

POLICY NETWORK & COMMUNICATIONS LIMITED

(A Company limited by guarantee)

REGISTERED COMPANY NUMBER: 03918992

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2009


KNOX CROPPER
chartered accountants

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POLICY NETWORK & COMMUNICATIONS LIMITED

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POLICY NETWORK & COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st DECEMBER 2009

The Directors present their Report and Financial Statements for the year ended 31st December 2009

This above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity is to advance the education of the public in the economic, social and political sciences in the United Kingdom and abroad. To this end, in 2009 Policy Network concentrated its resources on the following programmes and events

First, Policy Network co-organised a major Progressive Governance Conference in Chile in March on the theme of "Responses to the global crisis: charting a progressive path", which brought together 6 leaders from around the world, including Gordon Brown and Michelle Bachelet as well as over 300 senior policy-makers and experts from across the globe to discuss progressive politics after the financial crisis, and how to move towards a responsible and sustainable globalisation. A series of papers written by top experts in the field informed the discussions.

Second, in conjunction with the Centre for the Study of Global Governance at the London School of Economics, Policy Network continued work on the research project entitled 'Politics of Climate Change', led by Lord Anthony Giddens. The objective of the project is to create a substantive framework for policy which offers coherence and consistency as to how national governments should cope with the long-term political challenges of climate change. The initiative was launched with a series of work shops at the LSE and a major conference for over 400 people in June.

Third, Policy Network undertook a 12 months research project on the myths and realities of labour migration, aimed to help build a progressive narrative by disentangling public perceptions of migration – often influenced by inaccurate reporting in the media – from a more balanced understanding of migration's actual economic impact. The research was discussed with both leading academics and policy makers at two seminars in London, with a final international seminar scheduled for May 2010.

Fourth, in association with the European Institute of the London School of Economics and the ELIAMEP think-tank in Athens, Policy Network launched a new initiative on the future of the European Union, entitled an "EU fit for purpose". The project concentrates on areas where European consensus is most difficult to establish, not where it is easiest to find, such as enlargement, neighbourhood and identity, internal security and migration, and economic governance in the single market and eurozone. To this end, Policy Network organised a series of work shops in London, Brussels and Paris while commissioning senior experts to make written contribution to an edited volume, published at the latter end of 2009.

Fifth, Policy Network continued the 'Foresight' project, an international programme of investigation and debate structured around the challenge of forging common futures in a multi-polar world. The initiative was launched at a conference in Moscow in 2008 attended by Russian Foreign Minister Lavrov and senior international politicians and experts and followed up with a conference in Washington in June 2009 with key figures and with an India event planned for March 2010.

POLICY NETWORK & COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st DECEMBER 2009

Finally, Policy Network organised two events looking at the future of European Social Democracy, on the one hand discussing the changing political attitudes, expectations and perceptions of Europe's populations and their implications for centre-left parties, on the other hand reflecting on whether a "more liberal" social democracy might point the way towards a new centre-left approach to confronting the common challenges and opportunities of the global age. At these occasions, high-level politicians and experts presented their thoughts.

With each of these activities and programmes, Policy Network has made a distinctive contribution to important areas of public policy. In 2009, Policy Network will develop these programmes further through new high-profile events as well as publications.

RESULTS

The Surplus for the year, after taxation, amounted to £3,033 (2008 - £29,440).

POLICY NETWORK & COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st DECEMBER 2009

DIRECTORS

The directors who served during the year and to the date of this report were:

R J Liddle	(Chairman)
M Browne	
P Diamond	
T Szanyi	
M Van Hulten	(resigned 11th March 2010)
M Andersson	(resigned 5 th January 2010)
J Kronig	
G Radice	
L Tsoukalis	
S Hitch	

All of the directors are also members of the company.

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the 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 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 proper accounting records that 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.

POLICY NETWORK & COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st DECEMBER 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES (Continued)

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- So far as that director is aware there is no relevant audit information of which the company's auditors are unaware, and
- Each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

This report was approved by the Board of Directors on 28th September 2010 and signed on its behalf.



