



**HANSARD
SOCIETY**

PROMOTING DEMOCRACY • STRENGTHENING PARLIAMENT

Trustees' Report and Financial Statements

For the year ended 31 December 2008

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 2008

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Hansard Society Limited

For the year ended 31 December 2008

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 Nick Clegg MP

Advisory Council and Trustees

Chairman: Peter Riddell*

Vice Chairs: Kate Jenkins*
Andrew Lansley CBE MP
Lord Tyler of Linkinhorne (elected 17/06/08)
The Lord Puttnam CBE

Hon. Treasurer: John Sharkey*

Members of Council: Richard Allan
Roshana Arasaratnam* - Assistant Honorary Treasurer
John Bercow MP
Dianne Bevan* (elected to the Executive Committee 17/06/08)
Dawn Butler MP (elected 17/06/08)
Rob Clements
Mark D'Arcy (elected 17/06/08)
Hilton Dawson
Paul Evans
Professor Ivor Gaber (elected 17/06/08)
Oonagh Gay
Elinor Goodman
Gavin Grant (elected 17/06/08)
Andy Hamflett (elected 17/06/08)
Professor Robert Hazell CBE
Dr Sheena McDonald (elected 17/06/08)
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 2008

Legal and administrative information

Chief Executive Fiona Booth

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 Unity Trust
9 Brindley Place
Birmingham
B1 2HB

National Westminster Bank
65 Aldwych
London
WC2B 4EJ

Hansard Society Limited

For the year ended 31 December 2008

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 2008. 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). Day to day management of the Charity is delegated to the Chief Executive and Senior Management Team. The Executive Committee 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 Executive Committee are appointed for a term of three years, after which they may put themselves forward for reappointment for a further three years. 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 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 Executive Committee 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 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 Advisory Council. He is not a member of the Executive Committee (Trustee). Lord Norton received £3,030 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 £35,027 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.

Amended Articles of Association

At the 2008 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,

'Charity and Company documents will be available via the Hansard Society website from the date of notification at www.hansardsociety.org.uk.'

Hansard Society Limited

For the year ended 31 December 2008

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: At the heart of all 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.

Mission statement

We are an independent non-partisan research and education 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 2008 the Hansard Society focused on:

- Ensuring that our contact with teachers and young people continues to develop to maximise ongoing involvement with the Hansard Society;
- Developing our range of study and scholar's programmes to encompass a wider audience;
- Supporting the debate about public engagement in political life by providing evidence based research;
- Continuing to lead the debate on parliamentary reform by understanding in detail, aspects of political process and parliamentary life;
- Supporting effective delivery of programmes of work to our funders and supporters by discussing issues of democracy and representation both in the UK and abroad through public and private events held throughout the year, in addition to conference presentations and media appearances;
- Developing our programmes in Scotland to maximise all opportunities;
- 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 projects utilising new media technologies.

Strategies for achieving objectives

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

Research

Parliament and Government - 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.

eDemocracy – looks at the political and social impact of information and communications technology (ICT) through research and evaluation and explores the many faces of digital participation, engagement, political campaigning and parliamentary processes.

Hansard Society Limited

For the year ended 31 December 2008

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 - 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.

ACHIEVEMENTS AND PERFORMANCE

The Hansard Society carried out a wide range of activities during 2008 to achieve our objectives as outlined above. Our activities attracted a varied audience 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:

Ensuring that our contact with teachers and young people continues to develop to maximise ongoing involvement with the Hansard Society.

Activities:

- *Y Vote Mock Elections* - www.mockelections.co.uk. To coincide with London Mayor and Greater London Assembly elections.
- *Five HeadsUp* (www.headsup.org.uk) forums (and associated reports) to enable young people and parliamentarians to debate political issues online. *HeadsUp* has doubled the number of registered users in 2008 to just over 8,000.
- Four *EU and All That* teacher conferences held in Leeds, Leicester, London and Peterborough to support teacher's understanding of political literacy.
- Competition for secondary school students supported by the Lord Speaker. The House of Lords Sub-Committee on Waste Reduction asked young people to submit their views on waste reduction in creative ways.
- Workshop seminars offered on political engagement to over 2000 young people at the annual People and Politics Day.
- Presentations to MPs, Peers and their staff on engaging with young people.
- 'Fact finding' visits to Pupil Referral Units to discuss political literacy resource provision with a view to adapting current Hansard Society resources and developing new resources.

