



HANSARD SOCIETY

PROMOTING DEMOCRACY • STRENGTHENING PARLIAMENT

Annual Report & Audited Accounts

31 December 2012

**Chair of Board of Trustees
*Lord Grocott***

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

**Registered Charity number: 1091364
Registered Company Number: 04332105**

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Hansard Society Limited

Legal and administrative information

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

Auditors

haysmacintyre, Fairfax House, 15 Fulwood Place, London, WC1V 6AY

Hon. Officers

Lord Grocott (Chair)
Roshana Arasaratnam (Hon Treasurer)

Co-Presidents:

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

Vice Presidents:

Rt Hon David Cameron MP
Rt Hon Nick Clegg MP
Rt Hon Ed Miliband MP

Board of Trustees:

Rt Hon Peter Riddell CBE (<i>resigned June 2012</i>)	Lord Grocott (<i>Chair appointed June 2012</i>)
Roshana Arasaratnam (<i>Hon Treasurer</i>)	Dianne Bevan
Edward Bickham	Baroness Jay (<i>appointed June 2012</i>)
Peter Kellner (<i>appointed June 2012</i>)	Peter Knowles
Dr Sheena McDonald	Gerald Shamash
Lord Sharkey	Graeme Trayner

Members of Council:

Lord Allan	Laurence Bard (<i>resigned June 2012</i>)
Mark D'Arcy	Paul Evans
Professor Ivor Gaber	Oonagh Gay
Gavin Grant	Professor Robert Hazell CBE (<i>resigned June 2012</i>)
Amelia Knott	Rt Hon Andrew Lansley CBE MP (<i>vice chair</i>)
Dr Joyce McMillan	Dr Floyd Millen
Austin Mitchell MP	Professor the Lord Norton of Louth
Lord Puttnam CBE (<i>vice chair</i>)	Matthew Seward
Bill Thomson	Lord Tyler of Linkinhorne (<i>vice chair</i>)
Aileen Walker	

Hansard Society Limited

Trustees Report For the year ended 31 December 2012

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 2012. 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 2005.

Structure and Governance

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum 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 Director and Senior Management Team. The Board of 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 years. The Board of Trustees are also members of the Advisory Council. Only members of the Society are eligible to be appointed to the Advisory Council. The Advisory Council provide guidance on the Charity's activities but are not responsible for the governance of the Charity.

New Trustees and Advisory Council members 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 Advisory Council met three times during the year and the Board of Trustees six times. New Trustees are provided with a broad range of information about the Hansard Society including copies of the last year of Advisory Council papers, publications and background information on the organisation. New Trustees are given an induction meeting with the Chair and Director to discuss particular areas of work and then follow up on these areas, in some cases with other members of staff.

All staff who are in direct contact with children and young people are required to undertake Disclosure and Barring Service (DBS) checks.

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 join the Society as Parliamentary Patrons. Organisations, companies or institutions 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

The Hansard Society is the UK's leading non-partisan political research and education think tank. At the heart of our work is the principle that civic society is most effective when its citizens are connected with the institutions and individuals who represent them in the democratic process.

Public Benefit statement

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

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, '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 ongoing 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 Holyrood 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 discounts to journal subscriptions 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.

Hansard Society Limited

Trustees Report (continued) For the year ended 31 December 2012

Main objectives for the year

In 2012 the Hansard Society focused on:

- Examining public attitudes towards politics and considering how engagement between the public and our democratic structures can be enhanced.
- Undertaking high quality rigorous research to develop challenging but realistic policy recommendations to reform Parliament, looking at the legislative, scrutiny and constitutional processes that govern our democracy and the organisation and infrastructure of Parliament as an institution.
- Delivering a series of public and private events to stimulate engagement in democracy and to provide opportunity for debate on formal political processes.
- Providing people of all ages with the opportunity to learn about parliamentary democracy and the ways in which they can get involved, to improve their understanding of, and engagement in, the political process.

Strategies for achieving objectives

To achieve these objectives the core activities are carried out by three main programmes of work.

Research

Research - undertakes high-level research to stimulate reform of political institutions and the law-making process, and looks at new ways to enhance engagement between the public and our political institutions and individuals who represent them.

