



Alliance Publishing Trust
Report & Financial Statements

31 December 2009

Company Number: 5935154

Charity Number: 1116744

sayer vincent
consultants and auditors

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Reference and Administrative Details

| | | |
|--|--|---|
| Company Number | 5935154 | |
| Charity Number | 1116744 | |
| Registered offices | 76 Sistova Road London SW12 9QS | Operation address: 25 Corsham Street London N1 6DR |
| Honorary officers | Rien van Gendt David Carrington Caroline Hartnell | Chair Treasurer Secretary |
| Trustees and members of the Board | Trustees, who are also directors under company law, and who served during the year and up to the date of this report, were as follows: | |
| | Marissa Camacho-Reyes | WINGS |
| | David Carrington | Independent consultant |
| | Shannon Lawder | Charles Stewart Mott Foundation |
| | Gerry Salole | European Foundation Centre |
| | Rien van Gendt | Bernard van Leer Foundation |
| | Marion Wadibia | Independent consultant |
| Appointed on 18/12/2009 | Luc Tayart de Borms | King Baudouin Foundation |
| Principal staff | Caroline Hartnell Kai Hopkins | Executive Director and Editor General Manager |
| Bankers | Barclays Bank plc PO Box 32016 London NW1 2ZH | |
| Solicitors | Bates Wells & Braithwaite London LLP 2-6 Cannon Street London EC4M 6Y | |
| Reporting accountants | Sayer Vincent 8 Angel Gate 326 City Road London EC1V 2SJ | |

Report of the Board of Trustees

The trustees present their report and accounts for the year ended 31 December 2009.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005).

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 14 September 2006 and registered as a charity on 10 November 2006.

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.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 4 to the accounts.

Objects of the Trust

The Alliance Publishing Trust is a registered charity under the Charities Acts. The objects of the charity are:

To promote the efficiency and effectiveness of charities and the effective use of charitable resources for the public benefit by:

- publishing journals, reports and other material relating to the administration and effectiveness of charities and the effective use of charitable resources
- and convening discussion and dialogue on these issues.

Review of activities

Alliance Publishing Trust (APT) was set up as an independent organization on 1 January 2007 with the primary responsibility of publishing *Alliance* magazine, a quarterly magazine on philanthropy and social investment with a global subscriber base of approximately 3,500 organizations and individuals as at the end of 2009. In its present form *Alliance* has been in existence for 12 years. From the beginning of 1998 until the end of July 2001, it was published by Charities Aid Foundation (CAF). From 2001 to 2007, it was published by Allavida.

At the end of its third year, APT is well established as an independent organisation with relevant financial, human resources and operational processes in place. Overall net incoming resources for the year amounted to £48,112 with £5 in restricted funding and a surplus of £48,107 in unrestricted funding. During the year, APT was also able to repay the remaining €10,000 of the €30,000 drawdown from the 'Alliance Guarantee Fund' (see 'Reserves policy' below) which enabled APT to cover the shortfall in 2007. The trustees continue to be grateful to the Network of European Foundations for Innovative Cooperation (NEF) for establishing the Alliance Guarantee Fund, which enabled APT to avoid any cashflow difficulties in 2007 as a result of the deficit in unrestricted funding. APT's ability not only to pay back the last

€10,000, but also to finish the year with total funds of £73,438 is the sign of a successful financial year.

The trustees would also like to express their gratitude to the following organizations, which fund APT:

Avina Stiftung
Bernard van Leer Foundation
Ford Foundation
German Marshall Fund of the United States
King Baudouin Foundation
Charles Stewart Mott Foundation

Their long-term support, and that of our growing number of sponsor subscribers, is essential to APT's continued successful operation.

We expanded our staff team in 2009 by the equivalent of one full-time staff member, employing two part-time staff. This expansion is made possible by a two-year grant from the Ford Foundation.

Employing the extra staff has enabled us to carry out the activities outlined above and to increase our efforts to raise earned income from subscriptions, advertising and publishing. We are extremely grateful to the Ford Foundation for giving us the opportunity to do this.

