

**REGISTERED COMPANY NUMBER: 02537035 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1000971**

**Report of the Trustees and  
Financial Statements for the Year Ended 31 March 2015  
for  
The Social Market Foundation**

Knox Cropper  
8/9 Well Court  
London  
EC4M 9DN

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**The Social Market Foundation**

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for the Year Ended 31 March 2015**

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## **The Social Market Foundation**

### **Report of the Trustees for the Year Ended 31 March 2015**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
02537035 (England and Wales)

**Registered Charity number**  
1000971

**Registered office**  
11 Tufton Street  
London  
SW1P 3QB

#### **Trustees**

D Franklin	
G Mather	
B Pomeroy CBE	
M A Sieghart	
Baroness J Neuberger	- resigned 10.6.14
Baroness G Shephard	
N Horlick	
Baroness A M Wolf	
Lord C Falconer	- appointed 10.6.14
Baroness O Grender	- appointed 21.10.14
P Readman	- appointed 10.6.14

No Trustee received any remuneration in respect of their appointment as Trustee.

**Chief Executive Officer**  
Emran Mian

**Auditors**  
Knox Cropper  
8/9 Well Court  
London  
EC4M 9DN

**Bankers**  
Barclays Bank  
PO Box 6539  
Leicester  
LE87 2BB

**Legal Advisors**  
Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

## **The Social Market Foundation**

### **Report of the Trustees for the Year Ended 31 March 2015**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Social Market Foundation's governing document is its Memorandum and Articles of Association dated 30th July 1990. Under the Memorandum and Articles, the liability of each member is limited to £1.

The Subscribers to the Memorandum of Association are members of the Foundation as are others admitted to membership in accordance with the Articles of Association, having been approved by the directors.

##### **Recruitment and appointment of new trustees**

Trustees are appointed for a four year renewable term. The chair of the trustees is nominated by the body of trustees.

When recruiting a new trustee, all members are circulated with invitations to nominate trustees prior to the relevant Board meeting. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

##### **Induction and training of new trustees**

New trustees will be provided with detailed information on their legal obligations under charity law and what the role will entail. Their training needs will be assessed, and training provided if required. In addition, new trustees will be provided with copies of:

- the Memorandum and Articles of Association of the Charity
- Board papers from the last year including research programme and business plan and accounts
- Statements of policy including the SMF constitution

##### **Organisational structure**

The management structure of the Social Market Foundation is as follows:

- Up to 10 Directors/Trustees
- Chief Executive (referred to as the "Director"), company secretary, other members of the senior management team and up to 8 staff.
- A policy advisory board of around 25 members who are consulted from time to time.

The Board met 3 times during the year. Its work is informed and supported by the Director, the senior management team and by the operation of ad hoc committees constituted to consider specific issues. The Foundation's research and events programmes are delegated to the Director, subject to the provision of regular updates to the Board. Contracts for funding these activities are negotiated by the Director and senior management team based on standardised contracts as approved by the Board.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **The Social Market Foundation**

### **Report of the Trustees for the Year Ended 31 March 2015**

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#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

###### **Objects**

The objects of the charity are to advance the education of the public in public policy including, without prejudice to the generality of the foregoing, the study of the performance of markets and the social framework within which they operate, both in Great Britain and abroad and generally to inform public policy debate.

###### **Aims**

Through public discussion of the conditions for the performance of markets, and the social framework in which they operate, the Charity aims to influence the development of policy by government and opposition parties. This is in order that such policy promotes the effective operation of markets in the interests of general prosperity with due regard to social justice.

###### **Objectives**

The aim of the programme is to inform and influence public policy debate along social market lines.