R Liddle
Director

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
POLICY NETWORK & COMMUNICATIONS LIMITED

We have audited the financial statements of Policy Network & Communications Limited for the year ended 31st December 2009 which comprise the Income and Expenditure Account, 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 Company's members, as a body, in accordance with Sections 495 and 496 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 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 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, 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 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

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.

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 31st December 2009 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 matters 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.

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
- the financial statements are not in agreement with the accounting records, 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
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



Knox Cropper

Richard Billinghamurst (Senior Statutory Auditor)
 For and on Behalf of Knox Cropper
 Chartered Accountants and Statutory Auditors

8/9 Well Court
 London, EC4M 9DN

29th September 2010

POLICY NETWORK & COMMUNICATIONS LIMITED**INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31st DECEMBER 2009**

	Notes	2009 £	2008 £
INCOME	2	1,030,680	1,283,164
Publication costs		(1,834)	(22,675)
Networking costs		(11,540)	-
Conference costs		(317,347)	(520,228)
GROSS SURPLUS		<u>699,959</u>	<u>740,261</u>
LESS: OVERHEADS			
Administration expenses		(694,142)	(709,947)
OPERATING SURPLUS	3	<u>5,817</u>	<u>30,314</u>
Interest receivable		121	7,537
Interest payable	6	<u>-</u>	<u>(4)</u>
		5,938	37,847
TAX ON SURPLUS ON ORDINARY ACTIVITIES	7	(2,905)	(8,407)
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u>£3,033</u>	<u>£29,440</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the income and expenditure account.

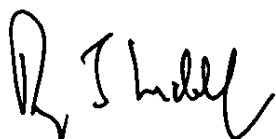
The notes on pages 8 to 12 form part of these financial statements

POLICY NETWORK & COMMUNICATIONS LIMITED**BALANCE SHEET****AS AT 31st DECEMBER 2009**

	Notes	2009		2008	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		6,316		15,715
CURRENT ASSETS					
Debtors	9	15,429		19,201	
Cash at bank and in hand		178,807		160,499	
		<u>194,236</u>		<u>179,700</u>	
CREDITORS: Amounts falling due within one year	10	<u>(94,740)</u>		<u>(92,052)</u>	
NET CURRENT ASSETS			99,496		87,648
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>105,812</u>		<u>103,363</u>
PROVISIONS FOR LIABILITIES					
Deferred taxation	14		-		(584)
			<u>£105,812</u>		<u>£102,779</u>
CAPITAL AND RESERVES					
Income and Expenditure Account	12		<u>105,812</u>		<u>102,779</u>
			<u>£105,812</u>		<u>£102,779</u>

These accounts have been prepared in accordance with the provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and 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 28th September 2010



R Liddle
Director

The notes on pages 8 to 12 form part of these financial statements

Registered Company Number 03918992

POLICY NETWORK & COMMUNICATIONS LIMITED

NOTES FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 2009

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 company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting cash flow statement as it qualifies as a small company

1.2 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

1.3 Tangible Fixed Assets and Depreciation

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

1.4 Operating Leases

Rentals under operating leases are charged on a straight line basis over the lease term

1.5 Deferred Taxation

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.

1.6 Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate on the date of the transaction

Exchange gains and losses are recognised in the Income and Expenditure account

POLICY NETWORK & COMMUNICATIONS LIMITED**NOTES FORMING PART OF THE ACCOUNTS****FOR THE YEAR ENDED 31st DECEMBER 2009****1. ACCOUNTING POLICIES (Continued)****1.7 Pensions**

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

2. INCOME

All turnover arose within the United Kingdom.

