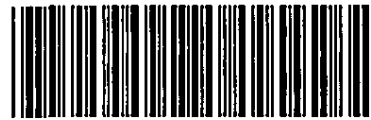


**Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2012
for
Policy Network & Communications Limited**

SATURDAY



A2D0ED4Z

A17

20/07/2013

#233

COMPANIES HOUSE

Policy Network & Communications Limited (Registered number: 03918992)

**Contents of the Financial Statements
for the Year Ended 31 December 2012**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Income and Expenditure Account	6
Balance Sheet	7
Notes to the Financial Statements	8

Policy Network & Communications Limited

**Company Information
for the Year Ended 31 December 2012**

DIRECTORS:

Lord RJ Liddle
MJ Browne
L Byrne
P Diamond
Ms S J M Hitch
J Kronig
Lord G Radice
Dr T Szanyi
Professor L Tsoukalis
S Beer

REGISTERED OFFICE:

8/9 Well Court
London
EC4M 9DN

REGISTERED NUMBER:

03918992 (England and Wales)

AUDITORS:

Knox Cropper
Chartered Accountants and Statutory Auditors
8/9 Well Court
London
EC4M 9DN

**Report of the Directors
for the Year Ended 31 December 2012**

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company is to advance the education of the public in the economic, social and political sciences in the United Kingdom and abroad

REVIEW OF BUSINESS

In 2012 Policy Network concentrated its resources on the following main programmes and events

A high-level conference in March on the 'The future of economic governance in the EU' in London which focussed on Britain's relations with the EU

A major conference and public lecture in July on the 'The next centre-left century' in Oxford, United Kingdom which explored how American and European centre-left traditions are adapting to 21st century structural constraints and ideological pressures

A major public conference in September on the 'The Quest for Growth' in London which debated how Britain can develop policies that could support growth both in the short and long term against the background of a difficult economic and financial situation

A major Progressive Governance Conference which took place in Dublin, Ireland in October, which brought together heads of government, political leaders and policy-makers from across Europe, focusing on questions of political renewal and socio-economic policies

A high-profile conference in London led by former US President Bill Clinton and a new generation of politicians from across the US and Europe. This November event launched a major programme of transatlantic political dialogue and was part of the on-going Global Progress initiative

Three seminars in London for the Climate Change project, which took a non-partisan look at the particular advantages and pitfalls surrounding shale gas, nuclear power and geo-engineering in Europe

A series of smaller roundtable debates on topical public policy themes, including the role of mutualism and co-operatives in the British economy, and the issue of fiscal conservatism and what it means for the Labour party

The presentation of Policy Network's work and publication at different international and national forums, including the September Labour Party Conference in Manchester

A high number of articles, essays, pamphlets and books which informed the various events and meetings throughout the year and which were made available, free of charge, at the Policy Network website

With each of these activities and programmes, Policy Network has made a distinctive contribution to important areas of public policy. In 2013, Policy Network will develop these programmes and activities further

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

Lord RJ Liddle
MJ Browne
L Byrne
P Diamond
Ms S J M Hitch
J Kronig
Lord G Radice
Dr T Szanyi
Professor L Tsoukalis
S Beer

**Report of the Directors
for the Year Ended 31 December 2012**

DIRECTORS - continued

Other changes in directors holding office are as follows

Ms V Pryce ceased to be a director after 31 December 2012 but prior to the date of this report

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 surplus or deficit of the company for that period. In preparing these 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,
- 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. They 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.

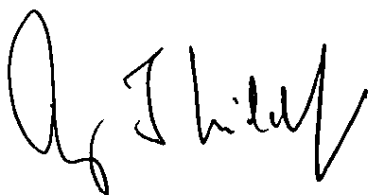
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and 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 the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Lord RJ Liddle - Director



17 July 2013

Report of the Independent Auditors to the Members of Policy Network & Communications Limited

We have audited the financial statements of Policy Network & Communications Limited for the year ended 31 December 2012 on pages six to ten. 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 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors 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 company's affairs as at 31 December 2012 and of its surplus 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Report of the Independent Auditors to the Members of Policy Network & Communications Limited