Education

Citizenship Education - carries out practical, ground level work with young people and teachers to broaden understanding, knowledge and participation in the political system.

Study and Scholars

Study and Scholars - runs one of the most prestigious educational courses on British politics. Primarily for overseas students, the course takes place at the London School of Economics and Political Science, and provides an ideal opportunity for those who wish to experience both academic and hands-on experience in the political process.

ACHIEVEMENTS AND PERFORMANCE

The Hansard Society carried out a wide range of activities during 2012 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; activities for young people and resources for teachers; 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:

Examining public attitudes towards politics and considering how engagement between the people and our democratic structures can be enhanced.

Activities:

- *Audit of Political Engagement 9, Part One* – the only annual health check on our democracy, providing a unique benchmark to gauge public opinion across Great Britain with regard to the political system.
- *Parliaments and Public Engagement: Innovation and Good Practice from Around the World* - highlights examples of innovative and potentially transferable good practice in the fast developing field of parliamentary public engagement.
- *What next for e-petitions?* – examines the problems with the current e-petitions system and sets out an agenda for reform to improve the quality of public engagement and embed the system better in parliamentary processes.
- *Audit of Political Engagement 9, Part Two* – focuses on public attitudes to politics and the media.

Objective:

Undertaking high quality rigorous research to develop challenging but realistic policy recommendations to reform Parliament, looking at the legislative, scrutiny and constitutional processes that govern our democracy and the organisation and infrastructure of Parliament as an institution.

Activities:

- *Parliamentary Affairs* - four issues published during 2012 by Oxford University Press – a peer-reviewed, academic quarterly combining the latest academic research with topical essays by practitioners about major political and parliamentary developments in the UK and around the world.
- Evidence submitted to parliamentary Committees including: House of Commons Administration Committee, House of Commons Liaison Committee, House of Commons Political & Constitutional Reform Committee and the House of Commons Procedure Committee.
- Evidence submitted to the Leveson Inquiry into the Culture, Practice and Ethics of the Press.
- *Delegated Legislation* – a study exploring how and why decisions have been made by successive governments about the use of delegated legislation to enact their policy objectives and whether the current architecture of parliamentary scrutiny is fit for purpose.
- *Year in the Life* – a study exploring the experiences of new members of the House of Commons, the National Assembly for Wales and the Scottish Parliament.

Objective:

Delivering a series of public and private events to stimulate engagement in democracy and to provide opportunity for debate on formal political processes.

Activities:

- *Parliamentary Affairs Lecture* – Tom Watson MP gave a lecture on Parliament and the phone hacking scandal and Parliament's relationship with the media.
- *Should Lobbying be Transparent?* – An event to highlight the Government's consultation paper, introducing a Statutory Register of Lobbyists.
- *Austerity and the Environment* – Dr Caroline Lucas gave the Hansard Society/Political Studies Association annual lecture.
- *Semantic Polling: The Ethics of Public Opinion Polling* - an invitation-only workshop in collaboration with the London School of Economics Media Policy Project.
- *The value of crowd sourcing in policy-making* – in collaboration with WeGov. A panel considered the value of politicians tracking online discussions over Twitter and Facebook..
- Parliament Week – *Dickens and Parliament*, bicentenary of the birth of Charles Dickens, panel discussion considering Dickens' early work and his thoughts on the parliamentary process.

Activities:

- *Chasing the Digital Wave: International lessons for the UK 2015 Election Campaign* – A panel of leading academics and practitioners discussed how politicians from around the world have used digital technology to enhance their campaigns and how this has impacted on elections.

Hansard Society Limited

Trustees Report (continued) For the year ended 31 December 2012

Objective:

Providing people of all ages with the opportunity to learn about parliamentary democracy and the ways in which they can get involved, to improve their understanding of, and engagement in, the political process.

