



Trustees' Report and Financial Statements

For the year ended 31 December 2011

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

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

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Hansard Society Limited

For the year ended 31 December 2011

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Hansard Society Limited

For the year ended 31 December 2011

Legal and administrative information

Hon. Officers

Co-Presidents:

Rt Hon John Bercow MP
Rt Hon the Baroness D'Souza CMG
Rt Hon the Baroness Hayman (until 31/08/11)

Vice Presidents:

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

Vice Chairs:

Rt Hon Andrew Lansley CBE MP
Lord Tyler of Linkinhorne
The Lord Puttnam CBE

Board of Trustees:

Rt Hon Peter Riddell (Chairman)	Roshana Arasaratnam (Hon Treasurer)
Dianne Bevan	Edward Bickham
Emma Jane-Cross (until 08/12/11)	Peter Knowles
Dr Sheena McDonald	Gerald Shamash
Lord Sharkey	Graeme Trayner

Members of Council:

Lord Allan	Laurence Bard
Rob Clements (until 01/06/11)	Mark D'Arcy
Paul Evans	Professor Ivor Gaber
Oonagh Gay	Gavin Grant
Andy Hamflett (until 01/01/12)	Professor Robert Hazell CBE
Amelia Knott	Dr Joyce McMillan
Floyd Millen	Austin Mitchell MP
Professor the Lord Norton of Louth	Matthew Seward
Bill Thomson	Aileen Walker

Hansard Society Limited

For the year ended 31 December 2011

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 2011. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005.

STRUCTURE AND GOVERNANCE

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Legal responsibility for the management and stewardship of the Hansard Society is vested in the Board of Trustees. Day to day management of the Charity is delegated to the Chief Executive and Senior Management Team. The Board of Trustees are elected and co-opted under the terms of the Articles of Association. The Chairman and Treasurer are appointed on a yearly basis at the Annual General Meeting. Other members of the Board of Trustees are appointed for a term of three years, after which they may put themselves forward for reappointment for a further three years. The Board of Trustees are also members of the Advisory Council. Only members of the Society are eligible to be appointed to the Advisory Council. The Advisory Council provide guidance on the Charity's activities but are not responsible for the governance of the Charity.

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

The Advisory Council met three times during the year and the Board of Trustees five 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.

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.

Hansard Society Limited

For the year ended 31 December 2011

OBJECTIVES AND ACTIVITIES

Aims of the charity

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

Mission statement

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

Public Benefit statement

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

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

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

Principle 1: There must be an identifiable benefit or benefits

1a) It must be clear what the benefits are

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

1b) The benefits must be related to the aims

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

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

No specific issues of detriment or harm have been identified.

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

2a) The beneficiaries must be appropriate to the aims

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

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

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

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OBJECTIVES AND ACTIVITIES (continued)

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

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

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

2d) Any private benefits must be incidental

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

Main objectives for the year

In 2011 the Hansard Society focused on:

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

Strategies for achieving objectives

To achieve these objectives the core activities are carried out by four 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 and individuals who represent them.

Digital Democracy – 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.

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.

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ACHIEVEMENTS AND PERFORMANCE

The Hansard Society carried out a wide range of activities during 2011 to achieve our objectives as outlined above. Our activities attracted a varied audience from the fields of politics, education, law, civic society, business and the media. The information below provides an overview of the types of events and activities that took place to achieve our objectives, which includes public and private events; activities for young people and resources for teachers; publications drawing together research and opinion; online engagement activities and study programmes.

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

Objective:

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

Activities:

- *Audit of Political Engagement 8* – a yearly snapshot of political knowledge and engagement in Britain.
- *Cardiff Bay – Political and Civil Engagement in Wales in the age of the Big Society*; Examining the impact of devolution on political engagement and civil society in Wales.
- *Connecting Citizens to Parliament* - explores which communities and social groups are not engaging with Parliament, why and how this might be redressed.
- *Parliament 2020: Visioning the Future Parliament* - how parliaments can improve processes, enhance communication and better engage with citizens.
- *A Place for People - Proposals for Enhancing Visitor Engagement with Parliament's Environs*. Report which explores how better use can be made of the Westminster World Heritage Site and Parliament Square.
- Digital Paper: *Gender and Digital Politics* - examines the online political participation of women and men and concludes that the gender imbalance online is the result of wider political exclusion, not digital exclusion.
- Digital Paper: *Digital Democracy in Scotland and Wales: Lagging or Leading?* - explores the digital democracy landscape in both Scotland and Wales, looking at the various initiatives taken by legislatures and governments in Edinburgh and Cardiff

