

OPEN DATA INSTITUTE

(A company limited by guarantee)

Registered number: 08030289

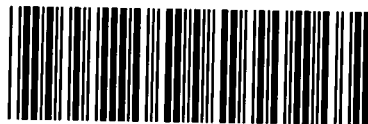
OPEN DATA INSTITUTE

(A company limited by guarantee)

Directors' report and financial statements

for the year ended 31 December 2017

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OPEN DATA INSTITUTE

(A company limited by guarantee)

Contents

	Pages
Company information	1
Directors' report	2 - 5
Independent auditors' report to the members of the Open Data Institute	6 - 8
Statement of comprehensive income	9
Statement of financial position	10
Notes to the financial statements	11 - 22

OPEN DATA INSTITUTE

(A company limited by guarantee)

Company Information

Directors	Sir Nigel Shadbolt Sir Timothy Berners-Lee Roger Hampson Robert Bryan Martin Tisne Stephen Morana Dr. Jenifer Tennison Louise Burke Neelie Kroes Baroness Lane-Fox
Company secretary	Robert K Bryan
Registered number	08030289
Registered office	3 rd Floor 65 Clifton Street London EC2A 4JE
Independent auditors	PricewaterhouseCoopers LLP The Atrium 1 Harefield Road Uxbridge Middlesex UB8 1EX

OPEN DATA INSTITUTE

(A company limited by guarantee)

Directors' report for the year ended 31 December 2017

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2017.

Principal activities

Our principal activities are focused on helping companies and governments around the world to build an open, trustworthy data ecosystem where people can make better decisions using data and manage any harmful impacts. We have done this through:

- running sector programmes and problem-focused challenges and incubators to tackle problems with data and an open approach
- developing, through R&D, and providing advice, tools, guidance and training to private and public sector organisations to help them manage data better
- running a number of peer networks, including of members and commercial partners, to build capability in data

Future developments

We will continue to focus our activities in three general areas

- **Sector programmes** – coordinating organisations to tackle a social or economic problem with data and an open approach
- **Practical advocacy** – working as a critical friend with businesses and government, and creating products they can use to support change
- **Peer networks** – bringing together peers in similar situations to learn together

We are also aiming to scale in three ways, by reasserting our international expertise, by doing more work outside the UK and particularly in Europe; forming additional sector and delivery partnerships; and creating more scalable products such as eLearning and certification.

Principal risks and uncertainties

We are a mission-led institute. We generate revenue from a mixture of commercial work and grants from various bodies. We carried a significant cash balance at year end and afterwards received a three year core funding grant from Omidyar Networks of \$2.5m. We manage cash flow carefully to ensure we can meet all liabilities as they fall due. The directors have prepared forecasts which show that the company will be able to meet its liabilities as they fall due for at least twelve months from the date of this report and the financial statements have therefore been prepared on a going concern basis.

Results

The profit for the financial year of £896,486 (2016: profit of £466,188) has been taken to reserves and will be reinvested in the company.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Directors' report (continued) for the year ended 31 December 2017

Going concern

The ODI has recently secured follow on core philanthropic funding from Omidyar Networks in the sum of \$2.5m. During 2017, the ODI secured a £6m, three year, research and development project from Innovate UK. The business has grown over the last five years. The directors have prepared forecasts which show that the company will be able to meet its liabilities as they fall due for at least twelve months from the date of this report and the financial statements have therefore been prepared on a going concern basis.

Directors

The directors of the company who served during the year and up to the date of signing the financial statements are as follows:

Sir Nigel Shadbolt (Executive Chairman)
Sir Timothy Berners-Lee (President)
Roger Hampson
Robert Bryan (Company Secretary)
Martin Tisne
Stephen Morana (Appointed 01/01/2017)
Dr. Jenifer Tennison (Appointed 27/04/2017)
Louise Mary Burke (Appointed 01/12/2017)
Justine Juliette A Roberts (Appointed 31/03/2018)
Anna Maria Fowlkes Mazzone (Appointed 31/03/2018)
Neelie Kroes (Resigned 30/09/2017)
Baroness Lane-Fox (Resigned 30/09/2017)

Political contributions

The company made no political donations (2016: £nil) during the year.