Achievements and performance

APT's core publishing activities are to:

- publish four issues of *Alliance* magazine, in print and electronic versions;
- produce eight issues of the *Alliance eBulletin*;
- publish free-to-view articles, interviews and conference reports on the *Alliance* website.

In addition, since September 2008, APT:

- translates *Alliance* magazine into Spanish;
- produces regular Latin America Bulletins, providing news on the region.

These activities are funded by a three-year grant from AVINA Stiftung, which runs from October 2007 to October 2010.

All these activities were successfully carried out. The themes covered by the four issues of the magazine in 2009 were:

- March 2009: *Which way now? Five difficult choices for philanthropy*
- June 2009: *Twenty years since the fall of the wall: Philanthropy, democracy and civil society*
- September 2009: *Discontinuous thinking for a crisis*
- December 2009: *Emerging philanthropy: what does it stand for?*

At the end of 2009, *Alliance* had a subscriber base of approximately 3,500. Roughly 45 per cent of this figure consists of paid subscriptions, the rest being a mixture of copies for key funders and contributors and free electronic copies for individuals and organisations in developing countries. In 2008, the subscriber base was around 2,800, with 55 per cent being paid subscriptions. The additional readers are largely subscribers to the Spanish edition,

available free in Latin America. There are currently over 1,050 subscribers receiving the free Spanish edition and around 450 receiving free electronic access in India. During the year approximately 10,000 copies of the magazine were distributed worldwide, while almost 4,700 and 1,235 people regularly received our 'What's New?' emails and the Latin America Bulletin respectively. The *Alliance* website receives over 30,000 visitors a quarter.

During the year, we also published nine books:

- *Small Money, Big Impact*, for Foundations for Peace
- *Family Foundation Philanthropy 2009* and *Philanthropy in the 21st Century*, both for Cass Business School
- *Schools for Society: Learning democracy in Europe* and three short guides on Religion and Democracy in Europe, all for the Network of European Foundations
- *Understanding European Research Foundations*, for the European Foundation Centre
- *A New Agenda? The European Union and cultural policy*, by Hans Erik Naess

Purpose and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last 12 months. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. Promoting the efficiency and effectiveness of charities is recognised as providing a public benefit by the Charity Commission. The material we publish is either distributed free of charge or paid for through modest subscriptions, and is available globally to anyone who would like it.

Plans for the future

We shall continue to focus on our principal areas of activity, including the work in Latin America, while continuing to expand our book publishing services. We plan to publish at a similar level in 2010, and see the publishing as a valuable source of revenue.

Responsibilities of the Board of Trustees

The trustees are required to prepare annual report and financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. The trustees are also required to prepare financial statements which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- 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 material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2009 was seven (2008 - six). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Trustee induction and training

New trustees are fully briefed on their legal obligations under charity and company law and on the content of the Memorandum and Articles of Association.

Organization

The board of trustees (minimum of three members) administers the charity. The Board meets twice a year. An Executive Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and development activity.

Trustees and Members of the Board

| | |
|-----------------------|---------------------------------|
| Marissa Camacho-Reyes | WINGS |
| David Carrington | Independent consultant |
| Shannon Lawder | Charles Stewart Mott Foundation |
| Gerry Salole | European Foundation Centre |
| Rien van Gendt | Bernard van Leer Foundation |
| Marion Wadibia | Independent consultant |
| Luc Tayart de Borms | King Baudouin Foundation |

Alliance Editorial Board

The *Alliance* Editorial Board is a group of individuals from all around the world, each of whom has expertise and experience in a particular area of relevance to *Alliance*. Their role is to advise the editor on all editorial matters, especially on the selection of special features and choice of guest editors.