Objective:

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

Activities:

- *Parliamentary Affairs* - four issues published during 2011 by OUP - peer-reviewed academic quarterly covering all the aspects of government and politics directly or indirectly connected with Parliament and parliamentary systems in Britain and throughout the world.
- Evidence submitted to Parliamentary Committees including House of Commons Procedure Committee, House of Commons Member's Expenses Committee, House of Commons Political and Constitutional Reform Committee, House of Lords Constitution Committee, Joint Committee on the Draft House of Lords Reform Bill.
- *A Year in the life* – from member of public to Member of Parliament (June 2011), provides an early insight into the lives of the new MPs and the challenges they face.

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ACHIEVEMENTS AND PERFORMANCE (continued)

- *Delegated Legislation* – a study exploring how and why decisions have been made by successive governments about the use of delegated legislation to enact their policy objectives and whether the current architecture of parliamentary scrutiny is fit for purpose.
- *Improving the House of Lords working practices* - briefing paper on the working practices of the House of Lords.
- *Enhancing the Role of Backbench MPs* - briefing paper examining Private Members' Bills and setting out the options for reform.

Objective:

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

Activities:

- Public Democracy Forum – Political Memoirs; Egotistical or Educational?
- Public Democracy Forum - Referendums: The voice of the people or the tyranny of the vocal?
- Public Democracy Forum – Private Members' Bills: Rejuvenation or Abolition?
- Public Democracy Forum – The Digital Agenda for Change: Where are we one year on?
- Public Democracy Forum – Are Westminster and Whitehall coping with the coalition?
- Public Democracy Forum – Select Committees: Are they as effective as they think they are?
- Public Democracy Forum – Select Committees: What's next on the agenda?
- LGiU/Hansard Society – examination of the 'relocalisation' of the web.
- Lord Speaker Hustings – the first Hansard Society Lord Speaker Hustings. Five peers standing for election as Lord Speaker of the House of Lords set out their reasons for their candidature.
- RSA/Hansard Society debate on AV – a joint debate on the arguments for and against changing the voting system.
- Lecture by Hilary Benn MP – The Shadow Leader of the House of Commons set out Labour's goal of 100% elected House of Lords.
- Parliament Week - [Building an Effective Social Media Campaign: A Roundtable Debate](#).
- Business Breakfast – A "Conversation" with Clive Betts MP - The increasing importance of Select Committees.
- Business Breakfast – A "Conversation" with the Rt Hon Margaret Hodge MP - The increasing importance of Select Committees.
- Business Breakfast A "Conversation" with Tim Yeo MP - The increasing importance of Select Committees

Objective:

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

Activities:

- Parliament Week – *Young People's Question Time*. A panel of MPs debated questions put to them by an audience of young people.
- Pierhead, Cardiff – *Politics versus Young People in Wales*; The National Assembly for Wales and the Hansard Society hosted a panel discussion to explore the relationship between young people and politics in Wales.
- Five *HeadsUp* (www.headsup.org.uk) online forums (and associated reports) to enable young people and parliamentarians to debate political issues online.

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- 62 international scholars took part in the Hansard Scholars Programme in 2011 from a diverse range of countries.
- *Lords of the Blog* - a 'blog' space for Peers, the aim being to provide an educative resource targeted at a general, non-expert audience about what is happening in the House of Lords.

VISITING ACADEMIC FELLOWS SCHEME

The visiting academic fellow's 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 2011, 13 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 2011. A number of programmes were unsuccessful in securing funds for project work and a deficit of £67,402 was recorded. No significant growth is planned by the Trustees for 2012.

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

Reserves policy

The Trustees have reviewed the requirement for free reserves which are those funds not invested in fixed assets or otherwise committed. Based on their review they consider they need three months of operating expenditure. This is approximately £284,000. As at 31 December 2011, free reserves amounted to £74,455. The Trustees are looking at ways of increasing the levels of free reserves.

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 was 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 received in 2011. The Trustees decided at their meeting on 20 October 2011 to transfer the Research and Development fund to the General fund.

Fixed Asset Fund

The Fixed Asset fund represents the net book value of unrestricted tangible fixed assets. Each year an amount is transferred to or from the fund representing the movement in net book value of unrestricted tangible fixed assets in the year. The net book value of assets at the year's end amounted to £1.

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Removal and Reorganisation Fund

The Trustees had set up a removal and reorganisation fund to plan for the future premises move. This balance as at 31 December 2011 is £20,000.

