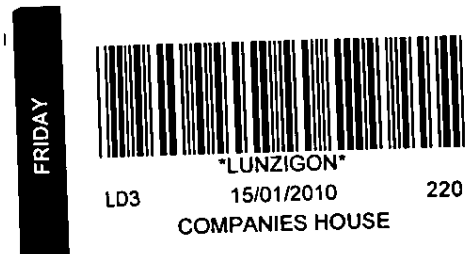


COMPANY REGISTRATION NUMBER 3277032

**UK CITIZENS ONLINE DEMOCRACY
FINANCIAL STATEMENTS
31 MARCH 2008**

Charity Number 1076346



COMPLETE TAX SOLUTIONS

Chartered Accountants
2nd Floor
Cardiff House
Tilling Road
London
NW2 1LJ

UK CITIZENS ONLINE DEMOCRACY

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

CONTENTS	PAGE
Trustees Annual Report	1
Accountants' report to the members	5
Statement of financial activities (incorporating the income and expenditure account)	6
Balance sheet	7
Notes to the financial statements	8
The following pages do not form part of the financial statements	
Detailed statement of financial activities	12

UK CITIZENS ONLINE DEMOCRACY

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2008

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 March 2008.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	UK Citizens Online Democracy
Charity registration number	1076346
Company registration number	3277032
Principal office	12 Duke's Road London WC1H 9AD
Registered office	12 Duke's Road London WC1H 9AD

THE TRUSTEES

The trustees who served the company during the period were as follows:

	A S Rehlon J A Crabtree J P Cronin M M Hussain O F Blacker
Secretary	J P Cronin
Accountants	Complete Tax Solutions Chartered Accountants 2nd Floor Cardiff House Tilling Road London NW2 1LJ

STRUCTURE, GOVERNANCE AND MANAGEMENT

UK Citizens Online Democracy ("UKCOD") is incorporated as a company limited by guarantee, and is registered in the UK as a charity (registered charity no. 1076346). UKCOD is governed by a board of volunteer trustees.

UKCOD operates a number of civic and democratic websites under a single project, MySociety. UKCOD has a wholly owned commercial subsidiary, MySociety Limited. MySociety Limited is governed by a board of directors, comprising a combination of trustees from UKCOD, executive directors and independent non-executive directors. Trustees and non-executive directors are not remunerated by either company. These structures were unchanged from 2007/8.

In terms of staff, UKCOD contracted a new full time developer in 2007/8, and also took on a US based Pledgebank outreach officer on a 12 month contract funded by an American

UK CITIZENS ONLINE DEMOCRACY

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

philanthropic organisation. UKCOD continued to employ or contract with two other developers, one systems administrator and its own Director.

OBJECTIVES AND ACTIVITIES

The objectives of UKCOD are to conduct and promote research into the use and effects of information and communication technologies in the context of the operation of any body or bodies which has or have an electorate and to disseminate the useful results of such research for the benefit of the public.

Relatedly, the objectives of the MySociety project are to build websites which give people simple, tangible benefits in the civic and community aspects of their lives; it also aims to teach the public and voluntary sectors, through demonstration, how to use the internet most efficiently to improve lives.

UKCOD continued to further its charitable objects through various projects:

Continuing to operate, maintain and grow the use of our core sites - WriteToThem.com, HearFromYourMP.com, TheyWorkForYou.com and PledgeBank.com, growing the recently launched NeighbourhoodFixIt (later FixMyStreet.com)

Using a donation from the Omidyar Network to raise usage of PledgeBank.com in the USA, and continuing to work with volunteers to make more international versions of PledgeBank

The launch of a website to explain the activities of UKCOD itself - www.ukcod.org.uk

The holding of a first 'unconference' in Berlin to facilitate the international spread of UKCOD's ideas and projects

The construction and launch of a new Freedom of Information Request filing and archiving website called WhatDoTheyKnow.com, growing revenues from its subsidiary MySociety Limited.

