,414	103,319
Stationery, post and phone	6,514	3,744	142	10,400
Information, research and communications	2,872	1,650	63	4,585
Governance	690	396	15	1,101
Other	11,070	6,361	242	17,673
	<u>136,413</u>	<u>78,391</u>	<u>2,980</u>	<u>217,784</u>

5 ANALYSIS OF SUPPORT COSTS (continued)
2014

	Study and Scholars	Projects inc events	Publications	Total
Staff costs	31,656	40,710	478	72,845
Premises, equipment and depreciation	23,738	30,528	359	54,625
Stationery, post and phone	3,398	4,369	51	7,818
Information, research and communications	2,229	2,867	34	5,129
Governance	3,844	4,943	58	8,845
Other	6,584	8,476	100	15,159
	<u>71,449</u>	<u>91,893</u>	<u>1,080</u>	<u>164,422</u>

6 NET INCOME

This is stated after charging:

	2015 £	2014 £
Auditors' remuneration - audit services - net of VAT	-	7,000
Independent examiner's charges - net of VAT	1,500	-
Pension costs	<u>16,440</u>	<u>21,370</u>

7 TANGIBLE FIXED ASSETS

	Computer and office equipment £
Cost	
At 1 January 2015	6,713
Additions in year	-
At 31 December 2015	<u>6,713</u>
Depreciation	
At 1 January 2015	3,356
Charge for year	<u>3,356</u>
At 31 December 2015	<u>6,713</u>
Net book value	
31 December 2015	-
1 January 2015	<u>3,356</u>

8 DEBTORS

	2015 £	2014 £
Due within one year		
Trade debtors	22,396	48,412
Prepayments	112,566	101,440
Grants and contracts receivable	20,258	53,570
Other debtors	<u>1,000</u>	<u>50</u>
	<u>156,220</u>	<u>203,472</u>

9	CREDITORS	2015	2014
	Due within one year	£	£
	Trade creditors	9,968	72,661
	Social security and other taxes	6,331	18,888
	Accruals	38,041	35,141
	Other creditors	19,856	6,863
	Deferred income (see note 10 below)	219,332	219,682
		<u>293,528</u>	<u>353,235</u>

10	DEFERRED INCOME	2015	2014
		£	£
	Balance at start of year	219,682	225,183
	Amount released to income	(219,682)	(225,183)
	Amount deferred in the year	219,332	219,682
	Balance at end of year	<u>219,332</u>	<u>219,682</u>

Deferred income relates to grants and contract income for 2016 as well as income for courses taking place in 2016.

11	STAFF COSTS AND NUMBERS	2015	2014
		£	£
	Staff costs were as follows:		
	Wages and salaries	246,075	320,283
	Social security costs	22,344	28,968
	Pension costs	16,441	21,370
		<u>284,860</u>	<u>370,621</u>

The average number of full-time equivalent employees during the year was as follows:

	No.	No.
Study and Scholars programme	3	3
Research and Education programmes	2	4
Others	2	3
	<u>7</u>	<u>10</u>

No employee received more than £50,000 during 2015 or 2014.

12 KEY MANAGEMENT PERSONNEL

The key management personnel comprises the Senior Management Team. Their total remuneration, benefits and pensions in the year was £123,362 (2014 £135,688).

13 STATEMENT OF FUNDS

	Brought forward	Income	Expenditure	Transfers in / (out)	Carried forward
	£	£	£	£	£
Designated fund					
Fixed asset fund	3,357	-	-	(3,357)	-
General fund	177,972	844,080	(716,745)	120	305,426
Total	<u>181,329</u>	<u>844,080</u>	<u>(716,745)</u>	<u>(3,237)</u>	<u>305,426</u>

The fixed asset fund represents the value of unrestricted tangible fixed assets.

Restricted funds

People to Parliament	11,357	7,250	-	-	18,607
Sense4us	54,514	26,888	(32,371)	3,237	52,268
Total	<u>65,871</u>	<u>34,138</u>	<u>(32,371)</u>	<u>3,237</u>	<u>70,875</u>

People to Parliament is funded by the City Bridge Trust and Sense4us by the European Commission.

Summary of funds

Unrestricted	181,329	844,080	(716,745)	(3,237)	305,426
Restricted	65,871	34,138	(32,371)	3,237	70,875
	<u>247,200</u>	<u>878,218</u>	<u>(749,116)</u>	<u>-</u>	<u>376,301</u>

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds	Unrestricted funds	Total
	£	£	£
Tangible fixed assets	-	-	-
Current assets	70,875	598,955	669,829
Creditors due within one year	-	(293,528)	(293,528)
	<u>70,875</u>	<u>305,427</u>	<u>376,302</u>

15 PENSION COMMITMENTS

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 £16,441 (2014 £21,370). Contributions totalling £1,236 (2014 2,304) were payable to the fund at the balance sheet date and are included in creditors.

16 OPERATING LEASE COMMITMENTS

At 31 December the company had future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
Within 1 year	56,680	56,680
Between 2 and 5 years	226,720	226,720
Over 5 years	19,838	76,518

17 RELATED PARTY TRANSACTIONS

No Trustee received any remuneration or benefits in kind in either 2015 or 2014.

Reimbursed Trustee travel expenses amounted to £272 (2014 - nil).

There were no related party transactions in 2015 and just one, £7,800 + VAT to YouGov for online research in February 2014.