Restricted Funding

The Hansard Society received £48,785 restricted funding in 2011 in the Parliament & Government Programme of which £16,495 remained unspent at the end of the year.

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 2012 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 a regular basis.

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

- (i) Scholars Programme – continued economic downturn, threats of terrorism and war will impact on number of students enrolling for the Scholars Programme. This has prompted us to diversify the student base from the USA and diversify the programme structures on offer.
- (ii) Change in Home Office regulations for international students. The situation is being closely monitored to ensure the Society complies with all Home Office regulations.
- (iii) No replacement funding for research scholars now that the Chevening scheme has ended. The Society needs to explore the market for self-funding researchers.
- (iv) Inadequate non project-related funding. The Senior Management Team are reviewing the Fundraising Strategy including ways in which to increase the level of corporate supporters, increasing membership and developing a legacy programme as well as expanding our Scholars Programme.
- (v) Continued economic downturn. Cost saving measures were identified and implemented in 2011, including the closure of the Digital Democracy Programme with the loss of one staff member. The Society restructured to combine the roles of Communications and Events Co-ordinator with the Scholars Co-ordinator resulting in the loss of one staff member.
- (vi) Loss of key staff. The Society endeavour to mitigate the consequences of this risk by ensuring appropriate support and skills training is available to staff.
- (vii) Change in membership of Council/Board. The Society is currently recruiting for a new Chair and additional Trustees. Succession planning is ongoing.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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

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

This report was approved by the Trustees on 10 May 2012 and signed on its behalf, by:

.....
Peter Riddell
Chairman

Hansard Society Limited

For the year ended 31 December 2011

Independent Auditors' report to the members of Hansard Society Limited

We have audited the financial statements of the Hansard Society for the year ended 31 December 2011 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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For the year ended 31 December 2011

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

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

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

Fairfax House
15 Fulwood Place
London
WC1V 6AY

Date:

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Statement of Financial Activities for the year ended 31 December 2011 (incorporating income and expenditure account)

	Note	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Incoming Resources					
<i>Incoming resources from charitable activities</i>					
Study and Scholars programme		-	599,684	599,684	654,855
Parliament and Government programme		48,785	117,927	166,712	96,103
eDemocracy programme		-	21,494	21,494	68,007
Citizenship Education programme		-	102,646	102,646	62,445
Membership subscriptions		-	3,776	3,776	2,883
Publications		-	165,797	165,797	148,201
Conferences & Meetings	2	-	6,379	6,379	31,199
Other income		-	-	-	306
<i>Total incoming resources from charitable activities</i>		48,785	1,017,703	1,066,488	1,063,999
<i>Incoming resources from generated funds</i>					
Voluntary income and core funding	3	-	1,168	1,168	273
<i>Activities for generating funds:</i>					
Investment income	4	-	1,811	1,811	1,079
Total incoming resources		48,785	1,020,682	1,069,467	1,065,351
Resources Expended					
<i>Charitable activity costs</i>					
Study and Scholars programme		-	498,897	498,897	464,005
Parliament and Government programme		32,290	191,078	223,368	204,142
eDemocracy programme		-	150,247	150,247	163,777
Citizenship Education programme		-	196,029	196,029	157,352
Scottish Parliament programme		-	-	-	65,993
Publications		-	12,510	12,510	13,461
Conferences & Meetings		-	29,435	29,435	46,964
<i>Total charitable activity costs</i>	5	32,290	1,078,196	1,110,486	1,115,694
Governance costs	7	-	26,383	26,383	26,877
Total resources expended		32,290	1,104,579	1,136,869	1,142,571
NET DEFICIT FOR THE YEAR		16,495	(83,897)	(67,402)	(77,220)
Total funds at 1 January 2011		-	158,352	158,352	235,572
Total funds at 31 December 2011		16,495	74,455	90,950	158,352

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

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

Hansard Society Limited

Balance Sheet
As at 31 December 2011

Company number: 04332105

	Note	£	2011	£	£	2010	£
FIXED ASSETS							
Tangible fixed assets	9			1			1
CURRENT ASSETS							
Stocks		1,000			1,000		
Debtors	10	325,967			159,780		
Cash at bank		315,283			377,818		
		<u>642,250</u>			<u>538,598</u>		
Creditors: amounts falling due within One year	11	(551,301)			(380,247)		
				<u>90,949</u>			<u>158,351</u>
NET ASSETS				<u>90,950</u>			<u>158,352</u>
CHARITY FUNDS							
Restricted funds	14			16,495			-
Unrestricted – designated funds	14			20,001			57,735
Unrestricted – general funds	14			54,454			100,617
				<u>90,950</u>			<u>158,352</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10th May 2012.

