



Trustees' Report and Financial Statements

For the year ended 31 December 2007

A Charitable Company Limited by Guarantee
Registered company number 04332105
Charity Number (England and Wales) 1091364
Charity registered in Scotland SCO38498

Hansard Society, 40-43 Chancery Lane, London, WC2A 1JA

www.hansardsociety.org.uk Telephone: 020 7438 1222

HANSARD SOCIETY LIMITED
For the year ended 31 December 2007

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HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

Legal and administrative information

Hon. Officers

President: Rt Hon Michael Martin MP

Vice Presidents: Rt Hon Gordon Brown MP
Rt Hon David Cameron MP
Rt Hon Sir Menzies Campbell QC MP

Trustees

Chairman: Rt Hon Lord Holme of Cheltenham (until 19/06/2007)
Peter Riddell* (elected 19/06/2007)

Vice Chairs: Nick Clegg MP
Baroness Gould of Potternewton* (until 19/06/2007)
Andrew Lansley CBE MP (elected 19/06/07)
Kate Jenkins*
Rt Hon Sir George Young Bt MP (until 19/06/2007)
The Lord Puttnam CBE (elected 19/06/2007)

Hon. Treasurer: Wilf Weeks OBE* (until 19/06/2007)
John Sharkey* (elected 19/06/2007)

Members of Council: Richard Allan
Roshana Arasaratnam* - Assistant Honorary Treasurer
John Bercow MP (elected 19/06/2007)
Diane Bevan
Rob Clements
Hilton Dawson
Paul Evans
Oonagh Gay
Elinor Goodman
Professor Robert Hazell CBE
Andrew Lansley CBE MP (until 19/6/2007)
Joyce McMillan
Floyd Millen
Austin Mitchell MP
Jan Newton OBE*
Professor the Lord Norton of Louth
Gerald Shamash*

* Members of the Executive Committee who are the trustees of the charity.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

Legal and administrative information

Chief Executive Clare Ettinghausen (until 27/04/2007)
Fiona Booth (from 30/04/2007)

Company Registered Number 04332105

Charity Registered Number
England and Wales 1091364
Scotland SCO38498

Registered Office 40 - 43 Chancery Lane
London
WC2A 1JA

Auditors haysmacintyre
Chartered Accountants
Registered Auditors
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Bankers National Westminster Bank
65 Aldwych
London
WC2B 4EJ

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

Report of the Board of Trustees

The Trustees of the Charity (who are the Directors of the Charity for company law purposes) submit their annual report and the financial statements of Hansard Society Limited (the Charity) for the year ended 31 December 2007. 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 (the Executive Committee). The management of the Society is the responsibility of the Executive Committee who are elected and co-opted under the terms of the Articles of Association. The Executive Committee are also members of the Advisory Council. Only members of the Society are eligible to be appointed to the Advisory Council. The Chairman and Treasurer are appointed on a yearly basis at the annual general meeting. Other Advisory Council Members 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 Council met three times during the year and the Executive Committee five times. New trustees are provided with a broad range of information about the Hansard Society including copies of the last year of Council papers, publications and background information on the organisation and the way it works. New Trustees are given an induction meeting with the Chair and Chief Executive 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 Criminal Record Bureau (CRB) checks.

Related Party Notes

Professor the Lord Norton of Louth is a member of the Hansard Society Council. He is not a member of the Executive Committee (Trustee). Lord Norton received £3,000 for services as the Director of Studies for the Hansard Society Scholars Programme.

Kate Jenkins is a member of the London School of Economics Court of Governors and a member of the Hansard Society Executive Committee (Trustee). The Hansard Society paid the London School of Economics £7,883 for services delivered as part of the Hansard Society Scholars Programme, IT and printing services. Kate Jenkins abstains from any contractual decisions made by the Trustees concerning the London School of Economics.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

Amended Articles of Association

At the 2007 Annual General Meeting a resolution was presented and approved by members of the Hansard Society to amend the Society's Articles of Association to read,

'Throughout this memorandum and articles of association a 'charitable purpose' is a purpose that is regarded as charitable both in the law of England and Wales and in the law of Scotland, and the term 'charitable' is to be interpreted in accordance both with the law of England and Wales and the law of Scotland.'

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

To improve public understanding and involvement with parliamentary democracy, especially among young people and improve the effectiveness of political institutions.