###### **Strategies to Achieve Objectives**

The objectives of the Charity for the year 2014-15 were to publish papers and stimulate debate in each of the four areas of public policy:

- Economic and fiscal policy
- Public service reform
- Consumer markets and the cost of living
- Reforming financial services

## The Social Market Foundation

### Report of the Trustees for the Year Ended 31 March 2015

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#### OBJECTIVES AND ACTIVITIES

##### Significant activities

During the year 2014-15, the Social Market Foundation carried out a range of activities examining markets, and the social framework in which they operate, to promote their effective operation in the interests of general prosperity with due regard to social justice. The Foundation's main activities during the year have been the publication of briefings and pamphlets and events on topics related to its objectives as set out above:

##### Publications:

DATE	TYPE	TITLE	AUTHOR
April	Report	Riders on the Storm: Britain's middle income households since 2007	Nida Broughton
April	Report	Breaking Bad Habits	Nigel Keohane
April	Report	Making progress: boosting the skills and wage prospects of the low paid	Nigel Keohane
June	Report	The Meritocrat's Manifesto	Dominic Raab MP
July	Report	Open Access	Nigel Keohane Nida Broughton Onyinye Ezeyi Claudia Hupkau Ryan Shorthouse Nida Broughton
July	Report	Venturing Forth: Increasing High Value Entrepreneurship	Nida Broughton
November	Report	Good Culture: Does the model matter in financial services?	Katie Evans
December	Report	Unlocking Development	Steve Broadberry, LSE Chris Woodruff, University of Warwick Anandi Mani, University of Warwick Katie Evans
December	Report	Savings in the Balance: managing risk in a post-crisis world	Katie Evans
February	Essay Collection	A Problem Shared? Essays on the integration of health and social care	Nigel Keohane
February	Report	Bargaining on a low income: A better deal for consumers	Ben Richards
March	Report	Putting Patients in Charge: The future of health and social care	Nigel Keohane
March	Report	Wealth in the Downturn: Winners and losers	Nida Broughton Ricky Kanabar Nicole Martin

##### Events:

DATE	EVENT	SPEAKERS
02/04/2014	How can we tackle in-work poverty?	Rt Hon David Lammy MP (Lab) David Norgrove, Low Pay Commission James Sproule, Institute of Directors Sally Copley, Oxfam UK Nida Broughton, SMF (Chair)
03/04/2014	Chalk & Talk: What's next for energy policy?	Professor Dieter Helm, LSE
07/04/2014	Riders on the Storm: Britain's middle income households since 2007	Rt Hon Baroness Gillian Shephard (Con) Belinda Phipps, NCT Matthew Oakley, Which? Emran Mian, SMF

## The Social Market Foundation

### Report of the Trustees for the Year Ended 31 March 2015

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#### OBJECTIVES AND ACTIVITIES

##### Significant activities

28/04/2014	Making progress: boosting the skills and wage prospects of the low paid	Anne McElvoy, Economist and Evening Standard (Chair) Rt Hon Stephen Timms MP (Lab) Prof Alison Wolf, King's College London Adrian Ringrose, Interserve Nigel Keohane, SMF Brian Groom, Financial Times (Chair) David Pearson, President of The Association of Directors of Adult Social Services (ADASS), Jeremy Hughes, Chief Executive of the Alzheimer's Society Sir John Oldham Andy McKeon, Senior Policy Fellow, Nuffield Trust
08/05/2014	Bupa health and social care roundtable 1	
14/05/2014	Bupa health and social care roundtable 2	
19/05/2014	Entrepreneurship roundtable	
22/05/2014	Chalk & Talk: Neighbours, peers and educational achievement	Professor Stephen Gibbons, LSE
10/06/2014	Unlocking Development: The role of enterprise	Dr Rocco Macchiavello, University of Warwick Professor Chris Woodruff, University of Warwick
11/06/2014	The Meritocrat's Manifesto	Dominic Raab MP Aditya Chakraborty, The Guardian Anat Admati
11/06/2014	Anat Admati lunch	Professor Patrick Dunleavy, LSE
19/06/2014	Chalk & Talk: Strategies for growing the productivity of public services: the good, the bad, and the useless'	
08/07/2014	Where next for apprenticeships?	Lord Adonis
09/07/2014	Branching Out: Parliamentary roundtable	Labour
10/07/2014	SMF Keynote	Rt Hon Vince Cable (LD) Professor Jonathan Haskell, Imperial College Nida Broughton, SMF
14/07/2014	SMF Summer Reception: What's next for the radical centre?	Liz Kendall MP (Lab) Norman Lamb MP (LD) Jesse Norman MP (Con) Mary-Ann Sieghart, SMF
15/07/2014	Venturing Forth: Increasing High Value Entrepreneurship	Chuka Umunna MP, Shadow Secretary of State for Business, Innovation and Skills
17/07/2014	Facing up to the challenge: Delivering the universal service obligation	Morten Hviid (Director of the ESRC Centre for Competition Policy) Adam Scorer, Citizens Advice Tim Brown (ex CEO Postcomm)
17/07/2014	Ageing and Generations	
21/08/2014	Chalk & Talk: The state of the Scottish debate'	Professor Charlie Jeffrey, University of Edinburgh
02/09/2014	Putting a Social Stamp on it: Universal Service Obligation	Nida Broughton, SMF
03/09/2014	Pension reform, retirement and intergenerational support	David Gauke MP (Con)
04/09/2014	Chalk & Talk: The XX Factor - How 70 million professional women are transforming societies'	Professor Alison Wolf CBE, King's College London
23/10/2014	Bank of England seminar	

