

Charity Registration No 1103739

Company Registration No 05064109 (England and Wales)

REFORM RESEARCH TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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REFORM RESEARCH TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees (who are the Directors)	S T Hargrave J Palmer J Sillem
Secretary	A J Haldenby
Charity number	1103739
Company number	05064109
Principal address	45 Great Peter Street London SW1P 3LT
Registered office	19 Fitzroy Square London W1T 6EQ
Auditors	Newman Peters 19 Fitzroy Square London W1T 6EQ
Solicitors	Wilsons Steynings House Summerlock Approach Salisbury Wiltshire SP2 7RJ

REFORM RESEARCH TRUST

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REFORM RESEARCH TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The trustees have the pleasure in presenting their report together with the accounts for the period to 31 December 2010

Reference and Administrative Information

Trustees (who are the Directors)
R H C Darwall (until 5 January 2011)
S T Hargrave
J Palmer (appointed 5 January 2011)
O J W Pawle (until 5 January 2011)
J Sillem (appointed 5 January 2011)

Secretary
A J Haldenby

Company Registration Number
05064109

Charity Registration Number
1103739

Registered Office
19 Fitzroy Square
London
W1T 6EQ

Auditors
Newman Peters
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Solicitors
Wilsons
Steynings House
Summerlock Approach
Salisbury
Wiltshire
SP2 7RJ

Structure, Governance and Management

The Reform Research Trust is constituted as a company limited by guarantee with Company Number 5064109. It is also registered with the Charity Commissioners with Charity Number 1103739. The Trust 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.

The Trustees who held office during the year were Rupert Darwall, Stephen Hargrave and Oliver Pawle. They had been in post since the date of registration (13 May 2004). In January 2011 Rupert Darwall and Oliver Pawle resigned. The Trust is most grateful to them for their help and support over the years. On 5 January 2011 James Palmer and Jeremy Sillem were appointed. Future Trustees will be appointed by a vote of members in General Meeting.

REFORM RESEARCH TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Trustees take strategic policy decisions. The day-to-day running of the Trust is in the hands of the Secretary. In 2010, the position was held by Andrew Haldenby.

The charity works closely with Reform Britain, a not-for-profit organisation (though not a charity), although this arrangement is currently under review. In 2010 a number of staff from Reform Britain were seconded to the Reform Research Trust to help carry out its research activities. The company also provided some services to the Trust as management support, for example the provision of an office.

Objectives and Activities

Summary of the objects of the charity

The Reform Research Trust has the following object: "To advance the education of the public and in particular to promote for the public benefit research into matters of public policy and to disseminate the useful results thereof. 'Public policy' means the economic and social implications of government policy and the operation of markets, in particular in relation to the performance and management of the economy, the provision of public services and the structure and size of national and local government, both in the United Kingdom and abroad."

Aims

The charity seeks to educate the public on public policy issues, in particular in relation to public services and the economy, amongst opinion formers and the public. It will have succeeded if the understanding of the means to improve public services outcomes and economic performance is increased.

Main objectives for the year

The charity aimed to continue its programme of research. It also sought to raise funds to support its objectives.

Strategies

The charity's strategy is to commission research on matters of public policy.

Significant activities

The charity undertook the following key activities:

Research into public policy

Health policy

The implications of greater efficiency for healthcare infrastructure, in particular hospitals.

Economic policy

Methods to improve fiscal policy, in particular international examples. International experience in tax reform.

Education policy

The quality of teaching and public examinations.

Typically the research comprised study of current circumstances in the UK based on official statistics, government policy and international comparisons.

The charity also held meetings to promote the above research.

REFORM RESEARCH TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Financial Review

The Trust was successful in fundraising for the year. Funds were kept in an interest-bearing bank account to maximise their value.

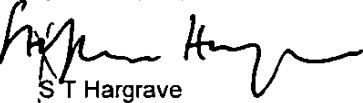
Funds were raised to support the principal activities of the charity, namely the production and dissemination of research. The surplus will be used for the same ends.

In regard to reserves, the Trustees' objective is to enhance the income and capital of the Trust over the longer term so that its charitable activity can in turn be increased and improved.

The Trust maintains sufficient liquidity to fund its charitable support and the expenses of operation. The Trust operates in a low risk environment, its bank accounts being operated by the secretary to the Trust.