Hansard Society Limited

For the year ended 31 December 2008

ACHIEVEMENTS AND PERFORMANCE (continued)

Objective:

Developing our range of study and scholar's programmes to encompass a wider audience.

Activities:

- 53 undergraduates and 30 researchers took part in the Hansard Scholars Programme in 2008 from a diverse range of countries (including Argentina, Australia, Bangladesh, Belarus, Bulgaria, Canada, Croatia, Czech Republic, Dominican Republic, Georgia, India, Kuwait, Kyrgyzstan, New Zealand, Pakistan, Poland, Tajikistan, Uganda, Ukraine, USA and Zimbabwe) with 21 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.
- Four week Parliamentary Education and Training Programme for six senior representatives from the Office of the National Assembly in Vietnam.
- Three day *Diplomacy in the Modern World* conference organised with high profile speakers at Burlington House.
- Keynote presentation at three day Symposium on *Parliamentary Politics in Britain and Japan*.

Objective:

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

Activities:

- *Audit of Political Engagement 5* – a yearly snapshot of political knowledge and engagement in Britain.
- *Removing Barriers to Engagement* – report for the Group on Information for the Public (Parliamentary committee).
- *Participation Partners Project Evaluation* – evaluation for the Ministry of Justice as to work carried out to support the public engagement work of government departments.
- Briefing Paper – *No Politics Please... We're Women*.
- Briefing Paper – *Parliament and the Public: Knowledge, interest and perceptions*.
- Briefing Paper – *Parliament, the Public and Communication*.

Objective:

Continuing to lead the debate on parliamentary reform by understanding in detail, aspects of political process and parliamentary life.

Activities:

- *Parliamentary Affairs* - four issues published during 2008 by OUP.
- *No Overall Control: The impact of a Hung Parliament on British Politics* - an edited collection of essays from distinguished commentators, academics and parliamentarians.
- *Law in the Making: Influence and Change in the Legislative Process* – a publication that analyses the influences and elements that come together to make an act of Parliament.
- Evidence submitted to Public Administration Select Committee on 'Good Government'.

Hansard Society Limited

For the year ended 31 December 2008

ACHIEVEMENTS AND PERFORMANCE (continued)

Objective:

Supporting effective delivery of programmes of work to our funders and supporters by discussing issues of democracy and representation both in the UK and abroad through public and private events held throughout the year, in addition to conference presentations and media appearances.

Activities:

- Fringe Meetings at Liberal Democrat, Conservative, Labour Party Autumn conferences – *People Like Us: Is British Society fairly reflected in Parliament?*
- Democracy Forum – *Politicians: A class apart or servants of the people?*
- Democracy Forum – *Parliamentary e-Petitions – Politics Lite?*
- Democracy Forum – *Referendums: What are they good for?*
- Democracy Forum – *No Politics Please... We're Women.*
- Democracy Forum – *When Gordon Took the Helm.*
- Hansard Society/PSA Annual Lecture – *Making Politics Fit For Purpose* - delivered by Clare Short MP.
- *Revitalising Politics: Have we lost the plot?* Conference - two day conference in partnership with the University of Southampton and Sheffield.
- Channel 4 Political Awards in association with the Hansard Society – Hansard Society Democracy Award – awarded to Operation Black Vote.
- Presentation at the annual conference of the Study of Parliament Group on *Law in the Making.*
- Regular reference to the work of the Hansard Society across all political, general and trade media.

Objective:

Developing our programmes in Scotland to maximise all opportunities.