## The Social Market Foundation

### Report of the Trustees for the Year Ended 31 March 2015

#### OBJECTIVES AND ACTIVITIES

##### Significant activities

23/10/2014	Institutional Corruption? The revolving door in American and British Politics'	Dr Mirko Draca, University of Warwick
30/10/2014	Chalk & Talk: Who is the 'migrant', and why should 'we' be worried?	Professor Bridget Anderson, University of Oxford
06/11/2014	Good Culture: Does the model matter in financial services?' roundtable	Adrian Bailey MP
10/11/2014	Bargaining on a Low Income '	
20/11/2014	Chalk & Talk: The White British Response to Ethnic Change: UKIP, White Flight or Integration?	Professor Eric Kaufmann, University of London
24/11/2014	Business Forum	Baroness Olly Greender
24/11/2014	Good Culture: Does the model matter in financial services? Launch	Katie Evans, SMF Andrea Leadsom MP, Economic Secretary to the Treasury (Con) Prof John Kay, LSE and Financial Times Mark Austen, LV= Phillip Inman, the Guardian (Chair) Mary Creagh MP (Lab) Liam Halligan, Daily Telegraph (Chair) Steve Broadberry, LSE Chris Woodruff, University of Warwick Anandi Mani, University of Warwick Mark Hoban MP (Con) Gregg McClymont (Lab) Lord Filkin, Centre for Ageing Better Angus Hanton, Intergenerational Foundation Janet Morrison, Independent Age Mark Garnier MP (Con)
02/12/2014	Unlocking Development report launch	N/A Professor Jim Watson Laura Sandys MP (Con) Derek Goodban - Wragge, Lawrence, Graham & Co
04/12/2014	Thinking Ahead: Savings Policy Post-2015'	Nida Broughton, SMF
10/12/2014	Thinking Ahead: Savings Policy Post-2015'	Prof Anand Menon, KCL
10/12/2014	Longer lives and intergenerational support	Chris Leslie MP (Lab) Lord Michael German (LD) Dr Claire Crawford, University of Warwick and IFS
11/12/2014	Savings in the Balance' report launch	Julia Goldsworth (LD)
12/12/2014	'Thinking Ahead: Savings Policy Post-2015'	Dominic Raab MP (Con)
21/01/2015	Frozen Out	Alison McGovern MP, Shadow Minister for Children and Families John Fingleton, former Chief Executive of the Office of Fair Trading Ben Richards, SMF Katie Morley, Daily Telegraph (Chair) Rt Hon Matthew Hancock MP (Con) Prof Julian Le Grand, LSE Rt Hon Norman Lamb MP, Minister of State for Care and Support (LD) Caroline Abrahams, Age UK Nigel Keohane, SMF Richard Bowden, Bupa UK Sir Brian Pomeroy CBE (Chair)
27/01/2015	Self-employment, Ethnicity and Poverty	
29/01/2015	Chalk & Talk - Britain and the EU	
03/02/2015	Dealing with the deficit: tax, cut or reform?	
05/02/2015	'Thinking Ahead: Savings Policy Post-2015'	
05/02/2015	Chalk & Talk - The University Challenge	
23/02/2015	Dealing with the deficit: tax, cut or reform?	
24/02/2015	Branching Out: Parliamentary roundtable	
25/02/2015	Bargaining on a Low Income launch	
25/02/2015	Dealing with the deficit: tax, cut or reform?	
26/02/2015	Chalk & Talk - Privatisation and Public Services	
04/03/2015	The Future of Integrated Care	
10/03/2015	Wealth in the Downturn: Winners and Losers	