The Editorial Board currently consists of the following:

Bisi Adeleye-Fayemi, African Women's Development Fund, Ghana
Akwas Aidoo, TrustAfrica, Senegal
Olga Alexeeva, CAF Global Trustees, UK
Lucy Bernholz, Blueprint research & Design Inc, USA
David Bonbright, Keystone, UK
Nilda Bullain, European Center for Not-for-Profit Law, Hungary
Ana Feder, European Foundation Centre, Belgium
Eleanor Fink, World Bank Group, USA
Alan Fowler, Centre for Civil Society, University of Natal, South Africa
Barry Gaberman, USA
Rayna Gavrilova, Trust for Civil Society in Central and Eastern Europe
Michael Hanssler, Gerda Henkel Foundation, Germany
Christopher Harris, Ford Foundation, USA
Cornelia Higginson, USA
Andrew Kingman, Micaia, Mozambique
Marcos Kisil, President, Institute for Development and Social Investment, Brazil
Barry Knight, CENTRIS, UK
Atallah Kuttab, Welfare Association, Switzerland/Palestine
Massimo Lanza, Venice Foundation, Italy
Peter Laugharn, Firelight Foundation, USA
Janet Mawiyoo, Kenya Community Development Foundation, Kenya
Sheela Patel, Society for the Promotion of Area Resource Centres, India
Fernando Rossetti, GIFE, Brazil
Karla Simon, International Center for Civil Society Law, USA
Ingrid Srinath, CIVICUS, South Africa
Volker Then, Centre for Social Investment, Heidelberg, Germany
Andrés Thompson, W K Kellogg Foundation, Uruguay
Rory Tolentino, Asia Pacific Philanthropy Consortium, Philippines
Jorge Villalobos, Mexican Center for Philanthropy
Priya Viswanath, India

Reserves policy

The Board of Trustees has examined the requirements for holding an appropriate level of unrestricted reserves in order to safeguard the day-to-day running of the charity and provide underlying financial stability to protect its long-term projects. An 'Alliance Guarantee Fund' of €300,000 had been established by the Network of European Foundations for Innovative Cooperation (NEF) in this regard; however, this has now been reduced to €150,000. The reduction indicates the growing strength and self-sustainability of APT.

Risk statement

The Board of Trustees has examined the major risks to which APT is exposed and systems have been established to mitigate these risks.

Asset cover for funds

The assets of the trust are sufficient to meet the trust's obligations on a fund by fund basis.

Connected organizations

Alliance Publishing Trust works closely with the European Foundation Centre and the Network of European Foundations in the pursuit of its charitable objectives.

Independent Examiner

Kate Sayer was appointed as the charitable company's independent examiner during the year and has expressed her willingness to continue in that capacity.

Approved by the trustees and signed on their behalf by:

Trustee

Date:

Independent Examiner's Report

I report on the accounts for the year ended 31 December 2009 which comprise the statement of financial activities, balance sheet and related notes.

Respective responsibilities of the trustees and independent examiner

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act), as amended by s. 28 of the Charities Act 2006) and that an independent examination is needed. The charitable company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 43 of the 1993 Act;
- Follow the Procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- State whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with the examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare the accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

22 April 2010

Catherine L Sayer
Sayer Vincent
Chartered accountants
8 Angel Gate, City Road, London, EC1V 2SJ

