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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 2009

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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	8 Great James Street London WC1N 3DF
Operational address	C/o Bindman & Partners Solicitors 275 Gray's Inn Road London WC1X 8QB

Directors and Trustees

C Chadwyck-Healey	Chair, appointed 29 June 2010
G L Bindman	Chair, resigned 29 June 2010
A H Barnett	
D K Elstein	
A S Lapping	
A J Harker (pending appointment)	

Company Secretary

D D C Monro

Independent Auditors

Linn Maggs Goldwin
2-4 Great Eastern Street
London
EC2A 3NT

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 2009**

We are pleased to present our report together with the audited financial statements of the charity for the year ended 31 December 2009

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.

Related parties

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

The trust also has a wholly owned subsidiary, China Dialogue Limited, although the activities, assets and liabilities of this company were transferred to another registered charity, the China Dialogue Trust on 16 April 2008 and the company became dormant. For this reason, the accounts of China Dialogue Limited have not been consolidated into the accounts of the trust.

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.

**Open Trust
Trustees' Report
for the year ended 31 December 2009**

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 section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission

Achievements and performance

The achievement of the Open Trust in the year under review has been to receive and distribute appropriately the funds received by it in accordance with its objectives and responsibilities. The Trust dedicated its modest activities to supporting openDemocracy, the pioneering website dedicated to global education, and to the Convention on Modern Liberty which was held on 28 February 2009. The latter was a stand-alone conference of 1,500 people. Given its ad hoc nature we asked F C Davey FCA to conduct an independent examiners report on its expenditures, which found no faults and concluded that they had been "carried out generally in accordance with the General Directions of the Charity Commission"

Financial review

The charity had net resources expended for the year of £105,944, this result largely representing funds held for distribution at the beginning of the year. At 31 December 2009, the charity had net assets of £60,551, being restricted grants funds held of £51,304 and net free reserves of £9,247. The trustees are satisfied with the financial position of the charity at the year end.

Principal funding sources

These are identified in the 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 educational programs. There are plans for educational campaigns around civil liberties and democracy in the UK as well as new methods to grow activities globally.

**Open Trust
Trustees' Report
for the year ended 31 December 2009**

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

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 19/7/10



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 2009, 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.


Open Trust
Independent auditors' report

Independent auditors' report to the members of Open Trust Limited
(continued)

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 2009 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



P/F Goldwin (Senior Statutory Auditor)
for and on behalf of Linn Maggs Goldwin
Accountants and Statutory Auditors
2-4 Great Eastern Street
London
EC2A 3NT

4th August 2010

Open Trust
Statement of Financial Activities
(Incorporating Income and Expenditure Account)
for the year ended 31 December 2009

	Notes	Unrestricted funds 2009 £	Restricted funds 2009 £	Total funds 2009 £	Total funds 2008 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Grants and donations	2	(139)	298,967	298,828	293,590
<i>Activities for generating funds</i>					
Investment income		176	-	176	3,320
Total incoming resources		<u>37</u>	<u>298,967</u>	<u>299,004</u>	<u>296,910</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	3	207	-	207	211
Charitable activities	3	2,521	400,574	403,095	395,764
Governance costs	3	1,646	-	1,646	1,880
Total resources expended		<u>4,374</u>	<u>400,574</u>	<u>404,948</u>	<u>397,855</u>
Net expenditure for the year	4	<u>(4,337)</u>	<u>(101,607)</u>	<u>(105,944)</u>	<u>(100,945)</u>
Transfers between funds		-	-	-	-
Net movement in funds		(4,337)	(101,607)	(105,944)	(100,945)
Fund balances 1 January 2009		13,584	152,911	166,495	267,440
Fund balances at 31 December 2009	11	<u>9,247</u>	<u>51,304</u>	<u>60,551</u>	<u>166,495</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
Balance Sheet
as at 31 December 2009**

	Notes	2009 £	2008 £
Fixed assets			
Investments	7	4	4
Current assets			
Debtors	8	147	793
Cash at bank		61,732	166,944
		<u>61,879</u>	<u>167,737</u>
Creditors: amounts falling due within one year	9	<u>1,332</u>	<u>1,246</u>
Net current assets		60,547	166,491
Net assets	10	<u>60,551</u>	<u>166,495</u>
Charity funds	11		
Unrestricted general fund		9,247	13,584
Restricted funds		51,304	152,911
Total funds		<u>60,551</u>	<u>166,495</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 19/7/10



Sir Charles Chadwyck-Healey
Chair of the Board of Trustees

Open Trust
Notes to the Accounts
for the year ended 31 December 2009

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 Blessmatch 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 2009