## **The Social Market Foundation**

### **Report of the Trustees for the Year Ended 31 March 2015**

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## **OBJECTIVES AND ACTIVITIES**

### **Significant activities**

		Baroness Hayter of Kentish Town, Shadow Minister for BIS and Cabinet Office (LD)
		Greg Davies, Barclays
		Nick Watkins, Money Advice Service
		Nida Broughton SMF
12/03/2015	Chalk & Talk - Digital Campaigning	Professor Rachel Gibson, University of Manchester
19/03/2015	Chalk & Talk - the welfare myth of "them and us"	Professor John Hills, London School of Economics
24/03/2015	The Commissioning Landscape in the NHS	Rob Webster, NHS Confederation
27/03/2015	Dealing with the deficit: tax, cut or reform?	Julian Kelly, Director General of Public Spending and Finance, HMT

In addition to these events held in Westminster, the SMF held a total of 20 events across the national conferences of the major political parties. All our events, regardless of venue, were free to attend.

All publications and pamphlets are distributed to relevant stakeholders, civil servants, politicians, relevant libraries and the general public. Hard copies of publications are available to purchase. All publications and pamphlets are available to download via the internet free of charge.

The SMF raised £543,237 in sponsorship for research programmes and events in order to fund these activities. Sponsorship came from a mixture of companies, public bodies and charitable foundations. We also raised £40,000 in direct donations from corporate sources.

By the year end eight staff were employed on a full time basis to deliver this programme of work, and a team of up to two contract staff and two interns was also involved at any one time. A number of publications included contributions from external authors.

The Social Market Foundation has consistently been seen as a think-tank making an important contribution to economic and social policy and enjoys a broad range of support across political parties. This was recognised in the fact that the SMF won the Prospect magazine UK Think Tank of the Year award for 2012, reflecting the SMF's work on economic policy and analysis of the Government's welfare to work programmes. The SMF also won the award for the best think tank in the Economic and Financial category.

## **PUBLIC BENEFIT**

The Trustees confirm that they referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charity and in planning future activities. In particular the trustees consider that the activities carried out, summarised in the Aims, Objectives and Activities section of this report, provide benefit to the community.

## **FINANCIAL REVIEW**

### **Reserves policy**

A reserve fund covers the charity for fluctuations in income throughout the year, current liabilities and unplanned expenditure due to:

- (a) funding being dependent on short term contracts that are subject to fluctuation.
- (b) requiring protection against, and the ability to continue operating despite, damaging events.

The Foundation aims for a reserve fund of 12 to 24 weeks' core running costs to be held in unrestricted funds. The level of reserves is reviewed annually and budgetary control implemented to ensure the level of reserves is maintained at or near the appropriate level.