Activities:

- Fringe Meeting at Scottish National Party Autumn conference – *People Like Us: Is Scottish Society fairly reflected in Holyrood?*
- Evidence submitted to the Scottish Parliament Finance Committee on the review of the budget process.
- Oral evidence given to the Scottish Parliament Finance Committee on the review of the budget process.
- Democracy Forum – *Engaging Online: Getting Citizens back to the Centre of Democracy.*
- Roundtable discussion with stakeholders and Scottish Minister for Energy, Enterprise and Tourism.
- Roundtable discussion with stakeholders and Scottish Minister for Transport, Infrastructure and Climate.
- Presiding Officer's Reception for the Hansard Society – Presiding Officer highlighted the work of the Hansard Society in Scotland to invited guests.
- Written evidence submitted to the Scottish Parliament Public Petitions Committee on petitions.
- Oral evidence given to the Scottish Parliament Public Petitions Committee on petitions.

Hansard Society Limited

For the year ended 31 December 2008

ACHIEVEMENTS AND PERFORMANCE (continued)

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 projects utilising new media technologies.

Activities:

- *MPs Online: Communicating with Constituents* – A study into how MPs use digital media to communicate with their constituents.
- *Digital Dialogues 3* - a third phase report on a project to evaluate the use of eDemocracy techniques and tools across central government.
- *Lords of the Blog* – an evaluation of the Lords of the Blog pilot.
- *Elections Online* – interim report exploring the engagement and regulatory implications of using the internet for election campaigning.
- *Governance of Britain* website – an evaluation of the website for engagement purposes.

Visiting academic fellows scheme

Dr Steve Ward from Salford University joined the scheme during 2008. 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 2008, 11 interns assisted our programmes. Interns are offered repayment for their travel expenses and contribution towards their lunch expenses.

FINANCIAL REVIEW

The Hansard Society did not make a surplus as at 31 December 2008. A number of programmes were unsuccessful in securing funds for project work and a deficit of £33,081 was recorded. No significant growth is planned by the Trustees for 2009 although it is hoped to secure funding to launch a Commission on the future of representative democracy.

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 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 £210,000. As at 31 December 2008, free reserves amounted to £191,438. The trustees are looking at ways of increasing the levels of free reserves.

Hansard Society Limited

For the year ended 31 December 2008

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. No applications were approved in 2008. The balance as at 31 December 2008 is £37,734.

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 years end amounted to £4,917.

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 had set up a removal and reorganisation fund to plan for any future premises move. This balance as at 31 December 2008 is £40,000.

Restricted Funding

The Hansard Society received restricted funding for projects carried out within the Parliament and Government (£54,897), and Citizenship Education (£10,611) Programmes. Both the Parliament and Government Programme funds and Citizenship Education Programme were fully spent and no restricted funds are carried forward.

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 2009 the Hansard Society, through research and education programmes will continue to build on its unparalleled reputation for producing innovative and influential research that seeks to make Parliament more transparent and accessible. We will continue our important work with citizens of all ages to improve their understanding of, and engagement in, the political 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 an annual basis.

Six 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 diversify the student base from the USA, monitor numbers and broaden the USA marketing in addition to 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) Inadequate non-project-related funding. We are focussing on increasing the number of corporate supporters in addition to our general membership. We are investigating setting up a legacy programme along with carrying out an audit of trusts and grant making foundations willing to fund core costs.

Hansard Society Limited

For the year ended 31 December 2008

Risk Assessment (continued)

(iv) Continued economic downturn. Cost savings measures have been identified and will be implemented upon Trustee review. (v) Inadequate margins on projects. Full cost recovery, improved budget preparation and monitoring have been implemented. (vi) Change in government. A review was carried out of all current projects likely to be affected with measures taken to mitigate loss of support from key stakeholders.

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

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 28th April 2009 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 2008 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 2008 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 2008 (incorporating income and expenditure account)