Mission statement

We are an independent non-partisan organisation that works to improve the effectiveness of Parliament and other political institutions, primarily in the United Kingdom, to enhance democracy and to stimulate engagement with the political process.

Main objectives for the year

In 2007 the Hansard Society focused on:

- Undertaking a stakeholder mapping exercise to better understand who they are, who they should be, and how best we should communicate with them;
- Discussing issues of democracy and representation both in the UK and abroad through the Democracy Series and a number of public and private events held throughout the year;
- Harnessing our contacts with schools and teachers and extending this further by developing our online and offline citizenship resources;
- Understanding in detail aspects of political process and parliamentary life including: looking at how laws are made and the influences that are brought to bear on the legislative process; Parliament's scrutiny of government finance; Constitutional reform; legislative and committee work; and political parties;
- Stimulating engagement in modern democracy and how it can be built upon to cope with the challenges of modern society through research and evaluation of pilot projects utilising online and other technologies;
- Developing our range of study and scholar's programmes to encompass a wider audience and measuring satisfaction with current courses;
- Supporting the debate about public engagement in political life by providing evidence based research.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

OBJECTIVES AND ACTIVITIES (continued)

Strategies for achieving objectives

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

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

eDemocracy - carries out research and evaluation into how digital technologies could enhance the democratic process and political engagement.

Parliament and Government - undertakes high-level research to stimulate reform of political institutions and law-making process, and looks at new ways to enhance engagement between the public and our political institutions.

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.

Hansard Society Scotland Programme - based in Edinburgh, looks at ways to inform and educate citizens of all ages about the Scottish Parliament and wider political institutions (including EU and Westminster) and provides an independent platform for debate regarding development of the new Parliament. It also produces citizenship materials for Scottish schools.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

ACHIEVEMENTS AND PERFORMANCE

The Hansard Society carried out a wide range of activities during 2007 to achieve our objectives as outlined above. Our activities attracted a wide range of audiences from the fields of politics, education, law, 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:

Undertaking a stakeholder mapping exercise to better understand who they are, who they should be, and how best we should communicate with them.

Outcomes:

- Appointment of Director of Development and External Affairs.
- Rebranding – development of a new logo, new corporate colours, new font, letterhead, banner and business cards. The creation of guidelines that establish how, where and in what format these various design elements ought to be used on our public-facing communications.
- Promotional materials - using our new logo and our new corporate colours a new folder of promotional materials has been produced that serves to both introduce and market the Hansard Society's work.
- Development of Corporate Supporter Scheme – including the creation of a new Political Roundtable, a series of six Chatham House Rules breakfast meetings to discuss the political issues of the day and hear from relevant experts.
- Website – new website is more user-friendly both for staff uploading content onto the new site and for visitors. The new website has the ability to podcast, disseminate eNewsletters and interactive elements that will allow visitors to the website to register and comment on news articles or participate in forums.

Objective:

Discussing issues of democracy and representation both in the UK and abroad through the Democracy Series and a number of public and private events held throughout the year.

Outcomes:

- Fringe Meetings at Liberal Democrat, Conservative, Labour Party Autumn conferences – *Are Political Parties a Waste of Time?*
- Fringe Meeting at the Scottish National Party conference - *Transforming Public Services: Is ICT the Answer?*
- Parliamentary Affairs - four issues published during 2007 by OUP.
- Democracy Series – Continuation of the 2006 series, on and offline, to discuss key issues in democracy.
- Joint Hansard Society/LSE lecture – *In Conversation with Sir John Major*.
- Joint Hansard Society/PSA lecture – *Parliamentary Reform; Would Anyone Notice?* – delivered by Rt Hon Kenneth Clarke MP.
- Democracy Forum – *Can democracy be exported?*
- Briefing meeting held with stakeholders where the Leader of the House of Commons outlined her priorities for strengthening Parliament.
- Democracy Forum - *Hard Acts to Follow: The Role of the Presiding Officer in the Scottish Parliament*.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

ACHIEVEMENTS AND PERFORMANCE (continued)

Objective:

Harnessing our contact with schools and teachers and extending this further by developing our online and offline citizenship resources.