Statement of Financial Activities

| | Note | Restricted £ | Unrestricted £ | 2009 Total £ | 2008 Total £ |
|--|------|----------------------|----------------------|-----------------------------|----------------------|
| Incoming resources | | | | | |
| <i>Incoming resources from generated funds</i> | 2 | | | | |
| Programme grants | | 23,994 | 141,164 | 165,158 | 138,193 |
| Bank interest receivable | | - | 111 | 111 | 602 |
| <i>Incoming resources from charitable activities</i> | | | | | |
| Magazine income | | - | 69,136 | 69,136 | 69,474 |
| Publishing income | | - | 71,843 | 71,843 | 31,871 |
| Total incoming resources | | <u>23,994</u> | <u>282,254</u> | <u>306,248</u> | <u>240,140</u> |
| Resources expended | 3 | | | | |
| <i>Costs of generating funds</i> | | - | 4,426 | 4,426 | 4,168 |
| <i>Charitable activities</i> | | | | | |
| Magazine | | 23,989 | 183,947 | 207,936 | 200,413 |
| Publishing | | - | 43,439 | 43,439 | 20,430 |
| <i>Governance costs</i> | | - | 2,335 | 2,335 | 1,515 |
| Total resources expended | | <u>23,989</u> | <u>234,147</u> | <u>258,136</u> | <u>226,526</u> |
| Net incoming resources | | 5 | 48,107 | 48,112 | 13,614 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>17,995</u> | <u>7,331</u> | <u>25,326</u> | <u>11,712</u> |
| Total funds carried forward | | <u><u>18,000</u></u> | <u><u>55,438</u></u> | <u><u>73,438</u></u> | <u><u>25,326</u></u> |

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
Movements in funds are disclosed in Note 10 to the financial statements.

Balance Sheet

Company Number: 5935154

| | Note | £ | 2009 £ | 2008 £ |
|--|------|---------------|---------------|-----------|
| Current assets | | | | |
| Debtors | 6 | 1,590 | | - |
| Cash at bank and in hand | | 80,663 | | 41,977 |
| | | 82,253 | | 41,977 |
| Liabilities | | | | |
| Creditors: amounts falling due within one year | | | | |
| Loans | 8 | - | | 9,735 |
| Trade creditors | 7 | 8,815 | | 6,916 |
| | | 8,815 | | 16,651 |
| Net current assets | | | 73,438 | 25,326 |
| Net assets | 9 | | 73,438 | 25,326 |
| The funds of the charity | | | | |
| Restricted funds | 10 | | 18,000 | 17,995 |
| Unrestricted funds | | | 55,438 | 7,331 |
| Total charity funds | | | 73,438 | 25,326 |

For the year ended 31 December 2009, the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies;

Directors' responsibilities:

- the members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts;
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf by:

Trustee

Date:

Notes to the Financial Statements

1. Accounting Policies

a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005).

b) Incoming Resources

Grants donations and subscription fees are recognised in full in the Statement of Financial Activities in the year in which they are receivable. This amount covers donations received from the general public, grants and subscriptions from individuals and sponsors.

c) Resources Expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Expenditure is classified under the charity's principal categories of activity. Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on these activities.

d) Costs of generating funds

A proportion of specified staff costs are included in this figure in the accounts.

e) Governance costs

These comprise all costs in the governance of the charity and relate to the independent examiner's report and the accountancy costs incurred in the preparation of the charity's financial statements.

f) Accumulated funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objectives of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with fair allocation of overheads and support costs.

2. Grants

| | Restricted £ | Unrestricted £ | 2009 Total £ | 2008 Total £ |
|--|-----------------|-------------------|-----------------------|--------------------|
| Charles Stewart Mott Foundation | - | 40,068 | 40,068 | 29,920 |
| Ford Foundation | - | 67,665 | 67,665 | 25,275 |
| Avina Stiftung | 23,994 | - | 23,994 | 23,994 |
| King Baudouin Foundation | - | 21,277 | 21,277 | 23,516 |
| Mercator Fund | - | - | - | 11,074 |
| American Express Foundation | - | - | - | 9,037 |
| Bernard van Leer Foundation | - | 8,822 | 8,822 | 7,888 |
| Hewlett Foundation | - | - | - | 5,000 |
| German Marshall Fund of the United States | - | 3,332 | 3,332 | 2,489 |
| Total | <u>23,994</u> | <u>141,164</u> | <u>165,158</u> | <u>138,193</u> |