	Note	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Incoming Resources					
<i>Incoming resources from charitable activities</i>					
Study and Scholars programme		-	589,710	589,710	501,201
Parliament and Government programme		54,897	61,746	116,643	132,710
eDemocracy programme		-	68,347	68,347	85,931
Citizenship Education programme		10,611	109,439	120,050	223,499
Scottish Parliament programme		-	20,438	20,438	9,055
Membership subscriptions		-	2,370	2,370	3,150
Publications		-	110,611	110,611	126,858
Conferences & Meetings	2	-	37,932	37,932	28,074
Other income		-	11,253	11,253	15,115
<i>Total incoming resources from charitable activities</i>		<u>65,508</u>	<u>1,011,846</u>	<u>1,077,354</u>	<u>1,125,593</u>
<i>Incoming resources from generated funds</i>					
Voluntary income and core funding	3	-	5,190	5,190	6,852
<i>Total income from generated funds</i>		<u>-</u>	<u>5,190</u>	<u>5,190</u>	<u>6,852</u>
<i>Activities for generating funds:</i>					
Investment income	4	-	11,472	11,472	11,471
<i>Total income from activities for generating funds</i>		<u>-</u>	<u>11,472</u>	<u>11,472</u>	<u>11,471</u>
Total incoming resources		<u>65,508</u>	<u>1,028,508</u>	<u>1,094,016</u>	<u>1,143,916</u>
Resources Expended					
<i>Costs of generating funds:</i>					
Generating voluntary income	7	-	31,005	31,005	33,032
<i>Total costs of generating funds</i>		<u>-</u>	<u>31,005</u>	<u>31,005</u>	<u>33,032</u>
Resources Expended					
<i>Charitable activity costs</i>					
Study and Scholars programme		-	424,148	424,148	382,042
Parliament and Government programme		54,897	133,807	188,704	169,662
eDemocracy programme		-	126,646	126,646	122,029
Citizenship Education programme		10,611	158,323	168,934	214,467
Scottish Parliament programme		-	63,989	63,989	76,945
Publications		-	75,453	75,453	67,206
Conferences & Meetings		-	28,518	28,518	27,499
<i>Total charitable activity costs</i>		<u>65,508</u>	<u>1,010,884</u>	<u>1,076,392</u>	<u>1,059,850</u>
Governance costs	8	-	19,700	19,700	19,509
Total resources expended		<u>65,508</u>	<u>1,061,589</u>	<u>1,127,097</u>	<u>1,112,391</u>
NET LOSS BEFORE TRANSFERS		<u>-</u>	<u>(33,081)</u>	<u>(33,081)</u>	<u>31,525</u>
Transfers between funds	15	(3,562)	3,562	-	-
NET LOSS AFTER TRANSFERS		<u>(3,562)</u>	<u>(29,519)</u>	<u>(33,081)</u>	<u>31,525</u>
MOVEMENT IN TOTAL FUNDS FOR THE YEAR					
Total funds at 1 January 2008		3,562	309,631	313,193	281,668
Total funds at 31 December 2008		<u>-</u>	<u>280,112</u>	<u>280,112</u>	<u>313,193</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 17 to 26 form part of these financial statements.

HANSARD SOCIETY LIMITED

Balance Sheet

As at 31 December 2008

	Note	2008		2007	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		4,917		6,340
CURRENT ASSETS					
Stocks		1,000		1,000	
Debtors	11	245,068		187,893	
Cash at bank		332,843		411,218	
		<u>578,911</u>		<u>600,111</u>	
Creditors: amounts falling due within One year	12	<u>(303,716)</u>		<u>(293,258)</u>	
			275,195		306,853
NET ASSETS			<u>280,112</u>		<u>313,193</u>
CHARITY FUNDS					
Restricted funds	15		-		3,562
Unrestricted – designated funds	15		88,674		90,097
Unrestricted – general funds	15		191,438		219,534
			<u>280,112</u>		<u>313,193</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 28 April 2009 and were signed below on its behalf by:

Peter Riddell - Chair

John Sharkey - Treasurer

The notes on pages 17 to 26 form part of these financial statements.

HANSARD SOCIETY LIMITED

Notes to the financial statements
For the year ended 31 December 2008

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" issued in 2005, 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 2008

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 2008 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 £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 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 funds in respect of the year.