Outcomes:

- Yvote Mock Elections - www.mockelection.co.uk. Just under 80,000 young people took part in mock elections for the 2007 Scottish Parliament, National Assembly for Wales and UK Local Elections.
- Five HeadsUp (www.headsup.org.uk) forums to enable young people and parliamentarians to debate political issues online. HeadsUp has over 4,500 registered users, with an average of 300 posts per forum and 10 parliamentarians taking part per forum.
- EU and All That teacher conferences held around the country to support teacher's understanding of political literacy.
- Supporting the Democracy Coalition for Children and young People by providing the secretariat.
- Essay Competition for secondary school students supported by the Lord Speaker. *First Class Second Chamber: The challenges and merits of an Upper House*.
- Elected Representative in Schools, MPs Mentoring Scheme – Trainee Citizenship Teachers shadowed an MP for one week in Parliament. The scheme was designed to help bring political literacy to life and enthuse teachers with firsthand experience of political life to take back to the classroom.
- Production and dissemination of MPs In Schools Scotland - free handbook and CD-Rom available in English and Gaelic which provides information and resources for teachers, pupils and Scottish MPs on how to get the most out of an MP's visit to a school.

Objective:

Understanding in detail aspects of political process and parliamentary life including: looking at how laws are made and the influences that are brought to bear on the legislative process; Parliament's scrutiny of government finance; Constitutional reform; legislative and committee work; and political parties.

Outcomes:

- A series of joint seminars with the Smith Institute on a new constitutional settlement; local government and devolution; parliament, judiciary and the Executive; scrutiny, accountability and regulation.
- Democracy Forum – *Democracy and Political Parties*.
- Democracy Forum - *Constitutional Reform: The central role of Parliament*.
- Democracy Forum - *2007: A Constitutional Revolution or Just More of the Same?*
- Democracy Forum – *Parliament, the Budget and Public Money*.
- Discussion paper – *Law in the Making*.
- Discussion paper - *Friend or Foe: Lobbying in British Democracy*.
- Evidence submitted to Government and Parliamentary Committees on *Governance of Britain* Green Paper, the nature of consultation, regional accountability, recall and dissolution of Parliament and the role of MPs.

Objective:

Stimulating engagement in modern democracy and how it can be built upon to cope with the challenges of modern society through research and evaluation of pilot projects utilising online and other technologies.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

ACHIEVEMENTS AND PERFORMANCE (continued)

Outcomes:

- Democracy Forum - *The internet and the 2005 general Election: political awareness, participation and trust.*
- *Parliament for the Future* - a report looking at the contribution of technology to parliamentary politics and what influence it may have on processes and relationships between citizens, elected representatives and political institutions in the long term.
- *Digital Dialogues 2* - a second phase report on a project to evaluate the use of eDemocracy techniques and tools across central government.
- Presentations of research findings at a conference organised by the Council of Europe in Paris and United Nations Department for Economic and Social Affairs in Geneva.
- Commentary provided on petitions to The Guardian, BBC Online, BBC Radio and Reuters.
- Evidence submitted to the Procedures Committee on petitions.

Objective:

Developing our range of study and scholar's programmes to encompass a wider audience and measuring satisfaction with current courses.

Outcomes:

- 50 undergraduates and 25 researchers took part in the Hansard Scholars programme in 2007 from a diverse range of countries (including Afghanistan, Argentina, China, Georgia, India, Japan, Kosovo, Kyrgyzstan, New Zealand, Pakistan, Palestine, Poland, Romania, Tajikistan, The Netherlands, the USA, Uzbekistan, Zimbabwe) with 22 of them receiving prestigious FCO Chevening Scholarships. Several also received funding from the Open Society Institute. Run three times per year (in the spring, summer and autumn), the Scholars Programme enables students from established and emerging democracies to study British politics while working at its heart in a range of political organisations - from think tanks and campaign organisations to businesses, government departments and the Westminster offices of MPs. Each semester, Scholars also participate in political study trips to Oxford and Edinburgh, and enjoy a variety of cultural events.
- Training day for the Federation of Small Businesses.
- Attendance at the NAFSA Study Abroad Conference, Minneapolis.

Objective:

Supporting the debate about public engagement in political life by providing evidence based research.

Outcomes:

- Audit of Political Engagement 4 - published jointly with The Electoral Commission.
- Democracy Forum – *Don't Panic: Responding to the Polls.*

Visiting academic fellows scheme

Dr Alex Wright from Dundee University joined the scheme during 2007. The visiting academic fellow 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. The Hansard Society hopes that the Visiting Fellows will also contribute to its own research programme and activities looking at key issues in British politics and parliamentary democracy.

