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Registered charity number
1086404

Registered company number
04107837

Open Trust

(A company limited by guarantee)

Trustees' Report and Financial Statements
for the year ended 31 December 2012



Open Trust
Report and Financial Statements
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Open Trust

Legal and Administrative Information

Reference and administrative information

Charity name	Open Trust
Charity registration number	1086404
Company registration number	04107837
Registered office	5 Madingley Road Cambridge CB3 0EE
Operational address	5 Madingley Road Cambridge CB3 0EE

Directors and Trustees

C Chadwyck-Healey A H Barnett D K Elstein A S Lapping	Chair
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Company Secretary

D D C Monro

Independent Auditors

Linn Maggs Goldwin
Vintage Yard
59-63 Bermondsey Street
London
SE1 3XF

Bankers

The Cooperative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Solicitors

Monro Fisher Wasbrough
8 Great James Street
London
WC1N 3DF

**Open Trust
Trustees' Report
for the year ended 31 December 2012**

The Trustees are pleased to present our report together with the audited financial statements of the charity for the year ended 31 December 2012

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005)

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 14 November 2000, and registered as a charity on 30 April 2001. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The charity currently has four trustees.

Trustee induction and training

Trustees are people of wide experience in public life. They are provided with all relevant documents and are fully informed of the activities of the trust.

Risk management

The trustees are aware that supporting global education on the internet means making grants to organisations which are unlikely to have found a sustainable model and trustees assess the risks of the projects they support at the Trustees meetings. They do not feel that they need to have a more fully formulated policy on risk management than this at the present time.

Organisational structure

Because of the small size and limited activities of the trust it is not considered that any formal structure is required. Issues to be decided by the trustees are discussed at meetings or are communicated among trustees by email and by telephone.

Related parties

The trust provides grant funding to openDemocracy Limited, a company with similar objects to the trust, and with a common director.

The trustees are satisfied that openDemocracy Limited is an appropriate recipient of grant funding, and closely monitor the application of the trust's funds within the company.

Objectives and activities

The object of the Trust, as defined by its Memorandum of Association, is the advancement of education, nationally and internationally, in the social, environmental, political and biological sciences, economics, law, the arts and media communication and other recognised scholarly subjects.

The Trustees confirm that they have complied with their duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

**Open Trust
Trustees' Report
for the year ended 31 December 2012**

Achievements and performance

In the year under review the Open Trust has received and distributed appropriately the funds received by it in accordance with its objectives and responsibilities. The Trust is committed to supporting openDemocracy, the pioneering website dedicated to global education.

Financial review

The charity had net incoming resources for the year of £10,457. At 31 December 2012, the charity had net assets of £20,477, being restricted grants funds held of £20,805 and net free reserves of (£328). The trustees are satisfied with the financial position of the charity at the year end.

Principal funding sources

These are identified in the attached accounts of the trust.

Investment policy

Under the Memorandum of Association, the charity has the power to make any investment which the Trustees see fit, after obtaining advice from a financial expert, and having regard to the suitability of investments and the need for diversification. The funds received by the charity during the year under review were not sufficient to justify separate investment, other than to be placed on deposit with the charity's bankers.

Reserves policy

The policy of the trust is to ensure its solvency by disbursing funds only in accordance with any restrictions imposed on them or when they are held without restriction. The trust incurs no liabilities unless they are fully funded.

Future plans

The Open Trust looks forward to seeing progress and development in openDemocracy's publishing and educational programmes.

Responsibilities of the trustees

Company law requires us as 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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

**Open Trust
Trustees' Report
for the year ended 31 December 2012**

The Trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enables us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees

The trustees, who are directors of for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 1.

In accordance with company law, as the company's directors, we certify that

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General meeting that Linn Maggs Goldwin be re-appointed as auditors to the charity for the ensuing year.

Small company provisions

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf on 19 July 2013



Sir Charles Chadwyck-Healey
Chair of the Board of Trustees

Open Trust
Independent auditors' report

Independent auditors' report to the members of Open Trust Limited

We have audited the financial statements of Open Trust Limited for the year ended 31 December 2012, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention, the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005), and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 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 the trustees and auditors

The Trustees' (who are also the directors of Open Trust Limited for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

In addition we report to you, if in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information beyond that referred to in this paragraph.

Basis of opinion


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements.


Paul Goldwin BA FCA (Senior Statutory Auditor)
for and on behalf of Linn Maggs Goldwin
Chartered Accountants and Statutory Auditors

4th September 2013

Vintage Yard
59-63 Bermondsey Street
London
SE1 3XF

Open Trust
Statement of Financial Activities
(incorporating Income and Expenditure Account)
for the year ended 31 December 2012

	Notes	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Grants and donations	2	-	272,388	272,388	149,262
<i>Activities for generating funds</i>					
Investment income		163	-	163	46
Total incoming resources		<u>163</u>	<u>272,388</u>	<u>272,551</u>	<u>149,308</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	3	216	-	216	216
Charitable activities	3	1,042	258,150	259,192	157,488
Governance costs	3	2,686	-	2,686	1,402
Total resources expended		<u>3,944</u>	<u>258,150</u>	<u>262,094</u>	<u>159,106</u>
Net income/(expenditure) for the year	4	<u>(3,781)</u>	<u>14,238</u>	<u>10,457</u>	<u>(9,798)</u>
Transfers between funds		-	-	-	-
Net movement in funds		(3,781)	14,238	10,457	(9,798)
Fund balances 1 January 2012		3,453	6,567	10,020	19,818
Fund balances at 31 December 2012	11	<u>(328)</u>	<u>20,805</u>	<u>20,477</u>	<u>10,020</u>

The statement of financial activities includes all gains or losses for the year. All incoming resources and resources expended derive from continuing activities.