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2008

2. CONFERENCE AND MEETINGS				Total Funds 2008	Total Funds 2007
				£	£
Corporate support/business breakfasts				8,500	12,500
Revitalising politics conference				6,000	-
Party conferences				15,000	15,000
Other				8,432	574
Total				<u>37,932</u>	<u>28,074</u>
3. VOLUNTARY INCOME AND CORE FUNDING				Total Funds 2008	Total Funds 2007
				£	£
Donations				5,190	6,852
Total				<u>5,190</u>	<u>6,852</u>
4. INVESTMENT INCOME				Total Funds 2008	Total Funds 2007
				£	£
Interest receivable				11,472	11,471
5. RESOURCES EXPENDED				2008	2007
	Direct staff Costs	Other direct Costs	Support Costs	£	£
	£	£	£		
Charitable activities					
Study and Scholars programme	105,585	250,343	68,220	424,148	382,042
Parliament and Government programme	101,554	21,532	65,618	188,704	169,661
eDemocracy programme	78,243	(2,152)	50,555	126,646	122,029
Citizenship Education programme	86,998	25,723	56,213	168,934	214,468
Scottish Parliament programme	27,388	18,905	17,696	63,989	76,945
Publications	45,837	-	29,616	75,453	67,206
Conferences and Meetings	7,025	16,954	4,539	28,518	27,499
Total	<u>452,630</u>	<u>331,305</u>	<u>292,457</u>	<u>1,076,392</u>	<u>1,059,850</u>

During 2008, 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 2008

6. ANALYSIS OF SUPPORT COSTS

	Study and Scholars	Parliament and Government	eDemocracy	Citizenship Education	Scottish Parliament	Publicatio n	Conference and Meetings	Total Charitable Activities	Governance	Cost of generating Funds	2008	2007
	£	£	£	£	£	£	£	£	£	£	£	£
Staff costs	29,988	28,843	22,222	24,709	7,779	13,018	1,995	128,554	2,186	5,247	135,987	93,222
Depreciation & loss on disposal of assets	1,980	1,904	1,467	1,631	514	860	132	8,488	144	346	8,978	5,328
Premises & equipment	25,210	24,248	18,681	20,772	6,539	10,944	1,677	108,071	1,838	4,411	114,320	110,522
Stationery, postage & books	1,049	1,009	777	864	272	455	70	4,496	76	184	4,756	7,537
Information & research/ communication	2,035	1,958	1,508	1,677	528	884	135	8,725	148	356	9,229	23,741
Other costs	7,958	7,656	5,900	6,560	2,064	3,455	530	34,123	582	1,393	36,098	25,751
Total	68,220	65,618	50,555	56,213	17,696	29,616	4,539	292,457	4,974	11,937	309,368	266,101

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2008

7. GENERATING VOLUNTARY INCOME	Total Funds 2008 £	Total Funds 2007 £
Staff costs	18,475	21,664
Other costs	593	-
Support costs	11,937	11,368
	<hr/>	<hr/>
Total	31,005	33,032
	<hr/> <hr/>	<hr/> <hr/>
8. GOVERNANCE COSTS	Total Funds 2008 £	Total Funds 2007 £
Staff costs	7,698	8,192
Other costs	634	956
Auditors remuneration	6,394	6,063
Support costs	4,974	4,298
	<hr/>	<hr/>
Total	19,700	19,509
	<hr/> <hr/>	<hr/> <hr/>
9. NET INCOMING RESOURCES	2008 £	2007 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	3,777	5,328
Auditors' remuneration – audit services	6,394	6,063
Pension costs	32,042	16,753
	<hr/>	<hr/>

No trustee received any remuneration during the year (2007: £Nil).

During the year, no trustees received any benefits in kind (2007 - Nil). Payment of £3,030 (2007 - £3,000) 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 2008