3. OPERATING SURPLUS

	2009	2008
	£	£
The operating surplus is stated after charging:		
Depreciation of tangible fixed assets.		
- owned by the company	16,550	668
Auditors remuneration	5,738	4,554
Operating lease rentals		
- plant and machinery	1,927	1,638
- other operating leases	<u>53,841</u>	<u>48,713</u>

4. STAFF COSTS

Staff Costs, including directors' remuneration, were as follows

	2009	2008
	£	£
Wages & salaries	396,057	444,542
Social security costs	41,711	49,744
Other pension costs	33,485	27,556
	<u>£471,253</u>	<u>£521,842</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009	2008
	No.	No.
Administration	<u>13</u>	<u>14</u>

POLICY NETWORK & COMMUNICATIONS LIMITED**NOTES FORMING PART OF THE ACCOUNTS****FOR THE YEAR ENDED 31st DECEMBER 2009****5. DIRECTORS REMUNERATION**

	2009	2008
	£	£
Emoluments	<u>£36,000</u>	<u>£36,000</u>
Company pension contributions to money purchase pension schemes	<u>£-</u>	<u>£-</u>

During the year there were no retirement benefits accruing to directors (2008 nil) in respect of money purchase pension schemes

6 INTEREST PAYABLE

	2009	2008
	£	£
Other interest payable	<u>£-</u>	<u>£4</u>

7. TAXATION

	2009	2008
	£	£
Analysis of tax charge in the year		
UK corporation tax charge on surplus for the year	3,364	7,437
Adjustments in respect of prior periods	<u>125</u>	<u>386</u>
	3,489	7,823
Deferred tax charge/(credit)	<u>(584)</u>	<u>584</u>
Tax on surplus on ordinary activities	<u>£2,905</u>	<u>£8,407</u>

Factors affecting tax charge for the year

Surplus on ordinary activities before tax	<u>£5,938</u>	<u>£37,847</u>
Corporation tax on surplus on ordinary activities at the standard rate in the UK of 21% (2008 20.75%)	1,247	7,853

Effects of:

Expenditure not deductible for tax purposes	712	735
Capital allowances for year less than/(in excess of) depreciation	1,405	(1,151)
Other	-	-
Adjustments to tax charge in respect of prior periods	125	386
Current tax charge for the year	<u>£3,489</u>	<u>£7,823</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

POLICY NETWORK & COMMUNICATIONS LIMITED**NOTES FORMING PART OF THE ACCOUNTS****FOR THE YEAR ENDED 31st DECEMBER 2009****8. TANGIBLE FIXED ASSETS**

	Furniture, Fittings and Fixtures £
Cost	
At 1 st January 2009	90,951
Additions	7,151
At 31 st December 2009	<u>98,102</u>
Depreciation	
At 1 st January 2009	75,236
Charge for the year	16,550
At 31 st December 2009	<u>91,786</u>
Net Book Value	
At 31 st December 2009	<u>£6,316</u>
At 31 st December 2008	<u>£15,715</u>

9. DEBTORS

	2009 £	2008 £
Prepayments and accrued income	15,429	17,700
VAT recoverable	-	1,501
	<u>£15,429</u>	<u>£19,201</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	14,450	32,412
Other Creditors	546	-
Corporation tax	3,364	7,437
Social security and other taxes	26,553	-
Accruals and deferred income	49,827	52,203
	<u>£94,740</u>	<u>£92,052</u>

POLICY NETWORK & COMMUNICATIONS LIMITED**NOTES FORMING PART OF THE ACCOUNTS****FOR THE YEAR ENDED 31st DECEMBER 2009****11. 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.

12. RESERVES

	Income and Expenditure Account £
At 1 st January 2009	102,779
Surplus for the year	3,033
At 31 st December 2009	<u>£105,812</u>

13. OPERATING LEASE COMMITMENTS

At 31st December 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Expiry Date				
Within 1 year	25,025	-	-	-
Between 2 and 5 years	-	42,900	-	-
	<u>£25,025</u>	<u>£42,900</u>	<u>£ -</u>	<u>£ -</u>

14. DEFERRED TAXATION

	2009	2008
	£	£
At 1 st January 2009	584	-
Charge/credit for the year from accelerated capital allowances	(584)	584
At 31 st December 2009	<u>£-</u>	<u>£584</u>