Employee involvement

The company is also committed to providing employees with information on matters of concern to them on a regular basis, so that the views of employees can be taken into account when making decisions that are likely to affect their interests.

The company has continued its practice of keeping employees informed on a regular basis of financial and economic factors affecting performance, current activities, progress and general matters of interest in the business through personal briefings, all staff meetings, company away days and email.

Disabled employees

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status and offers appropriate training and career development for disabled staff. If members of staff become disabled the company continues employment wherever possible and arranges retraining.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned.

OPEN DATA INSTITUTE

(A company limited by guarantee)

**Directors' report (continued)
for the year ended 31 December 2017**

Directors' indemnities

The company maintains liability insurance for its directors and officers. The company also provides indemnity for its directors and the secretary, which is qualifying third party indemnity provision for the purpose of the Companies Act 2006. The indemnity was in force throughout the financial year and is currently in force.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 "The Financial Reporting Standards Applicable in the UK and Republic of Ireland" (FRS 102), and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that financial year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the Open Data Institute's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
2. the director has taken all the steps that he/she ought to have been taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with S418a of the Companies Act 2006.

OPEN DATA INSTITUTE

(A company limited by guarantee)

**Directors' report (continued)
for the year ended 31 December 2017**

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'J. Tennison', with a stylized, flowing script.

Jenifer Tennison
Chief Executive Officer

Date: 28/6/2018

OPEN DATA INSTITUTE

(A company limited by guarantee)

Independent auditors' report to the members of Open Data Institute

Opinion

In our opinion, Open Data Institute's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements for the year ended 31 December 2017 (the "Annual Report"), which comprise: the statement of comprehensive income for the year ended 31 December 2017; the statement of financial position as at 31 December 2017; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Independent auditors' report to the members of Open Data Institute continued

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

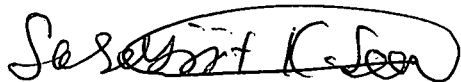
OPEN DATA INSTITUTE

(A company limited by guarantee)

Independent auditors' report to the members of Open Data Institute continued

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Sarabjit Seera (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
28th June 2018

OPEN DATA INSTITUTE

(A company limited by guarantee)

**Statement of comprehensive income
For the year ended 31 December 2017**

	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Revenue	2	6,574,058	5,331,773
Administrative expenses		<u>(5,457,126)</u>	<u>(4,760,639)</u>
Profit on ordinary activities before taxation	3	1,116,932	571,134
Tax on profit on ordinary activities	7	<u>(220,446)</u>	<u>(104,946)</u>
Total comprehensive income for the financial year		<u><u>896,486</u></u>	<u><u>466,188</u></u>

The notes on pages 11 to 22 form part of these financial statements.

All results are derived from the continuing activities of the company.

OPEN DATA INSTITUTE(A company limited by guarantee)**Statement of financial position
As at 31 December 2017**

	Note	2017 £	2016 £
ASSETS			
Fixed assets			
Property, plant and equipment	8	45,282	58,686
Investments	9	<u>2</u>	<u>2</u>
		45,284	58,688
Current assets			
Trade and other receivables	10	1,842,021	1,057,459
Cash and cash equivalents		<u>1,167,936</u>	<u>929,156</u>
Total current assets		3,009,957	1,986,615
Total assets		<u>3,055,241</u>	<u>2,045,303</u>
LIABILITIES			
Non-current liabilities			
Provisions for liabilities	12	<u>57,793</u>	<u>57,793</u>
Current Liabilities			
Trade and other payables	11	<u>1,511,590</u>	<u>1,398,138</u>
Total Liabilities		<u>1,569,383</u>	<u>1,455,931</u>
Net assets		<u>1,485,858</u>	<u>589,372</u>
Reserves			
Retained earnings	15	<u>1,485,858</u>	<u>589,372</u>
Total Equity		<u>1,485,858</u>	<u>589,372</u>

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



Jenifer Tennison
Chief Executive Officer

Date: 28/6/2018

The notes on pages 11 to 22 form part of these financial statements.

