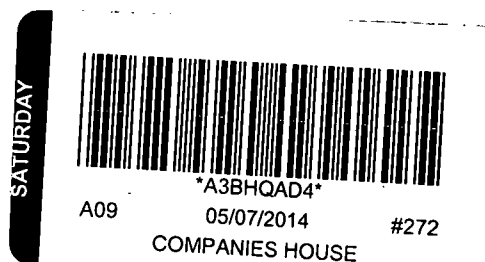


REGISTERED NUMBER: 03918992 (England and Wales)

**Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2013
for
Policy Network & Communications Limited**



**Contents of the Financial Statements
for the Year Ended 31 December 2013**

	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 2013

DIRECTORS:

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

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 2013**

The directors present their report with the financial statements of the company for the year ended 31 December 2013.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2013 to the date of this report.

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

Other changes in directors holding office are as follows:

L Byrne - resigned 13 March 2013
Ms V Pryce - resigned 13 March 2013
Lord A Adonis - appointed 26 November 2013

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.

Policy Network & Communications Limited (Registered number: 03918992)

**Report of the Directors
for the Year Ended 31 December 2013**

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 R. Liddle - Director

9 June 2014

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 2013 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 two, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 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 from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



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

9 June 2014

Policy Network & Communications Limited (Registered number: 03918992)

**Income and Expenditure Account
for the Year Ended 31 December 2013**

	Notes	2013 £	2012 £
INCOME		816,926	821,437
Direct costs		<u>138,831</u>	<u>238,205</u>
GROSS SURPLUS		678,095	583,232
Administrative expenses		<u>623,736</u>	<u>566,452</u>
OPERATING SURPLUS and SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	54,359	16,780
Tax on surplus on ordinary activities	3	<u>11,285</u>	<u>3,444</u>
SURPLUS FOR THE FINANCIAL YEAR		<u>43,074</u>	<u>13,336</u>

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

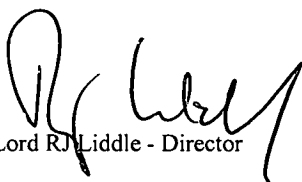
Policy Network & Communications Limited (Registered number: 03918992)

Balance Sheet
31 December 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	4	-	1,093
CURRENT ASSETS			
Debtors	5	-	9,086
Prepayments and accrued income		13,097	-
Cash at bank		241,152	168,211
		<u>254,249</u>	<u>177,297</u>
CREDITORS			
Amounts falling due within one year	6	64,095	31,310
NET CURRENT ASSETS		<u>190,154</u>	<u>145,987</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>190,154</u>	<u>147,080</u>
RESERVES			
Income and expenditure account	7	190,154	147,080
		<u>190,154</u>	<u>147,080</u>

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 9 June 2014 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 2013**

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 2013**

2. OPERATING SURPLUS

The operating surplus is stated after charging:

	2013	2012
	£	£
Depreciation - owned assets	1,093	1,790
Auditors' remuneration - for audit services	4,920	5,520
For other services	3,104	1,445
Pension costs	31,034	26,706
	<u>74,300</u>	<u>116,800</u>
Directors' remuneration and other benefits etc	<u>74,300</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:

	2013	2012
	£	£
Current tax:		
UK corporation tax	11,285	3,444
Tax on surplus on ordinary activities	<u>11,285</u>	<u>3,444</u>

4. TANGIBLE FIXED ASSETS

	Fittings and equipment £
COST	
At 1 January 2013 and 31 December 2013	<u>103,663</u>
DEPRECIATION	
At 1 January 2013	102,570
Charge for year	<u>1,093</u>
At 31 December 2013	<u>103,663</u>
NET BOOK VALUE	
At 31 December 2013	<u>-</u>
At 31 December 2012	<u>1,093</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2013**

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Trade debtors	-	625
Other debtors	-	8,461
	<u>-</u>	<u>9,086</u>
	<u>-</u>	<u>9,086</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Trade creditors	2,761	1,242
Taxation and social security	29,212	12,866
Other creditors	32,122	17,202
	<u>64,095</u>	<u>31,310</u>
	<u>64,095</u>	<u>31,310</u>

7. RESERVES

	Income and expenditure account £
At 1 January 2013	147,080
Surplus for the year	43,074
	<u>190,154</u>
At 31 December 2013	<u>190,154</u>