VOLUNTEERS AND INTERNS

Like many other charities, the Hansard Society is fortunate in that it has a number of volunteers or interns who assist us in our work. Each programme may offer internships during the course of the year to support the core projects and activities and to enable interns to get a taste for working in politics. During 2007, 7 interns assisted our programmes. Interns are offered repayment for their travel expenses and contribution towards their lunch expenses.

FINANCIAL REVIEW

The Hansard Society has maintained a steady level of income in 2007 and hopes to maintain and consolidate this position. No significant growth is planned by the Trustees for 2008.

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

Reserves policy

The trustees reviewed the reserves policy in light of the 2006 accounts and noted that the target of £200,000 in unrestricted reserves (excluding designated funds) had been achieved by the end of 2006 which is equivalent to an average of 3 months running costs. The Society should now plan to contribute inflationary increases each year, taking into account any increases in future income and expenditure.

Research and Development Fund

The Trustees set up a Research and Development Fund in 2005 from the unrestricted reserves of the Society. This designated fund is earmarked for expenditure on projects agreed by the Trustees to further the aims and objectives of the Society. To access the Fund, Society staff must apply to the Trustees for funding on a specific project and the application must be approved by the Trustees before the funds are released.

In 2007, the Trustees approved one grant of £5,940 from the Research and Development fund to support the setting up of a Hansard Scotland Research Scholars programme in association with the Institute of Governance at the University of Edinburgh.

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.

Pensions Liability Fund

The Trustees have set up a fund to accommodate any future liability from the Pensions Trust. This is currently set at £6,023. This amount is based on advice given to the Society.

Removal and Reorganisation Fund

The Trustees have set up a removal and reorganisation fund to plan for any future premises move. With some allocation of funding for the implementation of the results of the Strategy Review that took place earlier in the year.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

FINANCIAL REVIEW (continued)

Restricted Funding

The Hansard Society received restricted funding for projects carried out within the Parliament and Government (£70,099), Citizenship Education (£78,886) and Scotland (£1,855) Programmes. The Parliament and Government Programme funds and the Scotland Programme funds were fully spent and an amount of £3,562 is carried forward in the Citizenship Education Programme.

PLANS FOR THE FUTURE

In 2008 the Hansard Society will continue to focus on delivering the objectives set out in the strategic plan including:

- Regrouping projects around the core Hansard Society mission;
- Effective delivery of programmes of work to our funders and supporters;
- Understanding more about our stakeholders and how we communicate with them;
- Continue to lead the debate on parliamentary reform;
- Develop our programme in Scotland to maximise all opportunities;
- Ensuring that our contact with teachers and students is harnessed to maximise ongoing involvement with the Hansard Society;
- Building, evaluating and researching innovative pilot projects using new technology to maximise experimentation of this form of communication;
- Developing our scholars programme to the widest possible audiences.

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 an annual basis.

Three high risk items have been noted in the risk analysis: (i) The potential effects of the international situation (terrorism, war, change in exchange rates) on the Scholars Programme. This has prompted us to look at diversifying the student intake, developing the scholarship programme and expanding the postgraduate (research scholars) course. (ii) The loss of key staff. We endeavour to mitigate the consequences of this risk by ensuring that appropriate support and skills training is available to staff. (iii) The risk of rent increases or termination of lease in our current premises. The Society undertook a premises review during 2007 to manage this risk.

HANSARD SOCIETY LIMITED

For the year ended 31 December 2007

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law require the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company 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 audit information of which the charitable company's auditors are unaware; and
- the 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.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the reappointment of haysmacintyre as auditors of the Company will be put to the Annual General Meeting.

APPROVAL

This report was approved by the Trustees on 22nd April 2008 and signed on its behalf, by:

Peter Riddell
Chair

HANSARD SOCIETY LIMITED

Independent Auditors' report to the members of Hansard Society Limited

We have audited the financial statements of Hansard Society for the year ended 31 December 2007 which comprise the Statement of Financial Activities (incorporating, the Income and Expenditure account), the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the Trustees (who are also the directors of Hansard Society for the purposes of Company Law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed. We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

HANSARD SOCIETY LIMITED

Independent Auditors' report to the members of Hansard Society Limited (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

haysmacintyre
Registered Auditors

Date:

Fairfax House
15 Fulwood Place
London
WC1V 6AY

HANSARD SOCIETY LIMITED

Statement of Financial Activities for the year ended 31 December 2007 (incorporating income and expenditure account)

	Note	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Incoming Resources					
<i>Incoming resources from charitable activities</i>					
Study and Scholars programme		-	501,201	501,201	517,676
Parliament and Government programme		70,099	62,611	132,710	144,980
eDemocracy programme		-	85,931	85,931	142,563
Citizenship Education programme		78,886	144,613	223,499	173,642
Scottish Parliament programme		1,855	7,200	9,055	64,854
Membership subscriptions		-	3,150	3,150	4,215
Publications		-	126,858	126,858	98,671
Other income		-	15,115	15,115	3,630
<i>Total incoming resources from charitable activities</i>		150,840	946,679	1,097,519	1,150,231
<i>Incoming resources from generated funds</i>					
Voluntary income and core funding	2	-	19,352	19,352	42,089
<i>Total income from generated funds</i>		-	19,352	19,352	42,089
<i>Activities for generating funds:</i>					
Fundraising income	3	-	15,574	15,574	4,704
Investment income	4	-	11,471	11,471	6,439
<i>Total income from activities for generating funds</i>		-	27,044	27,044	11,143
Total incoming resources		150,840	993,076	1,143,916	1,203,463
Resources Expended					
<i>Costs of generating funds:</i>					
Fund raising costs	8	-	27,499	27,499	6,240
Generating voluntary income	7	-	33,032	33,032	39,181
Total costs of generating funds		-	60,531	60,531	41,855
Resources Expended					
<i>Charitable activity costs</i>					
Study and Scholars programme		-	382,042	382,042	409,720
Parliament and Government programme		93,865	75,797	169,662	164,480
eDemocracy programme		-	122,029	122,029	157,936
Citizenship Education programme		75,324	139,143	214,467	176,333
Scottish Parliament programme		3,520	73,425	76,945	94,654
Publications		-	67,206	67,206	62,495
<i>Total charitable activity costs</i>		172,709	859,642	1,032,351	1,070,781
Governance costs	9	-	19,509	19,509	20,338
Total resources expended		172,709	939,682	1,112,391	1,131,377
NET INCOME BEFORE TRANSFERS		(21,869)	53,394	31,525	72,086
Transfers between funds	16	23,487	(23,487)	-	-
NET INCOME AFTER TRANSFERS		1,618	29,907	31,525	72,086
MOVEMENT IN TOTAL FUNDS FOR THE YEAR					
Total funds at 1 January 2007		1,944	279,724	281,668	209,582
Total funds at 31 December 2007		3,562	309,631	313,193	281,668

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 19 to 27 form part of these financial statements.

HANSARD SOCIETY LIMITED

Balance Sheet

As at 31 December 2007

	Note	2007		2006	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11		6,340		9,392
CURRENT ASSETS					
Stocks		1,000		1,000	
Debtors	12	187,893		200,478	
Cash at bank		411,218		369,683	
		<u>600,111</u>		<u>571,161</u>	
Creditors: amounts falling due within					
One year	13	<u>(293,258)</u>		<u>(298,885)</u>	
			306,853		272,276
NET ASSETS	17		<u>313,193</u>		<u>281,668</u>
CHARITY FUNDS					
Restricted funds	16		3,562		1,944
Unrestricted – designated funds	16		90,097		79,090
Unrestricted – general funds	16		219,534		200,634
			<u>313,193</u>		<u>281,668</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the Board of Trustees on 22nd April 2008 and were signed below on its behalf by:

Peter Riddell - Chair

John Sharkey - Treasurer

The notes on pages 19 to 27 form part of these financial statements.

HANSARD SOCIETY LIMITED

Notes to the financial statements
For the year ended 31 December 2007

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 January 2007). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" revised in 2006, applicable accounting standards and the Companies Act 1985.

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

Payments are received for the Scholars Programme in advance. Elements of the payment are not refundable. The non refundable amount has been included on receipt on the Statement of Financial Activities and the remaining income is deferred until the commencement of the course.

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

1. Accounting policies (continued)

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.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. In 2007 support costs have been allocated on the basis of a ratio between staff and other direct costs to reflect a more accurate position. This has been reflected in comparatives to comply with SORP 2005.

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 January 2007).