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the board


S T Hargrave
Trustee

Dated 24 June 2011

REFORM RESEARCH TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees , who are also the directors of Reform Research Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year

In preparing these accounts, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006 They 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

REFORM RESEARCH TRUST

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF REFORM RESEARCH TRUST

We have audited the accounts of Reform Research Trust for the year ended 31 December 2010 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees 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, the trustees, who are also the directors of Reform Research Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity'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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 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, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

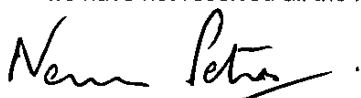
REFORM RESEARCH TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE TRUSTEES OF REFORM RESEARCH TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts, or
- the charitable company has not kept adequate accounting records, or
- the accounts are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



**R J Peters (Senior Statutory Auditor)
for and on behalf of Newman Peters**

**Chartered Accountants
Statutory Auditor
19 Fitzroy Square
London
W1T 6EQ**

Dated 24 June 2011

REFORM RESEARCH TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	1,122,333	984,122
Investment income	3	90	73
		<u>1,122,423</u>	<u>984,195</u>
Other incoming resources	4	270	2,215
Total incoming resources		<u>1,122,693</u>	<u>986,410</u>
<u>Resources expended</u>	5		
Costs of generating funds			
Costs of generating donations and legacies		<u>135,122</u>	<u>146,443</u>
Net incoming resources available		<u>987,571</u>	<u>839,967</u>
Charitable activities			
Support costs		<u>604,958</u>	<u>565,543</u>
Governance costs		<u>2,100</u>	<u>3,535</u>
Total resources expended		<u>742,180</u>	<u>715,521</u>
Net movement in funds		<u>380,513</u>	<u>270,889</u>
Fund balances at 1 January 2010		<u>391,319</u>	<u>120,430</u>
Fund balances at 31 December 2010		<u><u>771,832</u></u>	<u><u>391,319</u></u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

REFORM RESEARCH TRUST

BALANCE SHEET

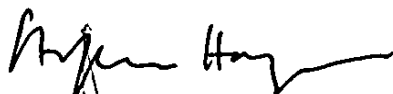
AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	10		21,232		4,070
Current assets					
Debtors	11	71,432		13,820	
Cash at bank and in hand		720,637		390,581	
		<u>792,069</u>		<u>404,401</u>	
Creditors: amounts falling due within one year	12	<u>(41,469)</u>		<u>(17,152)</u>	
Net current assets			<u>750,600</u>		<u>387,249</u>
Total assets less current liabilities			<u>771,832</u>		<u>391,319</u>
Income funds					
Unrestricted funds			<u>771,832</u>		<u>391,319</u>
			<u>771,832</u>		<u>391,319</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2010, although an audit has been carried out under section 43 of the Charities Act 1993. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts were approved by the Board on 24 June 2011



S.T. Hargrave
Trustee

Company Registration No 05064109

REFORM RESEARCH TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	25% written down value per annum
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1.4 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

a) Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable

b) Investment income is included when receivable

1.5 Donations

Donations receivable for the general purposes of the Trust are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on Reform Research Trust trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments - permanent or expendable according to the nature of the restriction

1.6 Resources expended

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

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

b) 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

REFORM RESEARCH TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

2 Donations and legacies

	2010 £	2009 £
Donations and gifts	<u>1,122,333</u>	<u>984,122</u>
Donations and gifts		
Unrestricted funds		
UF Donations & Gifts	<u>1,101,984</u>	<u>937,230</u>
UF Gift Aid	<u>20,349</u>	<u>46,892</u>
	<u>1,122,333</u>	<u>984,122</u>

3 Investment income

	2010 £	2009 £
Interest receivable	<u>90</u>	<u>73</u>

4 Other incoming resources

	2010 £	2009 £
Other income	<u>270</u>	<u>2,215</u>

REFORM RESEARCH TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

5 Total resources expended

	2010 £	2009 £
Costs of generating funds		
Costs of generating donations and legacies	135,122	146,443
Charitable activities		
Support costs	604,958	565,543
Governance costs	2,100	3,535
	<u>742,180</u>	<u>715,521</u>

6 Support costs

	2010 £	2009 £
Research	-	749
Consultancy	11,803	26,100
Staff costs	473,995	444,927
Rent and other office costs	93,816	75,135
Professional fees	25,344	18,632
	<u>604,958</u>	<u>565,543</u>

7 Governance costs

	2010 £	2009 £
Other governance costs comprise		
UF Audit	2,100	3,535
	<u>2,100</u>	<u>3,535</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or were reimbursed for travelling expenses during the year

REFORM RESEARCH TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

9 Employees

There were no employees during the year

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2010 and at 31 December 2010	32,273
Depreciation	
At 1 January 2010	3,964
Charge for the year	7,077
At 31 December 2010	11,041
Net book value	
At 31 December 2010	21,232
At 31 December 2009	4,070

11 Debtors	2010 £	2009 £
Tax reclaimable	481	400
Other debtors	61,750	4,111
Prepayments and accrued income	9,201	9,309
	71,432	13,820

12 Creditors, amounts falling due within one year	2010 £	2009 £
Taxes and social security costs	38,669	13,652
Accruals	2,800	3,500
	41,469	17,152

REFORM RESEARCH TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

13 Commitments under operating leases

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2010	2009
	£	£
Expiry date		
Within one year	-	34,040
In over five years	60,000	-
	<u>60,000</u>	<u>34,040</u>