Registered number: 08030289

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017

1. Accounting Policies

1.1 General information and basis of preparation of financial statements

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

The Company is registered in the United Kingdom with the registered address being 3rd Floor, 65 Clifton Street, London EC2A 4JE.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. In accordance with section 381 of the Companies Act 2006 we have applied the provisions of the small companies' regime in preparing the financial statements.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The Company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group financial statements. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed as required.

The following exemptions in relation to FRS102 and the Companies Act 2006 have been applied in the preparation of these financial statements:

- Strategic Report – In accordance with section 414B of the Companies Act 2006, an exemption to prepare a strategic report has been taken.
- Information about Employee Costs – in accordance with section 411 of the Companies Act 2006, an exemption to disclose information about employee costs has been taken.
- Consolidated financial statements – In accordance with section 399 of the Companies Act 2006, consolidated financial statements have not been prepared given the Open Data Institute applies the provisions of the Small Companies Regime.
- Cash Flow Statements – In accordance with section 1A paragraph 8, no cash flow statement is required to be reported.
- Provision of certain financial instruments disclosures set out in section 11 and 12 of FRS102.
- Exemption from disclosure of key management compensation.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

1. Accounting policies (continued)

The following principal accounting policies have been applied:

1.2 Going concern

The ODI has recently secured follow on core philanthropic funding from Omidyar Networks in the sum of \$2.5m. During 2017, the ODI secured a £6m, three year, research and development project from Innovate UK. The business has grown over the last five years. The directors have prepared forecasts which show that the company will be able to meet its liabilities as they fall due for at least twelve months from the date of this report and the financial statements have therefore been prepared on a going concern basis.

1.3 Taxation

The tax expense for the financial year comprises current and deferred tax. The current income tax charge is the amount of income tax payable in respect of the taxable profit for the year or prior years. Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date.

Deferred tax balances are recognised in respect of all timing differences and have originated but not reversed by the statement of financial position date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

1.4 Tangible fixed assets and depreciation

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use and any dismantling and restoration costs. Tangible assets are reviewed for impairment at each reporting date and are subject to the following depreciation rates:

Fixtures and fittings	-	20% straight line basis
Office & computer equipment	-	33% straight line basis

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, on an ongoing basis. The effect of any change is accounted for prospectively. Repairs, maintenance and minor inspection costs are expensed as incurred.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income account on a straight-line basis over the period of the lease.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

1. Accounting policies (continued)

1.5 Investments

Investments in subsidiary and associated companies are held at historical cost, less accumulated impairment losses. Investments are reviewed by management for impairment indicators on an annual basis and any impairment is recorded through statement of comprehensive income.

1.6 Foreign currencies

(i) Functional and presentation currency

The company's functional and presentation currency is Great British Pounds.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each financial year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the statement of transactions and from the translation at the financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

1.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of value added tax. The company bases its estimate of returns on historical results, taking into consideration the type of customer, the types of transaction and the specifics of each arrangement.

Where the consideration receivable in cash or cash equivalent is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

Revenue is deferred when it has been invoiced but the services have not yet been delivered. Revenue is accrued when it is both supported by a contractual agreement and has been earned.

Revenue, other than grant income, represents:

- Professional services supplied by the company under contractual agreements which can be long and short term,
- Membership income, includes partnership fees
- Training

Professional services are recognised over the contract term to the extent those revenues have been earned. Membership income is recognised on a straight-line basis over the service period. Training is recognised upon completing the service obligation i.e. delivering the training. Other income is recognised upon completion of the service obligation.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

1. Accounting policies (continued)

1.7 Revenue (continued)

Revenue on grants is recognised on the basis of the accruals concept. Revenues must be repaid if conditions are not met towards the end of a project and as such this requires consideration to be given for recoverability or services performed.