1.7 Tangible fixed assets and depreciation

All assets costing more than £250 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	-	25%	reducing balance
Computer Equipment	-	33.33%	reducing balance

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Pensions

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

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

2. VOLUNTARY INCOME AND CORE FUNDING				Total Funds 2007 £	Total Funds 2006 £
	Donations			19,352	26,988
	Legacies			-	101
	Grants			-	15,000
	Total			19,352	42,089
3. FUNDRAISING INCOME				Total Funds 2007 £	Total Funds 2006 £
	UK/US elections conference			-	4,704
	Party conferences			15,000	-
	Other			574	-
	Total			15,574	4,704
4. INVESTMENT INCOME				Total Funds 2007 £	Total Funds 2006 £
	Interest receivable			11,471	6,439
5. RESOURCES EXPENDED				2007 £	2006 £
	Direct staff Costs £	Other direct Costs £	Support Costs £		
	Charitable activities				
	Study and Scholars programme			382,042	409,720
	Parliament and Government programme			169,661	164,480
	eDemocracy programme			122,029	157,936
	Citizenship Education programme			214,468	176,333
	Scottish Parliament programme			76,945	94,654
	Publications			67,206	62,495
	Total			1,032,351	1,065,618

During 2007, the charity reviewed its publication activity and re-allocated expenditure accordingly.

HANSARD SOCIETY LIMITED

Notes to the Financial Statements

For the year ended 31 December 2007

6. ANALYSIS OF SUPPORT COSTS

	Study and Scholars £	Parliament and Government £	eDemocracy £	Citizenship Education £	Scottish Parliament £	Publication £	Total Charitable Activities £	Governance £	Cost of generating Funds £	Fund- raising	2007 £	2006 £
Staff costs	18,976	17,432	12,653	21,463	7,811	8,102	86,437	1,506	3,982	1,297	93,222	45,427
Depreciation	1,085	996	723	1,227	446	463	4,940	86	228	74	5,328	4,364
Premises & equipment	22,498	20,667	15,001	25,446	9,261	9,606	102,479	1,785	4,721	11,537	120,522	107,690
Stationery, postage & books	1,534	1,409	1,023	1,735	631	655	6,987	122	323	105	7,537	17,766
Information & research costs	907	834	606	1,027	374	387	4,135	72	190	62	4,459	8,514
Other costs	5,242	4,815	3,495	5,929	2,158	2,238	23,877	416	1,100	358	25,751	20,181
Communication	3,925	3,606	2,617	4,439	1,616	1,676	17,879	311	824	268	19,282	-
Total	54,167	49,759	36,118	61,266	22,297	23,127	246,734	4,298	11,368	3,701	266,101	203,942

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

7. GENERATING VOLUNTARY INCOME	Total Funds 2007 £	Total Funds 2006 £
Publications & promotion costs	-	1,530
Staff costs	21,664	16,223
Other costs	-	14,920
Support costs	11,368	6,508
Total	33,032	39,181
8. FUND RAISING COSTS	Total Funds 2007 £	Total Funds 2006 £
Staff costs	7,053	1,561
Other costs	16,746	3,642
Support costs	3,701	1,037
Total	27,499	6,240
The fundraising costs relate to the UK/US elections Conference.		
9. GOVERNANCE COSTS	Total Funds 2007 £	Total Funds 2006 £
Staff costs	8,192	6,660
Other costs	956	3,104
Auditors remuneration	6,063	7,195
Support costs	4,298	3,379
Total	19,509	20,338
10. NET INCOME	2007 £	2006 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	5,328	4,364
Auditors' remuneration – audit services	6,063	6,737
Pension costs	16,753	18,292

No trustee received any remuneration during the year (2006: £1,000).

During the year, no trustees received any benefits in kind (2006 - Nil). Payment of £3,000 (2006 - £2,000) were made to Council Members for tutor and speakers' services during the year.