## **The Social Market Foundation**

### **Report of the Trustees for the Year Ended 31 March 2015**

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#### **FINANCIAL REVIEW**

##### **Funding sources**

We had 34 funders who provided sponsorship over the course of the year. They were:

Airport Operators Association  
Aviva  
Banks Sadler  
Barclays Bank  
BASF  
British Chambers of Commerce  
BP  
BUPA  
Capita  
Centre for Competitive Advantage in the Global Economy  
City of London  
The Economic and Social Research Council  
EY  
Guild HE  
Home Group  
Institute for Government  
Interserve  
Joseph Rowntree Foundation  
KPMG  
LV=  
Merck Sharpe Dohme  
MetLife  
NESTA  
Open Road  
Provident Financial  
PwC  
Prudential  
Royal Mail  
Said Business School  
Standard Life  
Sutton Trust  
Tech City UK  
University Alliance  
Virgin

The Social Market Foundation is grateful for the support of these organisations and others who contributed, all of whom are critical in allowing the Foundation to undertake its research and host public debates.

##### **Overview**

The Foundation disclosed net outgoing resources for the year of £109,839 compared to net incoming resources of £1,767 for the preceding period. As a result, total funds at the disposition of the Foundation decreased from £197,721 to £87,882, with net current assets decreasing from £194,886 to £82,206. Net outgoing resources for the year are the result of a decrease of £18,563 in incoming resources (primarily reflecting decreased research project sponsorship income partly offset by increased events sponsorship income) combined with a £93,043 increase in resources expended (reflecting increased payroll, research and publishing costs).

##### **Principal Financial Management Policies**

The Foundation prepares budgets annually which are approved by the Board. The Foundation's activities are managed in line with the approved budget with a view to ensuring that significant unplanned surpluses or deficits do not arise. Cash balances in excess of the Foundation's immediate requirements are placed on the highest interest rate deposit accounts available.

## **The Social Market Foundation**

### **Report of the Trustees for the Year Ended 31 March 2015**

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#### **FUTURE DEVELOPMENTS**

The charity will continue to advance the education of the public to promote a social market agenda, by producing and disseminating policy reports, and holding debates and discussions across the policy areas described on page 3 of this report.

To advance the education of the public in public policy, all our reports will continue to be available free of charge for public download via the internet and most seminars will be free to attend.

We will continue to attempt to influence policy development in areas which are currently in need of review, in order to promote a social market approach to public policy.

#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

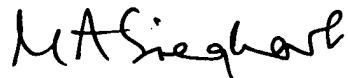
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Knox Cropper, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 16 July 2015 and signed on its behalf by:



M A Sieghart - Trustee

## **Report of the Independent Auditors to the Members of The Social Market Foundation**

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We have audited the financial statements of The Social Market Foundation for the year ended 31 March 2015 on pages twelve to nineteen. 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 charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page nine, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, 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 Trustees 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 The Social Market Foundation**

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### **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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees 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 Trustees.



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

16 July 2015

**The Social Market Foundation**

**Statement of Financial Activities  
for the Year Ended 31 March 2015**

		<b>Year Ended 31.3.15 Unrestricted fund £</b>	<b>Period 1.3.13 to 31.3.14 Total funds £</b>
	Notes		
<b>INCOMING RESOURCES</b>			
<b>Incoming resources from generated funds</b>			
Voluntary income	2	40,000	25,000
Investment income	3	59,365	64,728
<b>Incoming resources from charitable activities</b>			
Conference and Event Sponsorship	4	254,662	226,483
Publications		504	128
Research Projects Sponsorship		288,575	346,600
Hire of Boardroom		3,225	1,695
Other Income		-	260
<b>Total incoming resources</b>		<b>646,331</b>	<b>664,894</b>
<b>RESOURCES EXPENDED</b>			
<b>Costs of generating funds</b>			
Costs of generating voluntary income	5	11,449	9,166
<b>Charitable activities</b>			
Conference and Event Sponsorship	6	239,676	225,826
Publications		42,719	34,252
Research Projects Sponsorship		433,875	361,334
<b>Governance costs</b>	8	<b>28,451</b>	<b>32,549</b>
<b>Total resources expended</b>		<b>756,170</b>	<b>663,127</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>			
		<b>(109,839)</b>	<b>1,767</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>197,721</b>	<b>195,954</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>87,882</b>	<b>197,721</b>