1.8 Cash and cash equivalents

The company has taken advantage of the small company exemption from preparing a cash flow statement. Cash and cash equivalents represents the total deposits held in bank accounts.

1.9 Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognised as a finance cost.

1.10 Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the financial year in which the service is received.

The company is a participating employer in a defined contribution scheme. The scheme is open to all employees and once contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense in the period in which they are due. Amounts not yet paid are shown as accruals in the statement of financial position.

For termination benefits where there is a statutory, contractual or a constructive obligation formed by prior agreement with local employee representatives, these are recorded once a detailed termination plan has been approved by management. Any other termination benefits are recorded on the date of notification to affected employees.

1.11 Impairment of non-financial assets

At each statement of financial position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication, the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free and the risks inherent in the asset.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

1. Accounting policies (continued)

1.11 Impairment of non-financial assets (continued)

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income account. If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash equivalent unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the statement of comprehensive income account.

1.12 Financial instruments

Basic financial instruments, including trade and other receivables and payables, and cash and bank balances, are initially recognised at transaction price. Long term receivables and payables are recorded at the present value of future receipts or payments, discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. Derivative assets and liabilities are recorded at fair value, with changes in the fair value of derivatives being recognised in the statement of comprehensive income account in finance costs or income as appropriate.

At the end of each reporting year, financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is recognised immediately in the statement of comprehensive income account. Where a reversal of the impairment is recognised, the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the statement of comprehensive income account.

1.13 Critical accounting judgements and estimation

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers various factors, including the current credit rating of the receivables, the ageing profile of the receivables, and historical experience.

(ii) Long term and government grant contract accounting

Revenue on long term contracts is recognised on a stage of completion basis over the contract term, providing the company is able to make reasonably dependable estimates of the extent of progress toward completion, contract revenues, and contract costs and when conditions are satisfied. These estimates reflect historical experience and are reviewed by management on a regular basis.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

2. Revenue

The Company's revenue is split as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Grant income	4,519,042	3,698,010
Membership income	176,893	328,322
Professional services and training	1,878,123	1,196,102
Annual summit ticket and sponsorship income	-	109,339
	<u>6,574,058</u>	<u>5,331,773</u>

3. Profit on ordinary activities before taxation

The operating profit is stated after charging:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Depreciation of tangible fixed assets: - owned by the company	62,538	76,036
Auditors' remuneration for audit services	39,000	43,712
Auditors' remuneration for non-audit services	5,000	5,000
Foreign exchange (losses) / gains	84,314	(163,508)
Operating lease charges - other	<u>108,505</u>	<u>104,858</u>

4. Pension commitments

The Company operates a defined contribution pension scheme. During 2017 £53,546 (2016: £48,922) was the amount paid by the Company regarding its employees. The amount outstanding at year-end in relation to the 2017 pension payments was £10,421 (2016: £10,877) (employers and employees contributions).

5. Employees

Average monthly number of employees during the financial year was 38 (2016: 50 employees).

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

6. Directors' remuneration

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Aggregate remuneration	<u>249,171</u>	<u>261,722</u>

Jenifer Tennison, CEO, was the highest paid director during the financial year remuneration of £129,850.