Activities:

- Parliament Week – *Young People’s Question Time*. A panel of MPs debated questions put to them by an audience of young people.
- *Growing Pains? Young People’s Attitudes to Politics* – Panel discussion considering young people’s attitudes to politics.
- *Five HeadsUp* (www.headsup.org.uk) online forums (and associated reports) to enable young people and parliamentarians to debate political issues online.
- 72 international scholars took part in the Hansard Scholars Programme in 2012 from a diverse range of countries.
- *Lords of the Blog* - a ‘blog’ space for members of the House of Lords to write about their specialist areas of policy interest and talk about life and work in the Upper House. It helps to broaden knowledge and understanding of the work of the House and encourages dialogue between peers and the public.
- *Parliament Revealed* - an online resource providing parliamentarians, parliamentary officials, students and many others in emerging democracies with a way to learn more about how the UK’s parliamentary system works.
- *People to Parliament* - a democracy training programme, providing the leaders of Black and Minority Ethnic communities in London with the knowledge and skills they need to get involved in the parliamentary process and connect with key decision-makers.

VISITING ACADEMIC FELLOWS SCHEME

The visiting academic fellows’ scheme was established to enable self-funded scholars to utilise the resources of the Hansard Society while carrying out their own research. It is intended to provide an environment to support and encourage academics researching in the areas of British politics and parliamentary democracy. Visiting fellows are encouraged to contribute to the Society’s research and education activities throughout the year.

VOLUNTEERS

Like many other charities, the Hansard Society is fortunate in that it has a number of volunteer interns who assist us in our work. Each programme may offer voluntary internships during the course of the year to contribute to the work of the Society and to enable interns to demonstrate their skills in a professional environment, and get a taste of what it is like to work for a charity in the research and education field. During 2012, 11 interns assisted the Society. Interns are offered repayment for their travel expenses and contribution towards their lunch expenses.

FINANCIAL REVIEW

The Hansard Society made a surplus of £16,379 as at 31 December 2012. No significant growth is planned by the Trustees for 2013.

We continue to be funded from a wide range of sources including project-based funding from government departments, statutory bodies, public and private organisations.

Reserves policy

The Trustees have reviewed the requirement for free reserves which are those funds not invested in fixed assets or otherwise committed. Based on their review they consider they need three months of operating expenditure. This is approximately £221,000. As at 31 December 2012, free reserves amounted to £88,394. The Trustees are looking at ways of increasing the levels of free reserves.

Hansard Society Limited

Trustees Report (continued) For the year ended 31 December 2012

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 £1.

Removal and Reorganisation Fund

The Trustees had set up a removal and reorganisation fund to plan for the future premises move. At the beginning of the year this was £20,000. The Society moved offices in June 2012 and the complete balance of this fund was spent.

Restricted Funding

The Hansard Society received £97,534 restricted funding in 2012 for the Education and Research Programmes of which £18,935 remained unspent at the end of the year.

PLANS FOR THE FUTURE

The Hansard Society's work is based on the belief that the health of representative democracy rests on the foundation of a strong Parliament and an informed and engaged citizenry. To this end, in 2013 the Society will continue to develop a range of innovative research and education initiatives to benchmark and explore public attitudes to our democracy, to strengthen parliamentary institutions and procedures, and to improve public understanding of, and engagement in, the political process. We will be organising a range of public events on topical issues, providing a non-partisan forum for the exchange of ideas about our democratic future. The Society will also focus on developing plans to mark its 70th anniversary in 2014 and institute a new core fund-raising strategy to broaden the charity's financial support base.

Risk Assessment

The Society undertakes an annual 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.

Seven high risk items have been noted in the risk analysis:

- (i) Scholars Programme – continued economic downturn, threats of terrorism and war will impact on number of students enrolling for the Scholars Programme. This has prompted us to diversify the programme structures on offer.
- (ii) Change in Home Office regulations for international students. The situation is being closely monitored to ensure the Society complies with all Home Office regulations.
- (iii) The Postgraduate programme has been suspended for 2013 due to UKBA visa rule changes; the Society hopes to reinstate the programme in 2014 after partnership with a degree granting institution has been established.
- (iv) Inadequate non project-related funding. The senior management team are reviewing the fundraising strategy including ways in which to increase the membership and supporter base, develop a legacy programme, augment the corporate supporter scheme, as well as expanding our Scholars Programme.