10. TANGIBLE FIXED ASSETS	Computer Equipment £	Office Equipment £	Total £
Cost			
At 1 January 2008	27,731	12,007	39,738
Additions	7,555	-	7,555
Disposals	(26,592)	(12,007)	(38,599)
At 31 December 2008	<u>8,694</u>	<u>-</u>	<u>8,694</u>
Depreciation			
At 1 January 2008	23,596	9,802	33,398
Charge for the year	3,777	-	3,777
On disposals	(23,596)	(9,802)	(33,398)
At 31 December 2008	<u>3,777</u>	<u>-</u>	<u>3,777</u>
Net Book Value			
At 31 December 2008	<u>4,917</u>	<u>-</u>	<u>4,917</u>
At 31 December 2007	<u>4,135</u>	<u>2,205</u>	<u>6,340</u>
11. DEBTORS			
	2008	2007	
	£	£	
Due within one year			
Trade debtors	152,196	142,793	
Other debtors	446	9,339	
Prepayments	81,967	27,409	
Grants receivable	10,459	8,352	
	<u>245,068</u>	<u>187,893</u>	
12. CREDITORS: amounts falling Due within one year			
	2008	2007	
	£	£	
Trade creditors	18,425	9,630	
Social security and other taxes	23,034	15,935	
Other creditors	27,280	13,242	
Accruals	56,507	85,372	
Deferred income (see note below)	178,470	169,079	
	<u>303,716</u>	<u>293,258</u>	
13. DEFERRED INCOME			
	2008	2007	
	£	£	
Balance at start of year	169,079	151,170	
Amount released to incoming resources	(169,079)	(151,170)	
Amount deferred in the year	178,470	169,079	
Balance at end of year	<u>178,470</u>	<u>169,079</u>	

HANSARD SOCIETY LIMITED

Notes to the financial statements

For the year ended 31 December 2008

14. STAFF COSTS AND NUMBERS

	2008 £	2007 £
Staff costs were as follows:		
Wages and salaries	531,657	530,118
Social security costs	51,091	53,475
Pension costs	32,042	16,753
	<u>614,790</u>	<u>600,346</u>

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

	No.	No.
Study and Scholars programme	3	3
Parliament and Government programme	3	3
eDemocracy programme	2	2
Citizenship and Education programme	3	2
Scottish programme	1	2
Other programmes	6	7
	<u>18</u>	<u>19</u>

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

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Designated funds					
Fixed Asset Fund	6,340	-	-	(1,423)	4,917
Research and Development fund	37,734	-	-	-	37,734
Pension Fund	6,023	-	-	-	6,023
Removal and Reorganisation fund	40,000	-	-	-	40,000
	<u>90,097</u>	-	-	(1,423)	88,674
General funds					
General Funds	219,534	1,028,508	(1,061,589)	4,985	191,438
Total Unrestricted Funds	<u>309,631</u>	<u>1,028,508</u>	<u>(1,061,589)</u>	<u>3,562</u>	<u>280,112</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 2008

15. STATEMENT OF FUNDS (continued)

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Restricted funds					
Parliament and Government programme	-	54,897	(54,897)	-	-
Citizenship Education	3,562	10,611	(10,611)	(3,562)	-
Total	<u>3,562</u>	<u>65,508</u>	<u>(65,508)</u>	<u>(3,562)</u>	<u>-</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	90,097	-	-	(1,423)	88,674
General funds	219,534	1,028,508	(1,061,589)	4,985	191,438
	<u>309,631</u>	<u>1,028,508</u>	<u>(1,061,589)</u>	<u>3,562</u>	<u>280,112</u>
Restricted funds	3,562	65,508	(65,508)	(3,562)	-
Total of funds	<u>313,193</u>	<u>1,094,016</u>	<u>(1,127,097)</u>	<u>-</u>	<u>280,112</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Tangible fixed assets	-	4,917	4,917	6,340
Current assets	-	578,911	578,911	600,111
Creditors due within one year	-	(303,716)	(303,716)	(293,258)
Total	<u>-</u>	<u>280,112</u>	<u>280,112</u>	<u>313,193</u>

17. 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 cost charge represents contributions payable by the Society amounted to £32,042 (2007 - £16,753). Contributions totalling £2,676 (2007 - £1,844) 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 2008

18. OPERATING LEASE COMMITMENTS

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2008	2007	2008	2007
Expiry date:	£	£	£	£
Within 1 year	-	-	-	-
Between 1 and 5 years	63,850	63,850	-	1,056
After more than 5 years	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19. RELATED PARTY NOTE

Professor The Lord Norton of Louth is a member of the Hansard Society Advisory Council. He is not a member of the Executive Committee (Trustee). Lord Norton received £3,030 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 £35,027 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.