7. Tax on profit on ordinary activities

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
UK corporation tax charge for the year	<u>220,446</u>	<u>104,946</u>

The tax charge is reconciled below:

	<u>2017</u> £	<u>2016</u> £
Current tax reconciliation		
Profit on ordinary activities before taxation	1,116,932	571,134
Tax on profit at standard UK tax rate of 19.25% (2016: 20%)	215,009	114,227
Effects of:		
Adjustments in respect of prior periods - losses	-	(21,057)
Income not taxable	(7,391)	(3,841)
Disallowable expenses	12,828	15,617
Tax charge for the financial year	<u>220,446</u>	<u>104,946</u>

OPEN DATA INSTITUTE**(A company limited by guarantee)****Notes to the financial statements
for the year ended 31 December 2017 (continued)****8. Property, plant and equipment**

	Fixtures & fittings £	Office and computer equipment £	Total £
Cost			
At 1 January 2017	275,363	97,744	373,107
Additions	13,200	35,934	49,134
Disposals	-	(10,254)	(10,254)
At 31 December 2017	<u>288,563</u>	<u>123,424</u>	<u>411,987</u>
Accumulated depreciation			
At 1 January 2017	231,426	82,995	314,421
Charge for the year	45,104	17,434	62,538
Disposals	-	(10,254)	(10,254)
At 31 December 2017	<u>276,530</u>	<u>90,175</u>	<u>366,705</u>
Net book value			
At 31 December 2017	<u>12,033</u>	<u>33,249</u>	<u>45,282</u>
At 31 December 2016	<u>43,937</u>	<u>14,749</u>	<u>58,686</u>

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

9. Investments

	Investments in subsidiary companies £
Cost	
At 1 January 2017	2
At 31 December 2017	<u>2</u>
Net book value	
At 31 December 2017	<u>2</u>
At 31 December 2016	<u>2</u>

Subsidiary undertakings

The following are subsidiary undertakings of the Company incorporated in the UK:

Name	Class of shares	Holding
Open Data Institute Trading Limited	Ordinary	100%
Open Addresses Limited	Ordinary	100%

Open Data Institute Trading Limited registered address is 65 Clifton Street, London, EC2A 4JE
Open Addresses Limited registered address is 1st Floor, St James' House, St James' Square,
Cheltenham, Gloucestershire, GL50 3PR

The principal activities of these companies are to engage in commercial professional services.
The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the
year ended on that date for the subsidiary undertaking is as follows:

Name	Aggregate of share capital and reserves £	Profit £
Open Data Institute Trading Limited	<u>1</u>	<u>-</u>

Open Data Institute Trading Limited was dormant in the year.

Name	Aggregate of share capital and reserves £	Profit £
Open Addresses Limited	<u>1</u>	<u>-</u>

Open Addresses Limited was dormant in the year.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

10. Trade and other receivables

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Trade debtors	323,609	219,205
Amounts owing from group undertakings	14,801	14,501
Prepayments and accrued income	1,503,611	823,753
	<u>1,842,021</u>	<u>1,057,459</u>

The amounts owing from Group undertakings are repayable on demand, interest free and unsecured.

11. Trade and other payables Amounts falling due within one year

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Trade payables	334,756	293,970
Other creditors including tax and social security	285,893	266,452
Accruals and deferred income	890,941	539,318
Innovate UK (formerly TSB) working capital	-	260,000
Deferred grant income for tangible fixed assets	-	38,398
	<u>1,511,590</u>	<u>1,398,138</u>

Innovate UK (formerly TSB) working capital was provided to the Company to assist with the operations and cash flows. This was repaid in May 2017.

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

12. Provisions for liabilities

	Dilapidation provision £
At 1 January 2017	57,793
Additions	<u>-</u>
At 31 December 2017	<u>57,793</u>

Dilapidation provision

A dilapidation provision has been made in respect of the costs expected to be incurred to restore the rented offices to their original condition. It is anticipated that this provision will be utilised within the next three years.

13. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

14. Operating lease commitments

At 31 December 2017 the Company had future commitments under non-cancellable operating leases as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Expiry date:		
Less than 1 year	130,480	130,480
Between 2 and 5 years	<u>260,960</u>	<u>391,440</u>

15. Reserves

	2017 £
As at 1 st January 2017	589,372
Profit for the financial year	896,486
As at 31 st December 2017	<u>1,485,858</u>

OPEN DATA INSTITUTE

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2017 (continued)

16. Related party transactions

The Company entered into a rental lease agreement in 2012, with the University of Southampton, for which there was a rent-free period of 11 months. The total lease payments have been spread over the lease period and a rental charge amounting to £130,480 has been incurred during the current year. The University of Southampton are a founding member of the ODI and Sir Nigel Shadbolt was a professor of the university during the financial year.