2 Grants and donations received

	Unrestricted funds 2009 £	Restricted funds 2009 £	Total funds 2009 £	Total funds 2008 £
Open Society Institute	-	99,585	99,585	79,994
Ford Foundation	-	67,302	67,302	-
David & Elaine Potter Charitable Foundation	-	25,000	25,000	35,000
Joseph Rowntree	-	15,000	15,000	10,000
Sigrd Rausing	-	10,000	10,000	-
The Tedworth Charitable Trust	-	8,900	8,900	22,400
J B H Jackson	-	7,000	7,000	5,000
Charles Fisher	-	5,000	5,000	1,220
Charles E Chadwyck-Healey Charitable Trust	-	5,000	5,000	-
Cornwell Charitable Trust	-	5,000	5,000	-
Esmee Fairbairn Foundation	-	5,000	5,000	15,000
Hauser Raspe Foundation	-	5,000	5,000	-
JRSST Trust	-	5,000	5,000	5,000
Bar C FD Ltd	-	4,000	4,000	-
New World Foundation	-	3,460	3,460	-
Marmott Charitable Trust	-	2,000	2,000	-
Andrew Wainwright Trust	-	2,000	2,000	3,000
Tinsley Charitable Trust	-	1,000	1,000	-
Atlantic Philanthropies	-	-	-	70,000
Stichting Hivos	-	-	-	19,139
Polden Puckham Charitable Trust	-	-	-	10,000
Barrow Cadbury Trust	-	-	-	7,220
Rothschilds	-	-	-	1,000
Steadman	-	-	-	1,000
Tennant	-	-	-	1,000
Others	-	21,464	21,464	6,043
Gift Aid tax relief	(139)	2,256	2,117	1,574
	(139)	298,967	298,828	293,590

3 Resources expended

	Grants made 2009 £	Gover- nance 2009 £	Total 2009 £	Total 2008 £
Costs directly allocated to activities				
<i>Grants made</i>				
openDemocracy Limited	400,574	-	400,574	236,097
China Dialogue Limited	-	-	-	129,987
Countryside Alliance	-	-	-	29,199
Support costs allocated to activities				
Bank charges	521	-	521	481
Collection charges	207	-	207	211
Audit fees	-	1,321	1,321	1,266
Legal and secretarial costs	2,000	325	2,325	614
Total resources expended	403,302	1,646	404,948	397,855

Open Trust
Notes to the Accounts
for the year ended 31 December 2009

4 Net expenditure for the year

	2009	2008
	£	£
This is stated after charging		
Auditors' remuneration for statutory audit	1,321	1,177

5 Trustee remuneration

No trustee received any remuneration during the year (2008 Nil)

No trustee was reimbursed for expenses during the year (2008 Nil)

6 Taxation

As a registered charity, Open Trust is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 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 2009	4
At 31 December 2009	4

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

8 Debtors

	2009	2008
	£	£
Gift Aid tax recoverable	142	282
Interest receivable	5	511
	147	793

Open Trust
Notes to the Accounts
for the year ended 31 December 2009

9 Creditors, amounts falling due within one year	2009	2008
	£	£
Amounts owed to group undertakings - China Dialogue Limited	4	4
Accrued expenses	1,328	1,242
	<u>1,332</u>	<u>1,246</u>

10 Analysis of net assets between funds	General funds	Restricted funds	Total funds
	£	£	£
Fixed asset investments	4	-	4
Current assets	10,575	51,304	61,879
Current liabilities	(1,332)	-	(1,332)
	<u>9,247</u>	<u>51,304</u>	<u>60,551</u>

11 Movement in funds	At 1 Jan 09	Incoming resources	Outgoing resources	Transfers	At 31 Dec 09
	£	£	£	£	£
Unrestricted funds.					
General funds	13,584	37	(4,374)	-	9,247
Restricted funds:					
openDemocracy Limited - general	136,911	222,147	(311,574)	-	47,484
openDemocracy Limited - Convention on Modern Liberty	16,000	76,820	(89,000)	-	3,820
Total restricted funds	<u>152,911</u>	<u>298,967</u>	<u>(400,574)</u>	<u>-</u>	<u>51,304</u>
Total funds	<u>166,495</u>	<u>299,004</u>	<u>(404,948)</u>	<u>-</u>	<u>60,551</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 £400,574 (2008 £281,267) were made to openDemocracy Limited, a company of which A H Barnett is a director. The trustees consider openDemocracy Limited to be an appropriate recipient of grant funding.