.....
Peter Riddell - Chair

.....
Roshana Arasaratnam - Treasurer

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

Hansard Society Limited

Notes to the financial statements For the year ended 31 December 2011

1. Accounting policies

1.1 Basis of preparation of financial statements

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

1.2 Company status

The Charity is a company limited by guarantee. The members of the company include the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

1.3 Fund accounting

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

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

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

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. Income is deferred only when the Society has to fulfil conditions before becoming entitled to it or where the donor has specified the income is to be expended into a future period. Where donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included within the item of expense to which it relates.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between the expenses headings on the basis of time spent.

Hansard Society Limited

Notes to the financial statements (continued) For the year ended 31 December 2011

1. Accounting policies (continued)

1.5 Resources expended

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.

Governance costs are those incurred in connection with enabling the Society to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties.

1.6 Cash flow

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

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment	-	2 years straight line
Computer Equipment	-	2 years straight line

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

2. CONFERENCES AND MEETINGS

	Total Funds 2011 £	Total Funds 2010 £
Corporate support/business breakfasts	5,917	10,700
Conferences and meetings	-	15,000
PSA annual lecture	-	5,499
Other	462	-
Total	<u>6,379</u>	<u>31,199</u>

Hansard Society Limited

Notes to the financial statements (continued)
For the year ended 31 December 2011

3. VOLUNTARY INCOME AND CORE FUNDING				Total Funds 2011 £	Total Funds 2010 £
Donations				1,168	273
Total				<u>1,168</u>	<u>273</u>
4. INVESTMENT INCOME				Total Funds 2011 £	Total Funds 2010 £
Interest receivable				<u>1,811</u>	<u>1,079</u>
5. RESOURCES EXPENDED					
	Direct staff Costs £	Other direct Costs £	Support Costs £	2011 £	2010 £
Charitable activities					
Study and Scholars programme	115,196	275,483	108,218	498,897	464,005
Parliament and Government programme	86,320	55,957	81,091	223,368	204,142
eDemocracy programme	72,402	9,829	68,016	150,247	163,777
Citizenship Education programme	80,875	39,178	75,976	196,029	157,352
Scottish Parliament programme	-	-	-	-	65,993
Publications	6,365	166	5,979	12,510	13,461
Conferences and meetings	13,817	2,638	12,980	29,435	46,964
Total	<u>374,975</u>	<u>383,251</u>	<u>352,260</u>	<u>1,110,486</u>	<u>1,115,694</u>

HANSARD SOCIETY LIMITED

Notes to the Financial Statements

For the year ended 31 December 2011

6. ANALYSIS OF SUPPORT COSTS

	Study and Scholars	Parliament and Governmen t	eDemocracy	Citizenship Education	Publication	Conference and Meetings	Total Charitable Activities	Governance	2011	2010
	£	£	£	£	£	£	£	£	£	£
Staff costs	55,488	41,579	34,875	38,956	3,066	6,655	180,619	4,193	184,812	182,245
Depreciation & loss on disposal of assets	-	-	-	-	-	-	-	-	-	2,223
Premises & equipment	34,999	26,226	21,997	24,571	1,934	4,198	113,925	2,645	116,570	113,946
Stationery, postage & books	2,803	2,101	1,762	1,968	155	336	9,125	212	9,337	7,908
Information & research/ communication	1,588	1,190	998	1,115	88	190	5,169	120	5,289	6,434
Other costs	13,340	9,995	8,384	9,366	736	1,601	43,422	1,007	44,429	23,848
Total	108,218	81,091	68,016	75,976	5,979	12,980	352,260	8,177	360,437	336,604

Hansard Society Limited

Notes to the financial statements (continued) For the year ended 31 December 2011

7. GOVERNANCE COSTS	Total Funds 2011 £	Total Funds 2010 £
Staff costs	8,705	9,929
Other costs	1,479	1,039
Auditor's remuneration	8,022	7,540
Support costs	8,177	8,369
	<u>26,383</u>	<u>26,877</u>
Total	26,383	26,877

8. NET INCOMING RESOURCES	2011 £	2010 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	-	2,213
Auditors' remuneration – audit services	8,022	7,540
Pension costs	32,153	32,205
	<u>32,153</u>	<u>32,205</u>

No trustee received any remuneration, benefits in kind or any reimbursements during the year (2010: £Nil).