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

11. TANGIBLE FIXED ASSETS	Computer Equipment £	Office Equipment £	Total £
Cost			
At 1 January 2007	25,455	12,007	37,462
Additions	2,276	-	2,276
Disposals	-	-	-
At 31 December 2007	<u>27,731</u>	<u>12,007</u>	<u>39,738</u>
Depreciation			
At 1 January 2007	19,777	8,293	28,070
Charge for the year	3,819	1,509	5,328
On disposals	-	-	-
At 31 December 2007	<u>23,596</u>	<u>9,802</u>	<u>33,398</u>
Net Book Value			
At 31 December 2007	<u>4,135</u>	<u>2,205</u>	<u>6,340</u>
At 31 December 2006	<u>5,678</u>	<u>3,714</u>	<u>9,392</u>
12. DEBTORS			
		2007	2006
		£	£
Due within one year			
Trade debtors		142,793	140,673
Other debtors		9,339	2,560
Prepayments		27,409	57,245
Grants receivable		8,352	-
		<u>187,893</u>	<u>200,478</u>
13. CREDITORS: amounts falling Due within one year			
		2007	2006
		£	£
Trade creditors		9,630	74,188
Social security and other taxes		15,935	18,364
Other creditors		13,242	7,326
Accruals		85,372	47,837
Deferred income (see note below)		169,079	151,170
		<u>293,258</u>	<u>298,885</u>
14. DEFERRED INCOME			
		2007	2006
		£	£
Balance at start of year		151,170	174,842
Amount released to incoming resources		(151,170)	(174,842)
Amount deferred in the year		169,079	151,170
Balance at end of year		<u>169,079</u>	<u>151,170</u>

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

15. STAFF COSTS AND NUMBERS

	2007 £	2006 £
Staff costs were as follows:		
Wages and salaries	530,118	493,576
Social security costs	53,475	50,094
Pension costs	16,753	18,292
	<u>600,346</u>	<u>561,962</u>

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

	No.	No.
Study and Scholars programme	3	4
Parliament and Government programme	3	4
eDemocracy programme	2	3
Citizenship and Education programme	2	3
Scottish programme	2	2
Other programmes	7	3
	<u>19</u>	<u>19</u>

No employee received remuneration amounting to more than £60,000 in either year.

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Designated funds					
Fixed Asset Fund	9,393	-	-	(3,053)	6,340
Research and Development fund	43,674	-	-	(5,940)	37,734
Pension Fund	6,023	-	-	-	6,023
Removal and Reorganisation fund	20,000	-	-	20,000	40,000
	<u>79,090</u>	<u>-</u>	<u>-</u>	<u>11,007</u>	<u>90,097</u>
General funds					
General Funds	200,634	993,076	939,682	(34,494)	219,534
Total Unrestricted Funds	<u>279,724</u>	<u>993,076</u>	<u>939,682</u>	<u>(23,487)</u>	<u>309,631</u>

The Fixed Asset Fund represents the net book value of unrestricted tangible fixed assets. Each year an amount will be transferred to or from the fund representing the movement in net book value of unrestricted tangible fixed assets in the year. Details of the Research and Development Fund, Pension Fund and Reorganisation Fund are set out in the Trustees' report

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

16. STATEMENT OF FUNDS (continued)

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Restricted funds					
Parliament and Government programme	1,944	70,099	93,865	21,822	-
eDemocracy programme	-	78,886	75,324	-	3,562
Citizenship Education	-	1,855	3,520	1,665	-
Scottish Parliament	-	-	-	-	-
Total	1,944	150,840	172,709	23,487	3,562

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	79,090	-	-	11,007	90,097
General funds	200,634	993,076	939,682	(34,494)	219,534
	279,724	993,076	939,682	(23,487)	309,631
Restricted funds	1,944	150,840	172,709	23,487	3,562
Total of funds	281,668	1,143,916	1,112,391	-	313,193

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Tangible fixed assets	-	6,340	6,340	9,392
Current assets	3,562	596,549	600,111	571,161
Creditors due within one year	-	(293,258)	(293,258)	(298,885)
Total	3,562	309,631	313,193	281,668

18. PENSION COMMITMENTS

The Society operated defined contribution schemes for some of its employees making a contribution of 7% of the gross salary to a scheme of the employee's choice each month. The assets of the schemes are held separately from those of the Society in independently administered funds. The pension cost charge represents contributions payable by the Society to the personal pension scheme of the employees choice and amounted to £16,753 (2006 - £18,292). Contributions totalling £1,844 (2006 - £1,317) were payable to the fund at the balance sheet date and are included in creditors.

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2007

19. OPERATING LEASE COMMITMENTS

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2007	2006	2007	2006
	£	£	£	£
Expiry date:				
Within 1 year	-	-	-	-
Between 1 and 5 years	63,000	63,000	-	1,056
After more than 5 years	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>