Open Trust
Registered number: 04107837
Balance Sheet
as at 31 December 2012

	Notes	2012 £	2011 £
Fixed assets			
Investments	7	4	4
Current assets			
Debtors	8	1,579	95
Cash at bank		26,666	11,371
		<u>28,245</u>	<u>11,466</u>
Creditors, amounts falling due within one year	9	<u>7,772</u>	<u>1,450</u>
Net current assets		20,473	10,016
Net assets	10	<u>20,477</u>	<u>10,020</u>
Charity funds	11		
Unrestricted general fund		(328)	3,453
Restricted funds		20,805	6,567
Total funds		<u>20,477</u>	<u>10,020</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small entities

The financial statements were approved by the Board of Trustees on 19 July 2013



Sir Charles Chadwyck-Healey
Chair of the Board of Trustees

Open Trust
Notes to the Accounts
for the year ended 31 December 2012

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the previous year.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors which have been raised by the charity for particular purposes. The aim and use of each fund is set out in Note 11 to the financial statements.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Costs of generating funds comprise the costs associated with securing voluntary income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Investment income is included when receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage, as set out in Note 3.

Group accounts

The financial statements contain information about Open Trust Limited as an individual company and do not contain consolidated financial information as the parent of a group. The group which the company heads is a small group and the company is not therefore required to prepare consolidated financial statements under the Companies Act 2006.

Fixed asset investments

Investments in subsidiary undertakings are included in the accounts at cost, and are revalued to the balance sheet value of the subsidiary at the balance sheet date.

Open Trust
Notes to the Accounts
for the year ended 31 December 2012

2 Grants and donations received

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Eric Abraham Charitable Trust	-	50,000	50,000	-
Potter Charitable Trust	-	40,000	40,000	85,000
Oak Foundation	-	31,931	31,931	-
The Sigrid Rausing Trust	-	30,000	30,000	-
Anonymous donations	-	20,450	20,450	15,000
Hauser Raspe Foundation	-	15,000	15,000	-
Barrow Cadbury Trust	-	13,500	13,500	29,000
Allan and Nesta Ferguson Charitable Trust	-	10,000	10,000	-
Gift Aid tax relief	-	9,484	9,484	95
Hauser Raspe Foundation	-	8,750	8,750	-
John Mills	-	5,200	5,200	-
The Esmee Fairbairn Foundation	-	5,000	5,000	-
Greg Dyke	-	5,000	5,000	-
David Elstein	-	5,000	5,000	-
The Mulberry Trust	-	5,000	5,000	-
USA for Africa	-	-	-	6,085
Network for Social	-	-	-	5,352
Others	-	18,073	18,073	8,730
	-	272,388	272,388	149,262

3 Resources expended

	Grants made 2012 £	Gover- nance 2012 £	Total 2012 £	Total 2011 £
Costs directly allocated to activities				
<i>Grants made</i>				
openDemocracy Limited	258,150	-	258,150	156,370
Support costs allocated to activities				
Postage	-	-	-	82
Bank charges	42	-	42	36
Collection charges	216	-	216	216
Audit fees	-	1,554	1,554	1,402
Legal and secretarial costs	1,000	1,132	2,132	1,000
Total resources expended	259,408	2,686	262,094	159,106

4 Net income/(expenditure) for the year

	2012 £	2011 £
This is stated after charging		
Auditors' remuneration for statutory audit	1,554	1,402

Open Trust
Notes to the Accounts
for the year ended 31 December 2012

5 Trustee remuneration

No trustee received any remuneration during the year (2011 Nil)

No trustee was reimbursed for expenses during the year (2011 Nil)

6 Taxation

As a registered charity, Open Trust is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The charity is registered for Gift Aid with HM Revenue & Customs under reference number XR53593.

7 Fixed asset investments

	Investments in subsidiary undertakings £
Cost	
At 1 January 2012	4
At 31 December 2012	<u>4</u>

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
China Dialogue Limited	England and Wales	Ordinary	100

China Dialogue Limited is dormant and is therefore not consolidated into these accounts

8 Debtors

	2012 £	2011 £
Gift Aid tax recoverable	1,579	95
	<u>1,579</u>	<u>95</u>

9 Creditors: amounts falling due within one year

	2012 £	2011 £
Amounts owed to group undertakings - China Dialogue Limited	4	4
Accrued expenses	1,518	1,446
Other creditors	6,250	-
	<u>7,772</u>	<u>1,450</u>

Open Trust
Notes to the Accounts
for the year ended 31 December 2012

10 Analysis of net assets between funds

	General funds	Restricted funds	Total funds
	£	£	£
Fixed asset investments	4	-	4
Current assets	1,167	27,078	28,245
Current liabilities	(1,522)	(6,250)	(7,772)
	<u>(351)</u>	<u>20,828</u>	<u>20,477</u>

11 Movement in funds

	At 1 Jan 12	Incoming resources	Outgoing resources	Transfers	At 31 Dec 12
	£	£	£	£	£
Unrestricted funds:					
General funds	3,453	163	(3,944)	-	(328)
Restricted funds:					
openDemocracy Limited - general donations	6,567	272,388	(258,150)	-	20,805
Total funds	<u>10,020</u>	<u>272,551</u>	<u>(262,094)</u>	<u>-</u>	<u>20,477</u>

Purposes of restricted funds

The restricted funds represent funds received from donors to be passed on to the organisations shown for the purposes shown

12 Transaction with related parties

During the year, grants of £258,150 (2011 £156,370) were made to openDemocracy Limited, a company of which A H Barnett and D K Elstein are directors. The trustees consider openDemocracy Limited to be an appropriate recipient of grant funding.