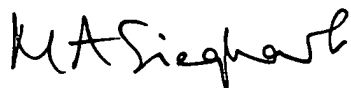
The notes form part of these financial statements

**Balance Sheet**  
**At 31 March 2015**

			<b>2015</b>	<b>2014</b>
			<b>Unrestricted</b>	<b>Total</b>
	<b>Notes</b>	<b>£</b>	<b>fund</b>	<b>funds</b>
			<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>				
Tangible assets	12		5,676	2,835
<b>CURRENT ASSETS</b>				
Debtors	13		117,502	151,440
Cash at bank			51,218	129,376
			<u>168,720</u>	<u>280,816</u>
<b>CREDITORS</b>				
Amounts falling due within one year	14		(86,514)	(85,930)
<b>NET CURRENT ASSETS</b>			<u>82,206</u>	<u>194,886</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>87,882</u>	<u>197,721</u>
<b>NET ASSETS</b>			<u><u>87,882</u></u>	<u><u>197,721</u></u>
<b>FUNDS</b>				
Unrestricted funds			<u>87,882</u>	<u>197,721</u>
<b>TOTAL FUNDS</b>			<u><u>87,882</u></u>	<u><u>197,721</u></u>

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

The financial statements were approved by the Board of Trustees on 16 July 2015 and were signed on its behalf by:



M A Sieghart -Trustee

The notes form part of these financial statements

## 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), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

### Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

### Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### Allocation and apportionment of costs

Support costs relating to staff costs are allocated across the activities using an apportionment rate calculated using turnover of the activities.

Other support costs are allocated across the activities using an apportionment rate based on direct costs of the activities.

### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Office Equipment is depreciated over 4 years on a straight line basis;
- Fixtures and Fittings are depreciated over 10 years on a straight line basis; and
- Website set up costs are depreciated over 3 years on a straight line basis.

### Taxation

The charity is exempt from corporation tax on its charitable activities.

### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

## 2. VOLUNTARY INCOME

	Year Ended	Period
	31.3.15	1.3.13 to 31.3.14
	£	£
Corporate Subscriptions	40,000	25,000



**The Social Market Foundation**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2015**

**3. INVESTMENT INCOME**

	<b>Year Ended 31.3.15 £</b>	<b>Period 1.3.13 to 31.3.14 £</b>
Rent and Service Charges Receivable	59,078	64,002
Deposit account interest	287	726
	<u>59,365</u>	<u>64,728</u>

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Year Ended 31.3.15 £</b>	<b>Period 1.3.13 to 31.3.14 £</b>
Conference and Event Sponsorship	254,662	226,483
Publications	504	128
Research Projects Sponsorship	288,575	346,600
Hire of Boardroom	3,225	1,695
Other Income	-	260
	<u>546,966</u>	<u>575,166</u>

**5. COSTS OF GENERATING VOLUNTARY INCOME**

	<b>Year Ended 31.3.15 £</b>	<b>Period 1.3.13 to 31.3.14 £</b>
PR Literature and Brochure	1,200	1,338
Support costs	10,249	7,828
	<u>11,449</u>	<u>9,166</u>

**6. CHARITABLE ACTIVITIES COSTS**

	<b>Direct costs £</b>	<b>Support costs (See note 7) £</b>	<b>Totals £</b>
Conference and Event Sponsorship	134,768	104,908	239,676
Publications	32,948	9,771	42,719
Research Projects Sponsorship	279,767	154,108	433,875
	<u>447,483</u>	<u>268,787</u>	<u>716,270</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2015

7. SUPPORT COSTS

	Office Costs £	Other Costs £	Legal & Professional Fees £	Support Staff £	Totals £
Costs of generating voluntary income	-	-	-	10,249	10,249
Governance costs	6,945	9	28	-	6,982
Conference and Event Sponsorship	40,274	54	158	64,422	104,908
Publications	9,720	13	38	-	9,771
Research Projects Sponsorship	81,934	110	321	71,743	154,108
	<u>138,873</u>	<u>186</u>	<u>545</u>	<u>146,414</u>	<u>286,018</u>