3. Total Resources Expended

| | Cost of generating funds £ | Magazine costs £ | Publishing costs £ | Governance Costs £ | 2009 Total £ | 2008 £ |
|---|-------------------------------------|------------------------|--------------------------|--------------------------|--------------------|-----------|
| Staff costs (Note 4) | 4,426 | 125,050 | - | - | 129,476 | 112,365 |
| Property costs | - | 10,990 | - | - | 10,990 | 7,528 |
| Other costs | - | 71,896 | 43,439 | - | 115,335 | 105,118 |
| Independent examination and accountancy | - | - | - | 2,335 | 2,335 | 1,515 |
| Total resources expended | 4,426 | 207,936 | 43,439 | 2,335 | 258,136 | 226,526 |

Governance costs include payment for Independent examination of £1,500

4. Staff costs and numbers

Staff costs were as follows:

| | 2009 | 2008 |
|--------------------------------------|-----------------------|----------------|
| | £ | £ |
| Salaries and wages | 109,872 | 94,878 |
| Social security costs | 9,883 | 10,094 |
| Pension contributions | 9,721 | 7,393 |
| | <u>129,476</u> | <u>112,365</u> |
| Total emoluments paid to staff were: | <u>119,593</u> | <u>102,271</u> |

No employee earned more than £60,000 during the year.

None of the trustees received any remuneration or reimbursed expenses during the year (2008 Nil), except David Carrington who received £95 for hotel accommodation.

The average monthly number of employees (full-time equivalent) during the year was as follows:

| | 2009 | 2008 |
|----------------------|-------------------|----------|
| | No. | No. |
| Increasing awareness | 2.5 | 2 |
| Administration | 1.0 | 1 |
| | <u>3.5</u> | <u>3</u> |

5. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

6. Debtors

| | 2009 | 2008 |
|-------------|---------------------|----------|
| | £ | £ |
| Debtors | 688 | - |
| Prepayments | 902 | - |
| | <u>1,590</u> | <u>-</u> |

7. Creditors: amount due within one year

| | 2009 | 2008 |
|------------------------------|---------------------|--------------|
| | £ | £ |
| Trade creditors | 1,595 | 1,449 |
| Taxation and social security | 2,975 | 2,653 |
| Other creditors | 1,635 | 1,014 |
| Accruals | 2,610 | 1,800 |
| | <u>8,815</u> | <u>6,916</u> |

8. Loans

| | | |
|--|----------|--------------|
| Amount due to Network European Foundations for Innovative Co-operation (NEF) | <u>-</u> | <u>9,735</u> |
|--|----------|--------------|

The loan was without interest and is a draw down from the "Alliance Guarantee Fund" of €300,000 established by NEF. The figure represents APT's annual budget and it has been agreed that 15% will be made available to APT in case of cashflow difficulties.

9. Analysis of net assets between funds

| | Cash at bank £ | Debtors £ | Creditors £ | Total funds £ |
|--|----------------------|---------------------|-----------------------|------------------------------|
| Unrestricted Funds | 62,668 | 1,590 | (8,815) | 55,443 |
| Restricted Funds | <u>17,995</u> | <u>-</u> | <u>-</u> | <u>17,995</u> |
| Net assets at the end of the year | <u>80,663</u> | <u>1,590</u> | <u>(8,815)</u> | <u>73,438</u> |

10. Movement in funds

| | At the start of the year £ | Incoming resources £ | Outgoing resources £ | At the end of the year £ |
|--|-------------------------------------|----------------------------|----------------------------|---|
| Restricted funds: | | | | |
| AVINA Foundation - Development of Spanish edition | <u>17,995</u> | <u>23,994</u> | <u>23,989</u> | <u>18,000</u> |
| Total restricted funds | <u>17,995</u> | <u>23,994</u> | <u>23,989</u> | <u>18,000</u> |
| Unrestricted general funds: | <u>7,331</u> | <u>282,254</u> | <u>234,147</u> | <u>55,438</u> |
| Total funds | <u>25,326</u> | <u>306,248</u> | <u>258,136</u> | <u>73,438</u> |

Purpose of restricted funds

AVINA Foundation - Development of Spanish edition The fund is to translate Alliance magazine into Spanish and to produce a Latin America bulletin covering news and developments from the region.