The amount owed by Open Data Institute to the University of Southampton at the statement of financial position date is £64,078 (2016: £62,223), which is included in trade payables.

During the year, transactions with BPE Solicitors LLP, of which Robert K Bryan (a director) is a Director, amounted to £126,714 (2016: £78,945) for legal services and project work provided by BPE Solicitors LLP.

The amount owed by Open Data Institute to BPE Solicitors LLP at the statement of financial position date is £12,697 (2016: £11,401) which is included in trade payables.

The amount owed by Open Data Institute to World Wide Web Foundation, of which Sir Tim Berners-Lee (a director) is a Director, at the statement of financial position date is £45,458 (2016: £45,410), which is included in trade payables. There has been no trading during the year and the difference between 2016 and 2017 amounts is due to foreign exchange revaluation.

During the year the World Wide Web Consortium, which Sir Timothy Berners-Lee is the founder, was successful in a competitive procurement exercise which resulted in the Open Data Institute awarding them a contract to the value of £26,200.

During the year, a philanthropic investment from Omidyar Network Fund Inc, a company belonging to the Omidyar Group of companies, of which Martin Tisne (a director) is an investment partner in Omidyar Network Commons LLC and Omidyar Network UK Limited, amounted to \$3.5m.

17. Post Balance Sheet Event – non-adjusting

On the 9th March 2018, the ODI secured follow on core philanthropic funding from Omidyar Networks in the sum of \$2.5m.

18. Controlling party

The Company is under the control of the directors.



PricewaterhouseCoopers LLP

The Atrium
1 Harefield Road
Uxbridge
Middlesex
UB8 1EX

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of The Open Data Institute (the "company") for the year ended 31 December 2017 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, comprising 'FRS 102 – The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102'), and have been prepared in accordance with the Companies Act 2006.

Certain representations in this letter are described as being limited to those matters that are material. Items are considered material, regardless of size, if they are misstatements, including omissions, that individually or in the aggregate could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Materiality used for purposes of these representations is £110,000.

We confirm that the following representations are made on the basis of enquiries of management and staff of the company with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the following representations to you.

We confirm, for all directors at the time the directors' report is approved, to the best of our knowledge and belief, and having made the appropriate enquiries, the following representations:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 23 November 2017, for the preparation of the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice, FRS 102 and the Companies Act 2006; in particular the financial statements give a true and fair view in accordance therewith.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- Significant assumptions used by us in making accounting estimates, including those surrounding measurement at fair value, are reasonable.

Open Data Institute
Registered Office: 3rd Floor, 65 Clifton Street, London EC2A 4JE
Tel. 020 3598 9395 www.theodi.org
Company Reg No. 08030289



- All events subsequent to the date of the financial statements for which United Kingdom Generally Accepted Accounting Practice, comprising FRS 102 require adjustment or disclosure have been adjusted or disclosed.
- The financial statements disclose all matters of which we are aware that are relevant to the company's ability to continue as a going concern, including all significant conditions and events, mitigating factors and the company's plans. The company also has the intent and ability to take actions necessary to continue as a going concern. We confirm the following plans for future action to ensure that the company will continue as a going concern:
 - The company will continue to meet its contractual obligations with its relevant government bodies to ensure that it is able to receive all secured funding which it is contractually eligible for.
 - There is a planned to be a reduction in fixed costs from November 2018 onwards following the end of the Open Active Programme with Sport England.

Information Provided

- Each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that you (the company's auditors) are aware of that information.
- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the company from whom you determined it necessary to obtain audit evidence.
- So far as each director is aware, there is no relevant audit information of which you are unaware.