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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors 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 Report of the Directors



Richard Billingham (Senior Statutory Auditor)
for and on behalf of Knox Cropper
Chartered Accountants and Statutory Auditors
8/9 Well Court
London
EC4M 9DN

17 July 2013

Policy Network & Communications Limited (Registered number: 03918992)

**Income and Expenditure Account
for the Year Ended 31 December 2012**

	Notes	2012 £	2011 £
INCOME		821,437	909,872
Direct costs		<u>234,628</u>	<u>204,109</u>
GROSS SURPLUS		586,809	705,763
Administrative expenses		<u>570,029</u>	<u>685,559</u>
OPERATING SURPLUS	2	16,780	20,204
Interest receivable and similar income		<u>-</u>	<u>28</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		16,780	20,232
Tax on surplus on ordinary activities	3	<u>3,444</u>	<u>4,114</u>
SURPLUS FOR THE FINANCIAL YEAR		<u>13,336</u>	<u>16,118</u>

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

Policy Network & Communications Limited (Registered number: 03918992)


Balance Sheet
31 December 2012

	Notes	2012 £	£	2011 £	£
FIXED ASSETS					
Tangible assets	4		1,093		2,883
CURRENT ASSETS					
Debtors	5	9,086		24,574	
Cash at bank		168,211		194,761	
		177,297		219,335	
CREDITORS					
Amounts falling due within one year	6	31,310		88,474	
NET CURRENT ASSETS			145,987		130,861
TOTAL ASSETS LESS CURRENT LIABILITIES			147,080		133,744
RESERVES					
Income and expenditure account	7		147,080		133,744
			147,080		133,744

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

The financial statements were approved by the Board of Directors on 17 July 2013 and were signed on its behalf by

Lord RJ Liddle - Director



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

**Notes to the Financial Statements
for the Year Ended 31 December 2012**

1 ACCOUNTING POLICIES

Accounting convention

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)

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

Income

Income principally comprises donations received in respect of the year, and the invoiced value of sponsorship and other services supplied by the company, exclusive of Value Added Tax. Any income received under contract is recognised as the costs of fulfilling contractual obligations are incurred

Tangible fixed assets

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

Fixtures & fittings - 25% straight line

Office equipment - 33% straight line

Because of the pace of technological development the Directors consider it prudent to write off the cost of computer equipment and software in the year of acquisition

Deferred tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease

Pension costs

The company contributes to a group personal pension scheme. The pension charge represents the amounts payable by the company to the scheme in respect of the year

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

2 OPERATING SURPLUS

The operating surplus is stated after charging

	2012 £	2011 £
Depreciation - owned assets	1,790	4,403
Auditors' remuneration - for audit services	5,520	5,280
For other services	1,445	2,706
Pension costs	<u>26,706</u>	<u>29,333</u>
Directors' remuneration and other benefits etc	<u>116,800</u>	<u>116,800</u>

3 TAXATION

Analysis of the tax charge

The tax charge on the surplus on ordinary activities for the year was as follows

	2012 £	2011 £
Current tax		
UK corporation tax	<u>3,444</u>	<u>4,114</u>
Tax on surplus on ordinary activities	<u>3,444</u>	<u>4,114</u>

4 TANGIBLE FIXED ASSETS

	Fittings and equipment £
COST	
At 1 January 2012 and 31 December 2012	<u>103,663</u>
DEPRECIATION	
At 1 January 2012	100,780
Charge for year	<u>1,790</u>
At 31 December 2012	<u>102,570</u>
NET BOOK VALUE	
At 31 December 2012	<u>1,093</u>
At 31 December 2011	<u>2,883</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	625	-
Other debtors	8,461	24,574
	<u>9,086</u>	<u>24,574</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade creditors	1,242	248
Taxation and social security	12,866	33,555
Other creditors	17,202	54,671
	<u>31,310</u>	<u>88,474</u>

7 RESERVES

	Income and expenditure account £
At 1 January 2012	133,744
Surplus for the year	<u>13,336</u>
At 31 December 2012	<u>147,080</u>