ACHIEVEMENTS AND PERFORMANCE

In the calendar years of 2007 and 2008 UKCOD saw traffic to its core sites of:

TheyWorkForYou - 1,815,671 unique visitors in 2007 rose to 1,957,919 in 2008 - an increase of 7.8%

WriteToThem - 488,928 unique visitors in 2007 rose to 517,418 in 2008 - an increase of 5.8%

HearFromYourMP - 86,170 unique visitors in 2007 fell to 83,319 in 2008 - a decrease of 3.4%

PledgeBank - 871,614 unique visitors in 2007 rose to 713,308 in 2008 - a decrease of 22.2%

FINANCIAL REVIEW

UKCOD's financial progress continues to be steady, without rapid changes from the previous year. This was despite the substantial change in funding mechanisms, becoming less dependent on grant funding and gathering more revenue from contracting projects, such as the No10 petitions website.

UK CITIZENS ONLINE DEMOCRACY

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

PLANS FOR FUTURE PERIODS

In 2008/9 UKCOD intends to focus efforts on growing revenues through its subsidiary MySociety Limited. Its goals for the use of those subsidiaries are to see substantial growth in its newest FixMyStreet.com and WhatDoTheyKnow.com. UKCOD also hopes to expand its research goals by commencing a multi-year evaluation of the usage, performance and impacts of UKCOD websites, learning which should be shared in 2010.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of UK Citizens Online Democracy for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 judgements 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 enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees 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.

REPORTING ACCOUNTANTS

Messrs Complete Tax Solutions will continue in office as reporting accountants for the ensuing year.

UK CITIZENS ONLINE DEMOCRACY

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the trustees



J P CRONIN
Company Secretary

14-1-10

UK CITIZENS ONLINE DEMOCRACY
ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED
FINANCIAL STATEMENTS OF UK CITIZENS ONLINE DEMOCRACY
YEAR ENDED 31 MARCH 2008

We report on the accounts for the year ended 31 March 2008 set out on pages 6 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 7 the company's directors (who also act as trustees for the charitable activities of UK Citizens Online Democracy) are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

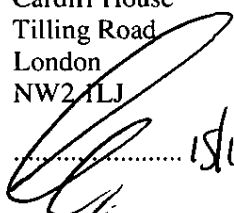
Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemptions specified in section 249B(1)(a) to (f).

2nd Floor
Cardiff House
Tilling Road
London
NW2 1LJ



15/1/0

COMPLETE TAX SOLUTIONS
Chartered Accountants

UK CITIZENS ONLINE DEMOCRACY
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2008

	Note	Total Funds 2008 £	Total Funds 2007 £
INCOMING RESOURCES			
Incoming resources from generating funds:			
Voluntary income	2	91,751	139,765
Other incoming resources	3	410	45,880
TOTAL INCOMING RESOURCES		<u>92,161</u>	<u>185,645</u>
RESOURCES EXPENDED			
Charitable activities	4/5	(78,243)	(135,618)
Governance costs	6	-	(18)
TOTAL RESOURCES EXPENDED		<u>(78,243)</u>	<u>(135,636)</u>
NET INCOMING RESOURCES FOR THE YEAR/NET INCOME FOR THE YEAR		13,918	50,009
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>84,761</u>	<u>34,752</u>
TOTAL FUNDS CARRIED FORWARD		<u>98,679</u>	<u>84,761</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 10 form part of these financial statements.