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Trustees Report (continued) For the year ended 31 December 2012

Risk Assessment

- (v) Continued economic downturn. Cost saving measures were identified and implemented in 2012.
- (vi) Loss of key staff. In December 2012 the Chief Executive left her position and a decision was taken that the CEO role would not be replaced. The Board asked the society's Director of Research, whilst continuing her role, to take on the additional leadership responsibilities exercised by the outgoing CEO in a new combined position as Director and Head of Research. The Society endeavours to mitigate the potential risks associated with a loss of staff by ensuring appropriate support and skills training is available and that knowledge of project development is shared across the staff team.
- (vii) Change in membership of Board/Council. The Society is currently recruiting for additional Trustees. Succession planning is ongoing.

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 audit information of which the charitable company's auditors are unaware; and
- Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Hansard Society Limited

Trustees Report (continued)
For the year ended 31 December 2012

AUDITORS

A resolution proposing the reappointment of haysmacintyre as auditors of the Company will be put to the Annual General Meeting.

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 14 May 2013 and signed on its behalf, by:

.....
Lord Grocott
Chair

We have audited the financial statements of the Hansard Society for the year ended 31 December 2012 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

.....
Murtaza Jessa (Senior Statutory Auditor)
for and on behalf of haysmacintyre, Statutory Auditor
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

Date:

Hansard Society Limited

Statement of Financial Activities for the year ended 31 December 2012 (incorporating income and expenditure account)

	Note	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Incoming Resources					
<i>Incoming resources from charitable activities</i>					
Study and Scholars programme		-	592,890	592,890	599,684
Research programme		75,559	111,697	187,256	166,712
dDemocracy programme		-	-	-	21,494
Education programme		21,975	54,619	76,594	102,646
Membership subscriptions		-	3,082	3,082	3,776
Publications		-	164,195	164,195	165,797
Conferences & Meetings	2	-	9,872	9,872	6,379
Other income		-	455	455	-
<i>Total incoming resources from charitable activities</i>		97,534	936,810	1,034,344	1,066,488
<i>Incoming resources from generated funds</i>					
Voluntary income and core funding	3	-	930	930	1,168
<i>Activities for generating funds:</i>					
Investment income	4	-	2,523	2,523	1,811
Total incoming resources		97,534	940,263	1,037,797	1,069,467
Resources Expended					
<i>Charitable activity costs</i>					
Study and Scholars programme		-	485,496	485,496	498,897
Research programme		86,353	187,234	273,587	223,368
dDemocracy programme		-	-	-	150,247
Education programme		11,040	177,441	188,481	196,029
Publications		-	7,967	7,967	12,510
Conferences & Meetings		-	45,288	45,288	29,435
<i>Total charitable activity costs</i>	5	97,393	903,426	1,000,819	1,110,486
Governance costs	7	-	20,599	20,599	26,383
Total resources expended		97,393	924,025	1,021,418	1,136,869
Net income/(deficit) before transfers		141	16,238	16,379	(67,402)
Transfers between funds		2,299	(2,299)	-	-
Net income/(deficit) after transfers		2,440	13,939	16,379	(67,402)
Total funds at 1 January 2012		16,495	74,455	90,950	158,352
Total funds at 31 December 2012		18,935	88,394	107,329	90,950

The Statement of Financial Activities includes all gains and losses recognised in the year.
All amounts are from continuing activities.
The notes on pages 14 to 22 form part of these financial statements.

Hansard Society LimitedBalance Sheet
As at 31 December 2012

Company number: 4332105

	Note	£	2012	£	2011	£
FIXED ASSETS						
Tangible fixed assets	9			1		1
CURRENT ASSETS						
Stocks		-			1,000	
Debtors	10	175,030			325,967	
Cash at bank		440,313			315,283	
					<u>642,250</u>	
Creditors: amounts falling due within One year	11	(508,015)			(551,301)	
				107,328		90,949
NET ASSETS						
				<u>107,329</u>		<u>90,950</u>
CHARITY FUNDS						
Restricted funds	14		18,935			16,495
Unrestricted – designated funds	14		1			20,001
Unrestricted – general funds	14		88,393			54,454
	14		<u>107,329</u>			<u>90,950</u>

The financial statements have 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

.....
Lord Grocott - Chair

.....
Roshana Arasaratnam - Treasurer

The notes on pages 14 to 22 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" issued in 2005, applicable accounting standards and the Companies Act 2006.