Fraud and non-compliance with laws and regulations

- We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.



- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the company and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the company's financial statements communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Related party transactions

We confirm that the attached appendix to this letter is a complete list of the company's related parties. All transfer of resources, services or obligations between the company and these parties have been disclosed to you, regardless of whether a price is charged. We are unaware of any other related parties, or transactions between disclosed related parties.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Section 33 of FRS 102 or other requirements, for example, the Companies Act 2006.

We confirm that we have identified to you all members of key management, as defined by Section 33 of FRS 102, and included their remuneration in the disclosures of key management compensation.

Related undertakings

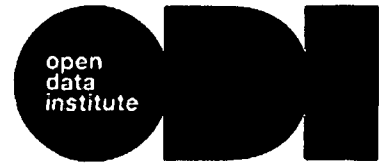
The financial statements disclose all information regarding the company's related undertakings as required by the Companies Act 2006.

Employee Benefits

We confirm that we have made you aware of all employee benefit schemes in which employees of the company participate.

Contractual arrangements/agreements

All contractual arrangements (including side-letters to agreements) entered into by the company have been properly reflected in the accounting records or, where material (or potentially material) to the



financial statements, have been disclosed to you.

Litigation and claims

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and such matters have been appropriately accounted for and disclosed in accordance with United Kingdom Generally Accepted Accounting Practice, comprising FRS 102, and in particular Section 21.

Taxation

We have complied with the taxation requirements of all countries within which we operate and have brought to account all liabilities for taxation due to the relevant tax authorities whether in respect of any corporation or other direct tax or any indirect taxes. We are not aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest and we have made full disclosure regarding any Revenue Authority queries or investigations that we are aware of or that are ongoing.

In managing the tax affairs of the company, we have taken into account any special provisions such as transfer pricing, debt cap, tax avoidance disclosure and controlled foreign companies legislation as applied in different tax jurisdictions.

Current or planned offering of securities

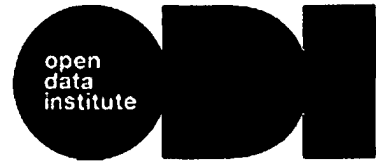
We have disclosed to you (i) our current or planned offering of securities, including shares in investment funds, in foreign countries and (ii) when we have provided or plan to provide financial information to foreign regulators or governments by the Company or its affiliates, whether or not we include or refer to your report on our financial statements or include reference to your Firm.

Depreciation and impairment

Provisions for depreciation and impairment including obsolescence have been made against tangible assets on the bases described in the financial statements and at rates calculated to reduce the net book amount of each asset to its estimated residual value by the end of its probable useful life in the company's business. In this respect we are satisfied that the probable useful lives have been realistically estimated and that the residual values are expressed in current terms.

Assets and liabilities

- We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- In our opinion, on realisation in the ordinary course of the business the current assets in the balance sheet are expected to produce no less than the net book amounts at which they are stated.
- The company has satisfactory title to all assets and there are no liens or encumbrances on the



company's assets, except for those that are disclosed in the financial statements.

- We confirm that we have carried out impairment reviews appropriately, including an assessment of when such reviews are required, where they are not mandatory. We confirm that we have used the appropriate assumptions with those reviews.
- Details of all financial instruments, including derivatives, entered into during the year have been made available to you. Any such instruments open at the year-end have been properly valued and that valuation incorporated into the financial statements. When appropriate, open positions in off-balance sheet financial instruments have also been properly disclosed in the financial statements.

Provisions

- Full provision has been made for all liabilities at the balance sheet date including guarantees, commitments and contingencies where the items are expected to result in significant loss. Other such items, where in our opinion provision is unnecessary, have been appropriately disclosed in the financial statements.

As minuted by the board of directors at its meeting on 28th June 2018.

A handwritten signature in black ink, appearing to read "J. Te", is written over a dotted line.

(Director)

For and on behalf of The Open Data Institute

Date 28/6/2018