UK CITIZENS ONLINE DEMOCRACY

BALANCE SHEET

31 MARCH 2008

	Note	2008 £	2007 £
CURRENT ASSETS			
Debtors	8	113,806	55,744
Cash in hand		386	44,236
		<u>114,192</u>	<u>99,980</u>
CREDITORS: Amounts falling due within one year	9	<u>(15,513)</u>	<u>(15,219)</u>
NET CURRENT ASSETS		98,679	84,761
TOTAL ASSETS LESS CURRENT LIABILITIES		98,679	84,761
NET ASSETS		98,679	84,761
FUNDS			
Unrestricted income funds	10	<u>98,679</u>	<u>84,761</u>
TOTAL FUNDS		98,679	84,761

The trustees are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(2), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The trustees acknowledge their responsibilities for:

- ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the members of the committee on the 14/1/2009 and are signed on their behalf by:

Amandeep Rehl

A S REHLON
Trustee

J P Cronin

J P CRONIN
Trustee

Company Registration Number: 3277032

The notes on pages 8 to 10 form part of these financial statements.

UK CITIZENS ONLINE DEMOCRACY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Donations			
Donations	<u>91,751</u>	<u>91,751</u>	<u>139,765</u>

3. OTHER INCOMING RESOURCES

	Unrestricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Other income	<u>410</u>	<u>410</u>	<u>45,880</u>

4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Support costs	<u>78,243</u>	<u>78,243</u>	<u>135,618</u>

5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Support costs £	Total Funds 2008 £	Total Funds 2007 £
Support costs	<u>78,243</u>	<u>78,243</u>	<u>135,618</u>

UK CITIZENS ONLINE DEMOCRACY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

6. GOVERNANCE COSTS

	Total Funds 2008 £	Total Funds 2007 £
Other financial costs	—	18

7. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2008 £	2007 £
Wages and salaries	70,729	124,706
Social security costs	—	—
	<u>70,729</u>	<u>124,706</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

2008 No	2007 No
------------	------------

No employee received emoluments of more than £60,000 during the year (2007 - Nil).

8. DEBTORS

	2008 £	2007 £
Other debtors	<u>113,806</u>	<u>55,744</u>

9. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Trade creditors	11,337	—
Other creditors	4,176	15,219
	<u>15,513</u>	<u>15,219</u>

10. UNRESTRICTED INCOME FUNDS

	Balance at 1 April 2007 £	Incoming resources £	Balance at 31 March 2008 £
General Funds	<u>84,761</u>	<u>13,918</u>	<u>98,679</u>

UK CITIZENS ONLINE DEMOCRACY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Other net assets £	Total £
Unrestricted Income Funds	<u>14,886</u>	<u>14,886</u>
Total Funds	<u>14,886</u>	<u>14,886</u>

UK CITIZENS ONLINE DEMOCRACY
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2008

**The following pages do not form part of the statutory financial statements
which are the subject of the accountants' report on page 5.**

UK CITIZENS ONLINE DEMOCRACY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2008

	2008 £	2007 £
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	<u>91,751</u>	<u>139,765</u>
OTHER INCOMING RESOURCES		
Other income	<u>410</u>	<u>45,880</u>
TOTAL INCOMING RESOURCES	<u>92,161</u>	<u>185,645</u>
RESOURCES EXPENDED		
CHARITABLE ACTIVITIES		
Staff costs - Wages & Salaries	70,729	124,706
Motor and travel costs	3,471	4,806
Professional - Accountancy fees	2,680	2,808
Office expenses - Telephone	1,013	1,350
Office expenses - Other	350	1,948
	<u>78,243</u>	<u>135,618</u>
GOVERNANCE COSTS		
Other financial costs	<u>-</u>	<u>18</u>
TOTAL RESOURCES EXPENDED	<u>78,243</u>	<u>135,636</u>
NET INCOMING RESOURCES FOR THE YEAR	<u>13,918</u>	<u>50,009</u>

UK CITIZENS ONLINE DEMOCRACY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2008

	2008	2007
	£	£
CHARITABLE ACTIVITIES		
Support costs		
<i>Support costs</i>		
Staff costs - Wages & Salaries	70,729	124,706
Motor and travel costs	3,471	4,806
Professional - Accountancy fees	2,680	2,808
Office expenses - Telephone	1,013	1,350
Office expenses - Other	350	1,948
	<u>78,243</u>	<u>135,618</u>