Activity	Basis of allocation
Office Costs	Direct costs by activity
Other Costs	Direct costs by activity
Legal & Professional Fees	Direct costs by activity
Support Staff	Staff Apportionment based on turnover

8. GOVERNANCE COSTS

	Year Ended 31.3.15 £	Period 1.3.13 to 31.3.14 £
Staff costs	17,019	19,786
Auditors' remuneration	4,450	4,450
Support costs	6,982	8,313
	<u>28,451</u>	<u>32,549</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	Year Ended 31.3.15 £	Period 1.3.13 to 31.3.14 £
Auditors' remuneration	4,450	4,450
Depreciation - owned assets	4,059	3,060
Hire of plant and machinery	2,293	2,211
	<u>10,802</u>	<u>9,721</u>

**The Social Market Foundation**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2015**

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2015 nor for the period ended 31 March 2014.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2015 nor for the period ended 31 March 2014.

**11. STAFF COSTS**

	<b>Year Ended</b>	<i>Period</i>
	<b>31.3.15</b>	<i>1.3.13</i>
	<b>£</b>	<i>to</i>
		<i>31.3.14</i>
		<b>£</b>
Wages and salaries	411,983	361,464
Social security costs	42,084	39,202
Other pension costs	8,649	10,586
	<u>462,716</u>	<u>411,252</u>

The average monthly number of employees during the year was as follows:

<b>Year Ended</b>	<i>Period</i>
<b>31.3.15</b>	<i>1.3.13</i>
	<i>to</i>
	<i>31.3.14</i>
<u>11</u>	<u>8</u>

The number of employees whose emoluments fell within the following bands was:

	<b>Year Ended</b>	<i>Period</i>
	<b>31.3.15</b>	<i>1.3.13</i>
		<i>to</i>
		<i>31.3.14</i>
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
	<u>1</u>	<u>1</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2015

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 April 2014	80,532	20,160	100,692
Additions	6,900	-	6,900
At 31 March 2015	87,432	20,160	107,592
<b>DEPRECIATION</b>			
At 1 April 2014	79,802	18,055	97,857
Charge for year	1,954	2,105	4,059
At 31 March 2015	81,756	20,160	101,916
<b>NET BOOK VALUE</b>			
At 31 March 2015	5,676	-	5,676
At 31 March 2014	730	2,105	2,835

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	65,251	70,080
Prepayments and accrued income	52,251	81,360
	117,502	151,440

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	19,658	6,842
Social security and other taxes	13,933	8,984
VAT	32,226	44,193
Accruals and deferred income	20,697	25,911
	86,514	85,930

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**15. OPERATING LEASE COMMITMENTS**

The Foundation is committed to the following annual payments under operating leases expiring within:-

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	27,307	-
Between one and five years	-	81,920
	<u>27,307</u>	<u>81,920</u>

**16. PENSION COMMITMENTS**

The Social Market Foundation contributes to a stakeholder defined contribution pension scheme on behalf of its employees, with the employer contributing at 5% of pensionable salaries. Pension costs are charged as payments to the pension scheme fall due. These are disclosed in Note 11. Amounts due to the pension scheme at the year end amounted to £3,150 (2014: £1,163).

**17. GOING CONCERN**

The Social Market Foundation's ability to continue to operate for the foreseeable future depends on its ability to secure grants and contracts from third parties. These contracts are typically of short term duration and it is therefore inherently difficult for the trustees to forecast with any certainty for a period of twelve months into the future. They have been able, however, to forecast forward for six months and are satisfied that sufficient resources are available to allow the Foundation to continue to operate for at least that period.

In the normal course of events further funding should be secured to enable the Foundation to continue to operate for at least twelve months from the date of approval of these financial statements and on this basis the trustees consider it appropriate to prepare them on a going concern basis.