9. TANGIBLE FIXED ASSETS	Computer Equipment £	Total £
Cost		
At 1 January 2011 and 31 December 2011	10,843	10,843
Depreciation		
At 1 January 2011	10,842	10,842
Charge for the year	-	-
	<u>10,842</u>	<u>10,842</u>
At 31 December 2011	10,842	10,842
Net Book Value		
At 31 December 2011	1	1
	<u>1</u>	<u>1</u>
At 31 December 2010	1	1
	<u>1</u>	<u>1</u>

10. DEBTORS	2011 £	2010 £
Due within one year		
Trade debtors	203,543	45,606
Other debtors	463	9,465
Prepayments	120,628	99,309
Grants receivable	1,333	5,400
	<u>325,967</u>	<u>159,780</u>

Hansard Society Limited

Notes to the financial statements (continued) For the year ended 31 December 2011

11. CREDITORS: amounts falling Due within one year	2011 £	2010 £
Trade creditors	39,491	17,311
Social security and other taxes	22,508	18,623
Other creditors	6,998	8,992
Accruals	117,811	87,675
Deferred income (see note below)	364,493	247,646
	<u>551,301</u>	<u>380,247</u>
12. DEFERRED INCOME	2011 £	2010 £
Balance at start of year	247,646	261,400
Amount released to incoming resources	(247,646)	(261,400)
Amount deferred in the year	364,493	247,646
Balance at end of year	<u>364,493</u>	<u>247,646</u>
13. STAFF COSTS AND NUMBERS	2011 £	2010 £
Staff costs were as follows:		
Wages and salaries	489,397	502,876
Social security costs	46,943	46,427
Pension costs	32,153	32,265
	<u>568,493</u>	<u>581,568</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	2	2
eDemocracy programme	2	2
Citizenship and Education programme	2	2
Scottish programme	-	1
Other programmes	4	5
	<u>13</u>	<u>15</u>

One employee received remuneration of between £60,000 and £70,000 and associated employer's pension contributions were £4,565 (2010: £4,454).

Hansard Society Limited

Notes to the financial statements (continued) For the year ended 31 December 2011

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Designated funds					
Fixed Asset Fund	1	-	-	-	1
Research and Development fund	37,734	-	-	(37,734)	-
Removal and Reorganisation fund	20,000	-	-	-	20,000
	<u>57,735</u>	<u>-</u>	<u>-</u>	<u>(37,734)</u>	<u>20,001</u>
General funds					
General Funds	100,617	1,020,682	(1,104,579)	37,734	54,454
Total Unrestricted Funds	<u>158,352</u>	<u>1,020,682</u>	<u>(1,104,579)</u>	<u>-</u>	<u>74,455</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 and the Removal and Reorganisation Fund are set out in the Trustees' report

	Brought Forward £	Incoming Resources £	Resources expended £	Transfers In/(out) £	Carried forward £
Restricted funds					
Parliament & Government programme	-	48,785	(32,290)	-	16,495
Total	<u>-</u>	<u>48,785</u>	<u>(32,290)</u>	<u>-</u>	<u>16,495</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	57,735	-	-	(37,734)	20,001
General funds	100,617	1,020,682	(1,104,579)	37,734	54,454
	<u>158,352</u>	<u>1,020,682</u>	<u>(1,104,579)</u>	<u>-</u>	<u>74,455</u>
Restricted funds	-	48,785	(32,290)	-	16,495
Total of funds	<u>158,352</u>	<u>1,069,467</u>	<u>(1,136,869)</u>	<u>-</u>	<u>90,950</u>

Hansard Society Limited

Notes to the financial statements (continued) For the year ended 31 December 2011

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Tangible fixed assets	-	1	1	1
Current assets	16,495	625,755	642,250	538,598
Creditors due within one year	-	(551,301)	(551,301)	(380,247)
Total	<u>16,495</u>	<u>74,455</u>	<u>90,950</u>	<u>158,352</u>

16. PENSION COMMITMENTS

The Society operated defined contribution schemes for some of its employees making a contribution of 7% of the gross salary. The assets of the schemes are held separately from those of the Society in independently administered funds. The pension charge represents contributions payable by the Society and amounted to £32,152 (2010 - £32,265). Contributions totalling £2,134 (2010 - £2,251) were payable to the fund at the balance sheet date and are included in creditors.

17. OPERATING LEASE COMMITMENTS

At 31 December 2011, the company had annual commitments under non-cancellable operating leases as follows:

Expiry date:	Land and buildings 2011 £	2010 £
Within 1 year	35,610	-
Between 1 and 5 years	-	63,850
After more than 5 years	-	-
	<u>35,610</u>	<u>63,850</u>