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.

1.3 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 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.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. 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.

1.5 Resources expended

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.

1. Accounting policies (continued)

1.5 Resources expended (continued)

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity.

Governance costs are those 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.

1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. 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 Equipment	-	2 years straight line
Computer Equipment	-	2 years straight line

1.8 Pensions

The Charity operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Charity to the funds in respect of the year.

2. CONFERENCES AND MEETINGS

	Total Funds 2012 £	Total Funds 2011 £
Corporate support/business breakfasts	6,917	5,917
Lectures	1,705	-
Other	1,250	462
	<hr/>	<hr/>
Total	9,872	6,379
	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements (continued)
For the year ended 31 December 2012

3. VOLUNTARY INCOME AND CORE FUNDING				Total Funds 2012 £	Total Funds 2011 £
Donations				930	1,168
Total				930	1,168
4. INVESTMENT INCOME				Total Funds 2012 £	Total Funds 2011 £
Interest receivable				2,523	1,811
5. RESOURCES EXPENDED				2012 £	2011 £
	Direct staff Costs £	Other direct Costs £	Support Costs £		
Charitable activities					
Study and Scholars programme	109,625	274,422	101,449	485,496	498,897
Research programme	104,182	72,993	96,412	273,587	223,368
dDemocracy programme	-	-	-	-	150,247
Education programme	87,942	19,156	81,383	188,481	196,029
Publications	3,203	1,800	2,964	7,967	12,510
Conferences and meetings	23,480	77	21,731	45,288	29,435
Total	328,432	368,448	303,939	1,000,819	1,110,486

Hansard Society Limited

Notes to the Financial Statements

For the year ended 31 December 2012

6. ANALYSIS OF SUPPORT COSTS

	Study and				Conference	Total		2012	2011
	Scholars	Research	Education	Publication	and Meetings	Charitable	Governance	£	£
	£	£	£	£	£	Activities	£		
						£			
Staff costs	42,896	40,766	34,412	1,253	9,188	128,515	2,361	130,876	184,812
Premises & equipment	45,400	43,146	36,420	1,327	9,724	136,017	2,498	138,515	116,570
Stationery, postage & books	4,443	4,222	3,564	130	952	13,311	244	13,555	9,337
Information & research/communication	2,389	2,270	1,916	70	512	7,157	131	7,288	5,289
Other costs	6,321	6,008	5,071	184	1,355	18,939	348	19,287	44,429
Total	<u>101,449</u>	<u>96,412</u>	<u>81,383</u>	<u>2,964</u>	<u>21,731</u>	<u>303,939</u>	<u>5,582</u>	<u>309,521</u>	<u>360,437</u>

Notes to the financial statements (continued)
For the year ended 31 December 2012

7. GOVERNANCE COSTS	Total Funds 2012 £	Total Funds 2011 £
Staff costs	6,031	8,705
Other costs	1,147	1,479
Auditor's remuneration	7,840	8,022
Support costs	5,582	8,177
Total	<u>20,599</u>	<u>26,383</u>
8. NET INCOMING RESOURCES	2012 £	2011 £
This is stated after charging:		
Auditor's remuneration – audit services	7,839	8,022
Pension costs	27,032	32,153
	<u> </u>	<u> </u>
No trustee received any remuneration, benefits in kind or any reimbursements during the year (2011: £Nil).		
9. TANGIBLE FIXED ASSETS	Computer Equipment £	Total £
Cost		
At 1 January 2012 and 31 December 2012	10,843	10,843
	<u> </u>	<u> </u>
Depreciation		
At 1 January 2012 and 31 December 2012	10,842	10,842
	<u> </u>	<u> </u>
Net Book Value		
At 31 December 2012	1	1
	<u> </u>	<u> </u>
At 31 December 2011	1	1
	<u> </u>	<u> </u>
10 DEBTORS	2012 £	2011 £
Due within one year		
Trade debtors	82,650	203,543
Other debtors	607	463
Prepayments	91,773	120,628
Grants receivable	-	1,333
	<u>175,030</u>	<u>325,967</u>

Notes to the financial statements (continued)
For the year ended 31 December 2012

11. CREDITORS: amounts falling Due within one year	2012 £	2011 £
Trade creditors	51,897	39,491
Social security and other taxes	55,124	22,508
Other creditors	6,940	6,998
Accruals	34,222	117,811
Deferred income (see note below)	359,832	364,493
	<u>508,015</u>	<u>551,301</u>

12. DEFERRED INCOME	2012 £	2011 £
Balance at start of year	364,493	247,646
Amount released to incoming resources	(364,493)	(247,646)
Amount deferred in the year	359,832	364,493
	<u>359,832</u>	<u>364,493</u>

Deferred income relates to grants and contract income for 2013 as well as income for courses taking place in 2013.

13. STAFF COSTS AND NUMBERS	2012 £	2011 £
Staff costs were as follows:		
Wages and salaries	398,227	489,397
Social security costs	40,080	46,943
Pension costs	27,032	32,153
	<u>465,339</u>	<u>568,493</u>

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

	No.	No.
Study and Scholars programme	3	3
Research programme	2	2
Digital Democracy programme	-	2
Education programme	2	2
Other programmes	4	4
	<u>11</u>	<u>13</u>

One employee received remuneration of between £50,000 and £60,000 and associated employer's pension contributions were £3,520.

In 2011 one employee received between £60,000 & £70,000 and associated employer's pension contributions were £4,565.

Notes to the financial statements (continued)
For the year ended 31 December 2012

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Designated funds					
Fixed Asset Fund	1	-	-	-	1
Removal and reorganisation fund	20,000	-	-	(20,000)	-
	<u>20,001</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>1</u>
General funds					
General Funds	54,454	940,263	(924,025)	17,701	88,393
Total Unrestricted Funds	<u>74,455</u>	<u>940,263</u>	<u>(924,025)</u>	<u>(2,299)</u>	<u>88,394</u>

The Fixed Asset Fund represents the net book value of unrestricted tangible fixed assets. Details of the Removal and Reorganisation Fund are set out in the Trustees' report

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried Forward £
Restricted funds					
Research programme					
- Delegated Legislation (Nuffield)	16,082	45,799	(49,596)	(4,284)	8,001
- Anti politics (ESRC)	413	29,761	(36,757)	6,583	-
Education programme					
- City Bridge Trust	-	21,974	(11,040)	-	10,934
Total	<u>16,495</u>	<u>97,534</u>	<u>(97,393)</u>	<u>2,299</u>	<u>18,935</u>

The various programmes are described more fully in the Review of Activities and the Major Programmes of Work part of the Trustees' Report.

Summary of funds	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers In/(out) £	Carried Forward £
Designated funds	20,001	-	-	(20,000)	1
General funds	54,454	940,263	(924,025)	17,701	88,393
	<u>74,455</u>	<u>940,263</u>	<u>(924,025)</u>	<u>(2,299)</u>	<u>88,394</u>
Restricted funds	16,495	97,534	(97,393)	2,299	18,935
Total of funds	<u>90,950</u>	<u>1,037,797</u>	<u>(1,021,418)</u>	<u>-</u>	<u>107,329</u>

Notes to the financial statements (continued)
For the year ended 31 December 2012

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Tangible fixed assets	-	1	1	1
Current assets	18,935	596,408	615,343	642,250
Creditors due within one year	-	(508,015)	(508,015)	(551,301)
Total	<u>18,935</u>	<u>88,394</u>	<u>107,329</u>	<u>90,950</u>

16. PENSION COMMITMENTS

The Society operated defined contribution schemes for some of its employees making a contribution of 7% of the gross salary. 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 £27,032 (2011 - £32,152). Contributions totalling £2,364 (2011 - £2,134) were payable to the fund at the balance sheet date and are included in creditors.

17. OPERATING LEASE COMMITMENTS

At 31 December 2012, the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2012 £	2011 £
Expiry date:		
Within 1 year	-	35,610
Between 1 and 5 years	56,680	-
After more than 5 years	-	-
	<u>56,680</u>	<u>35,610</u>